



Fundação  
Joaquim  
Nabuco   
Editora Massangana

Volume 35  
Número 1  
2011

# CIÊNCIA TRÓPICO





Volume 35  
Número 1  
2011

# CIÊNCIA TROPICO

**Dilma Rousseff**  
Presidente da República  
**Aloizio Mercadante**  
Ministro da Educação

**Fernando Freire**  
Presidente da Fundação Joaquim Nabuco  
**Paulo Gustavo**  
Editor da Editora Massangana

**Editora**  
Alexandrina Sobreira de Moura  
**Diretoria de Pesquisas Sociais**

**Conselho Editorial**  
**Esther Caldas Bertoletti**  
Fundação Biblioteca Nacional e Projeto Resgate –  
Secretaria de Articulação Institucional/Ministério da Cultura  
**Cátia Lubambo**  
Fundação Joaquim Nabuco  
**João Arriscado Nunes**  
Faculdade de Economia  
e Centro de Estudos Sociais da Universidade de Coimbra  
**José Paulo Chahad**  
Faculdade de Economia e Administração da USP  
**Maria Cecília MacDowel Santos**  
Universidade de São Francisco, Califórnia  
e Centro de Pesquisas Sociais da Universidade de Coimbra  
**Marion Aubrée**  
Centre de Recherche sur le Brésil Contemporain (CRBC)  
et no Centre d'Etudes Interdisciplinaires des Faits Religieux (CEIFR)  
da Ecole des Hautes Etudes en Sciences Sociales (EHESS - Paris)  
**Otto Ribas**  
Faculdade de Arquitetura e Urbanismo da Universidade de Brasília  
**Silvina Carrizo**  
Consejo Nacional de Investigaciones Científicas y Técnicas (CONICET)

## SUMÁRIO

	7-30	Apresentação
	31-48	Introdução
Dedy PERMADI Indonésia	49-76	The decline of neo-liberalism and the rise of neo-keynesianism: a conceptual analysis O declínio do neoliberalismo e a ascensão do neo-keinesianismo: uma análise conceitual La decadencia del neoliberalismo y la ascensión del neokeinesianismo: un análisis conceptual
José Francisco Puello SOCARRÁS Argentina	77-100	A brief history of anti-neoliberalism: South American political economy and development paradigms in the XXI Century Uma breve história do antineoliberalismo: Economia política da América do Sul e os paradigmas de desenvolvimento no século XXI Una breve historia del antineoliberalismo: la economía política Sudamericana y los paradigmas de desarrollo en el siglo XXI
Karla Díaz MARTÍNEZ Venezuela	101-144	La diplomacia de los pueblos, relaciones internacionales alternativas desde el Sur A diplomacia dos povos, relações internacionais alternativas a partir do Sul The diplomacy of people, international relations alternatives from South
Siphesihle DUMISA África do Sul	145-166	Perspectives from the contested terrains of Africa: intellectualism, development and social movements Perspectivas dos terrenos em litígio da África: intelectualismo, desenvolvimento e movimentos sociais

ISSN 0304-2685

Ciência & Trópico	Recife	v. 35	n. 1	p.1 -321	jan./jun.	2011
-------------------	--------	-------	------	----------	-----------	------

		Perspectivas de los territorios en disputa en África: intelectualismo, desarrollo y movimientos sociales
Workineh KELBESSA Etiópia	167-214	Rethinking development: the need for ethics in development theory and practice Repensando o desenvolvimento: a necessidade da ética no desenvolvimento teórico e prático Repensando el desarrollo: la necesidad de la ética en el desarrollo teórico y práctico
Rogério Gimenes GIUGLIANO Brasil	215-238	Space and development: a non-hegemonic view Espaço e desenvolvimento: uma visão não hegemônica Espacio y desarrollo: una visión no hegemónica
Assem ABUHATAB Egito	239-258	China-Africa economic partnership: a win-win game? Parceria econômica China-África: um jogo vantajoso a todos? Asociación económica China-África: un juego ventajoso para todos?
Demba Moussa DEMBELE Senegal	259-278	African perspective on the crisis of global capitalism Perspectiva africana sobre a crise do capitalismo global Perspectiva africana sobre la crisis del capitalismo global
Tara RUTTENBERG Costa Rica	279-326	Economic and social policy in post-neoliberal Latin America: analyzing impact on poverty, inequality and social wellbeing Política econômica e social na América Latina pós liberal: analisando o impacto na pobreza, desigualdade e bem-estar social Política económica y social en una América Latina pos liberal: análisis del impacto sobre la pobreza, la desigualdad y el bienestar social

© 2011, Fundação Joaquim Nabuco

Todos os direitos reservados, proibida a reprodução por meios eletrônicos, fotográficos, gravação ou quaisquer outros, sem permissão por escrito da Fundação Joaquim Nabuco.

E-mail: [pesquisa@fundaj.gov.br](mailto:pesquisa@fundaj.gov.br)  
<http://www.fundaj.gov.br>

*Pede-se permuta  
On demande l'échange  
We ask for exchange  
Pidese permuta  
Si richiede lo scambio  
Man bittet um Austausch  
Intershangho dezirata*

Diagramação: *Denise Simões - EDUFPE*

*Edson de Araújo Nunes*

Revisão linguística: *Solange Carvalho, Maria Eduarda Alencar e Gabriela Medeiros*

Projeto da capa: *Editora Massangana*

Ilustração da capa: *Mapa cedido por Alexandrina Sobreira, de seu acervo pessoal*

Ciência & Trópico - Recife: Fundação Joaquim Nabuco  
1973 - Semestral

Continuação do Boletim do Instituto Joaquim Nabuco de Pesquisas Sociais (v.35-1), 1952-1971. A partir do volume 8 que corresponde ao ano de 1980, o Instituto Joaquim Nabuco de Pesquisas Sociais passou a se denominar Fundação Joaquim Nabuco.

ISSN 0304-2685  
CDU 3: 061.6(05)



## APRESENTAÇÃO

Os artigos incluídos nos três volumes da *Revista Ciência & Trópico* foram feitos na Quinta Escola de Verão Sul-Sul cuja temática focalizou *Repensar o Desenvolvimento: Alternativas Regionais e Globais para o Desenvolvimento no Sul*, que ocorreu no Recife, em maio de 2012, no contexto do Programa de Colaboração Acadêmica entre África, América Latina e Ásia. A Escola de Verão, coordenada pela Associação de Estudos Políticos e Internacionais da Ásia (Apisa), pelo Conselho Latinoamericano de Ciências Sociais (Clacso) e pelo Conselho para o Desenvolvimento da Pesquisa em Ciências Sociais da África (Codesria), e, com o aval da Agência Sueca para o Desenvolvimento e a Cooperação Internacional (Asdi), foi organizada conjuntamente com a Fundação Joaquim Nabuco (Fundaj). Um dos eixos principais de trabalho foi o desafio de formar jovens acadêmicos apesar dos diversos problemas que afrontam os países do Sul.

Os artigos selecionados para a *Revista Ciência & Trópico* foram apresentados na Fundação Joaquim Nabuco e representam as contribuições originais para repensar o desenvolvimento e os dilemas



que o Sul atualmente enfrenta. É um tema crucial que suscita novas análises com o propósito de encontrar várias soluções e críticas para situações sociais.

Os anos de ajuste estrutural se caracterizaram por uma fixação de indicadores macroeconômicos estabelecidos pelos dogmáticos neoliberais como eixos centrais para a construção do bem-estar econômico e para fortalecer a confiança dos investidores. Além disso, a planificação sistemática nacional, após o crescimento econômico e o desenvolvimento, foi substituída pela confiança no livre mercado que, segundo insistiam as instituições de Bretton Woods, era o único caminho viável para a transformação econômica no Sul. Vale acrescentar que o Estado era implacavelmente atacado e se realizavam esforços audazes para deixar de legitimá-lo como agente no processo de desenvolvimento econômico. Ainda mais preocupante foi a erosão sistemática do desenho de políticas e das capacidades políticas no Sul, assim como a colocação da tomada de decisões econômicas, fundamentais nas instituições financeiras internacionais ou, no caso de permanecer dentro do território, fora do alcance das estruturas democráticas. O desenvolvimento era inconcedível, já que devia ter lugar nas prioridades e estratégias políticas definidas de fora ou na ausência de um Estado que fosse capaz de liderar o processo de elaboração de estratégias coerentes.

Em termos gerais, as Instituições Financeiras Internacionais cumpriram um papel importante na reprodução de assimetrias de um sistema internacional desigual, dando lugar a uma grande transferência de recursos naturais, utilidades, ingressos e riquezas do Sul para o Norte, e, com isso, pondo em risco as possibilidades de alcançar o tão desejado desenvolvimento.

Em face da evidente injustiça predominante no sistema internacional e da ruína econômica das organizações multilaterais

existentes, como os países do Sul podem impulsionar suas estratégias de desenvolvimento contra a pobreza e a exclusão num contexto global adverso?

No que respeita aos países do Sul, o resultado decepcionante de duas ou mais décadas de ajuste estrutural do Fundo Monetário Internacional (FMI)/Banco Mundial, junto com a apreensão sobre os efeitos dos fundamentos neoliberais dos acelerados processos de globalização, foram o contexto (e deram como resultado uma reavaliação) do interesse no tema do desenvolvimento e de como assegurá-lo sobre uma base (social, econômica, política e ecológica) autossustentável. As questões estabelecidas nesse contexto são relativamente concisas e poderiam se resumir a uma grande pergunta: Qual é o marco político requerido para reencaminhar os países do Sul rumo ao desenvolvimento? Que tipo de esquema de desenvolvimento esses países deveriam gerar com o propósito de alcançar o crescimento em um contexto que assegure as possibilidades e perspectivas de manutenção da cidadania? Além do dever de redefinir o cenário global com uma ordem mais democrática e igualitária, talvez a resposta mais adequada a essa pergunta se associe ao nível regional, conjuntamente com acordos e processos de cooperação e integração entre os países do Sul. É por essa razão que, no passado, durante o curso dos programas de ajuste estrutural (energicamente promovidos na África, Ásia, América Latina e no Caribe), os projetos de integração e cooperação regional eram reprovados como opção de política estratégica, em particular para os países em desenvolvimento.

As fontes políticas e geoestratégicas de oposição aos programas de integração e cooperação Sul-Sul eram claras: desdobrou-se todo um repertório de novos argumentos técnicos para complementar a hostilidade política pré-existente para a cooperação

entre os países do Sul. Desse modo, os esquemas regionais Sul-Sul não só eram considerados ineficientes e insuficientes, como também eram acusados de desviar o comércio e distorcer o mercado. Segundo se argumentava, o bem-estar econômico global seria mais acessível a partir da estrutura da Organização Mundial de Comércio e dos esquemas de cooperação Norte-Sul estruturados em torno de um modelo de rede radial (*hub-and-spoke*).

A desaprovação da cooperação regional Sul-Sul, durante os anos de 1980 e 1990, serviu como um fervente impulso para programas de ajuste estrutural em todo o Sul. No entanto, o pobre desempenho dos mesmos programas de ajuste estrutural, junto aos realinhamentos econômicos e geopolíticos internacionais, provocados pelo fim da Guerra Fria entre o Leste e o Oeste, combinaram-se para impulsionar a ideia de regionalismo e incentivar o emprego de renovadas energias nos diversos tipos de esquemas de integração e cooperação em todo o sistema internacional, Norte e Sul. Este ressurgimento se manifestou no Sul global por meio da renovação e/ou racionalização de processos de cooperação e integração existentes, assim como o lançamento de novas iniciativas. Algumas delas foram tentativas de reviver o espírito do regionalismo de Bandung e esforços para alcançar o padrão de desenvolvimento no Sul. Os exemplos mais notáveis se centram no movimento do Fórum Social Mundial e sua campanha por uma globalização alternativa, centrada no povo, a alternativa contra-hegemônica bolivariana de Hugo Chávez para as Américas (Alba), a atual entusiasta União das Nações Sul-Americanas (Unasur) e a busca de uma coordenação estratégica tri-continental, como no caso de IBAS (Índia, Brasil e África do Sul).

Com base nas questões anteriormente mencionadas, mais de quarenta acadêmicos, participantes da Escola de Verão, refletiram e examinaram algumas das vastas contribuições existentes sobre

as alternativas globais e regionais para o desenvolvimento do Sul. Professores e especialistas de 22 países (Argentina, Bolívia, Brasil, Camarões, Colômbia, Costa Rica, Cuba, Egito, Etiópia, Filipinas, Índia, Indonésia, Japão, Malawi, México, Nigéria, Senegal, África do Sul, Tailândia, Uganda, Venezuela e Vietnã) debateram sobre os seguintes eixos temáticos: relações internacionais e cooperação Sul-Sul; repensar as estratégias de desenvolvimento e os movimentos sociais; democratização, educação e religião; diversidade cultural, práticas culturais e mudança política; o papel do Estado e as políticas industriais e comerciais; processos de integração regional entre os países do Sul; e direitos políticos e migrações.

Esses temas foram debatidos com profundidade na referida Escola e, hoje, são expostos nestas publicações por meio das seguintes contribuições: Reconhecendo a religião nos processos de democratização na África Subsaariana: um caso da Nigéria (Abdoulaye Sounaye, Nigéria); O biocarvão: uma energia alternativa para o desenvolvimento nos países do Sahel (Abibatou Banda Fall, Senegal); Diversidade cultural, sistema de conhecimento endógeno e aprendizado para o desenvolvimento africano: múltiplas visões do Sul (Asasira Simon Rwabyoma, Uganda); O papel de IBSA (Índia, Brasil e África do Sul) no sistema internacional atual : Que tipo de desenvolvimento e para quem? (Clarissa Giaccaglia, Argentina); O declínio do neoliberalismo e a ascensão do neokeynesianismo: uma análise conceitual (Dedy Permadi, Indonésia); Perspectiva africana sobre a crise do capitalismo global (Demba Moussa Dembele, Senegal); Dos agentes à agência: juventude urbana e práticas culturais na Colômbia (Estefanía González Vélez, Colômbia); Educação Afro-ecológica: uma estratégia alternativa para o desenvolvimento de países da África Subsaariana (Fatoumata Keita, Mali); Como os regimes políticos e a liberalização do comércio

ajudam a repensar o desenvolvimento na África Central: uma evidência empírica (Gérard Tchouassi, Camarões); Desenvolvimento participativo na sociedade cubana atual: repensando os governos municipais como principal agente para o desenvolvimento a partir de um estudo de caso (Hans Carrillo Guach, Cuba); Uma breve história do antineoliberalismo: economia política da América do Sul e os paradigmas de desenvolvimento no século XXI (José Francisco Puello-Socarras, Argentina); Revisitando dependência e desenvolvimento na América Latina (José Maurício Domingues, Brasil); A diplomacia dos povos, relações internacionais alternativas a partir do Sul (Karla Días Martinez, Venezuela); Os desafios de uma agenda regional para o desenvolvimento. Para um sistema social de inovação no Mercosul: o caso do desenho industrial (Luciano Borgoglio, Argentina); Ampliação dos direitos políticos dos imigrantes: caminhos para uma cidadania desnacionalizada na Cidade de Buenos Aires (Maria Virginia Bonora, Argentina); Reforma Agrária conduzida pelo mercado no Sul Global: histórias, problemas e perspectivas (Mark Stevenson Curry, Filipinas); Unindo o desenvolvimento com a segurança no Sul Global? Uma introdução para a Reforma do Setor de Segurança (RSS) (Mathias Valdez Duffau, Japão); Política Industrial: a experiência boliviana (Roberto del Barco Gamarra, México); Os dekasegi e os descendentes pinoy: as condições de trabalho e a dinâmica dos trabalhadores brasileiros e filipinos nikkeijin migrantes no Japão (Ron Bridget Vilog, Japão); Perspectivas dos terrenos em litígio da África: intelectualismo, desenvolvimento e movimentos sociais (Siphesihle Dumisa, África do Sul); Política econômica e social na América Latina pós-liberal: analisando o impacto na pobreza, desigualdade e bem-estar social (Tara Ruttemberg, Costa Rica); Os condicionantes hegemônicos sobre as alternativas regionais de desenvolvimento no Sul. O caso

do Mercosul e as perspectivas da Alba e a Unasur (Maria Victoria Mutti, Argentina); Repensando o desenvolvimento: a necessidade da ética no desenvolvimento teórico e prático (Workineh Kelbessa, Etiópia).

Assim, como foi vivenciado durante a Quinta Escola de Verão, estes artigos expressam um esforço para promover o ressurgimento e a expansão do pensamento comparativo e das redes interregionais entre jovens acadêmicos do Sul. Os debates entre mais de quarenta participantes da África, América Latina e Ásia ampliaram as perspectivas analíticas e a qualidade dos compromissos científicos. Os artigos presentes nestas publicações da Revista são um reflexo de dita experiência, demonstrando uma grande diversidade de disciplinas, temas, perspectivas metodológicas e representatividade, em termos de países.

O valioso debate e intercâmbio acadêmico expresso nos artigos foi possível graças ao democrático e alto nível acadêmico demonstrado pelos colegas da Fundaj, em especial Fernando José Freire, Alexandrina Sobreira, Cibele Rodrigues e Zarah Lira.

Finalmente, gostaríamos de manifestar nossa profunda gratidão a todos quantos contribuíram para esses números, assim como aos professores e aos colegas que enriqueceram o debate. Eles contribuíram com a qualidade desta publicação. Assim, esperamos que essa seja uma contribuição significativa para se repensar o Sul integrado globalmente. Desejamos fazer uma menção especial à Fundação Joaquim Nabuco, que possibilitou a difusão da produção científica resultante da Escola de Verão, por meio da *Revista Ciência & Trópico*.

Carolina Mera (Clasco)  
Carlos Cardoso (Codesria)  
Julio Teehankee (Apisa)



## PRESENTATION

The articles included in three volumes of the *Ciência & Trópico Journal* have been produced in the frame of the Fifth South-South Summer Institute on Rethinking Development: Global and Regional Alternatives for the Development in the South which was held in the cadre of the Africa/Asia/Latin America Scholarly Collaborative Program, in Recife, May 2012. The Program, coordinated by the Asian Political and International Studies Association (APISA), the Latin American Council of Social Sciences (CLACSO), and the Council for the Development of Social Science Research in Africa (CODESRIA), and supported by the Swedish International Development Cooperation Agency (SIDA), was co-organized with Foundation Joaquim Nabuco (Fundaj). The challenge of training to younger scholars on the diverse problems facing the countries of the South has been a main axe of work.

The articles selected to be included to the *Ciência & Trópico Journal* were presented at the Institute and they are original contributions to an understanding of the Rethinking Development: Global and Regional Alternatives for the Development in the South.



Rethinking development and the dilemmas confronted by the South in contemporary times is a current crucial issue to create new thoughts in order to find solution for many vulnerable and critical social situations.

The structural adjustment years were characterized by a fixation with the macro-economic indicators defined by neo-liberal doctrinaires as being central to the construction of economic well being and to build investor confidence. Furthermore, systematic national planning for economic growth and development was discarded in favor of a reliance on the magic of the free market which, the Bretton Woods institutions insisted, was the only viable path to economic transformation in the South. Needless to add, the state was relentlessly attacked and spirited efforts were made to de-legitimize it as an actor in the economic development process. Perhaps even more disturbing was the systematic erosion of policy making and policy capacities in the South and the location of key macro-economic decision-making levels in the international financial institutions or, if some of them remain at home, beyond the reach of democratic structures. In this framework it was inconceivable that development can ever proceed on the basis of externally-defined policy priorities and strategies or in the absence of a state that was able to lead the process of formulation of coherent strategies.

In a global context, it can be asserted that the International Financial Institutions fulfilled an important role in reproducing the asymmetries of an extraordinarily unequal international system, facilitating a huge transfer of natural resources, rents, incomes, and riches from the South to the North, and therefore, compromising the possibilities to reach the so required development. In the face of the blatant injustice prevailing in the international system and the bankruptcy of the existing multilateral organizations, how can

the Southern countries promote their development strategies against poverty and exclusion in an adverse global context?

Insofar as the countries of the South are concerned, the disappointing outcome of two decades or more of International Monetary Fund (IMF) structural adjustment, coupled with apprehensions about the effects of the neo-liberal underpinnings of the accelerated processes of globalization, have both provided a context for – and resulted in a revival of – interest in the question of development and how to secure it on a self-sustained – social, economic, political and ecological – basis. The issues which are posed in this context are fairly straightforward and can be summarized in one grand question: what policy framework is required in order to return the countries of the South to the path of development and what type of development agenda do these countries have to generate in order to achieve growth in a context that secures the livelihood opportunities and prospects of the citizenry? Besides the call to redefine the global scenario into a more democratic and equitable order, maybe the most suitable answer to that query is coupled to the regional level, along with the cooperation and integration agreements and processes among the countries of the South. That it is why, in the past, in the context of the structural adjustment programs –vigorously promoted across Africa, Asia, Latin America and the Caribbean, the regional integration and cooperation projects were distinctly discouraged as a strategic policy option, particularly for developing countries. The political and geo-strategic sources of opposition to South-South integration and cooperation schemes were clear enough: an array of new technical arguments was deployed to complement pre-existing political hostility to regional cooperation among the countries of the South. In this way, South-South regional schemes were not only considered to be inefficient and sub-optimal, they were also treated

as trade-diverting and market-distorting; global economic welfare, it was argued, would be better served by the World Trade Organization framework and mixed North-South cooperation schemes structured around a hub-and-spoke model.

The discouragement of South-South regional cooperation during the 1980s and 1990s went hand-in-hand with the vigorous promotion of structural adjustment programs across the South. However, the poor record of the structural adjustment programs themselves, together with the international geo-political and economic re-alignments arising from the end of the old East-West Cold War combined to revive the idea of regionalism and to spur the investment of new energies in various kinds of integration and cooperation schemes across the international system, North and South. This revival was manifested across the global South through the revamping and/or rationalization of existing cooperation and integration schemes, as well as the launching of new initiatives; some of which attempts at the revival of the spirit of Bandung regionalism and efforts to accomplish the pattern of development in the South. The most prominent of these are centered on the World Social Forum movement and its campaign for an alternative, people-driven globalization, Hugo Chavez's counter-hegemonic Bolivarian alternative for the Americas (Alba), the currently vigorous South American Nation Union (Unasur) and the pursuit of tri-continental strategic coordination as in the case of the IBSA (India, Brazil and South Africa).

Taking into account the above mentioned issues, more than 40 scholars participating in the Summer Institute reflected on these matters and examined some of the copious existing inputs about the global and regional alternatives for the development in the South. Professors and specialists coming from 22 countries (Argentina,

Bolivia, Brazil, Cameroon, Colombia, Costa Rica, Cuba, Egypt, Ethiopia, The Philippines, India, Indonesia, Japan, Malawi, Mexico, Niger, Senegal, South Africa, Thailand, Uganda, Venezuela and Vietnam) participated debating in the following thematic axes: international relations and South-South cooperation; rethinking development strategies and social movements; democratization, education and religion; cultural diversity, cultural practices and political change; the role of the State and the industrial and trade policies; regional integration processes among countries of the South; and political rights and migrations.

These themes were discussed deeply in the Institute and are offer today in this publication through all contributions: *Recognizing Religion in Democratization Processes in Sub-Saharan Africa: A Case from Niger* (Abdoulaye Sounaye, Niger), *The Biochar: an alternative energy for the development of the Sahel countries* (Abibatou Banda Fall, Senegal), *Cultural Diversity, Endogenous Knowledge Systems and Learning for African Development: Multiple Views from the South* (Asasira Simon Rwabyoma, Uganda), *El rol de IBSA (Índia, Brasil y Sudáfrica) en El sistema internacional contemporáneo: ¿ Qué tipo de desarrollo y para quién?* (Clarisa Giaccaglia, Argentina), *The Decline of Neo-Liberalism and the Rise of Neo-Keynesianism: A Conceptual Analysis* (Dedy Permandi, Indonesia), *African perspective on the crisis of global capitalism* (Demba Moussa Dembele, Senegal), *De los agentes a la agencia: jóvenes urbanos y practicas culturales en Colombia* (Estefania Gonzalez Velez, Colombia), *Toward na Afric-ecological education: Na alternative strategy for the development of Sub-Saharan African countries* (Fortoumata Keita, Mali), *How political regime and trade liberalization help to rethink development in Central Africa: Empirical evidence* (Gerard Tchouassi, Camaroes), *Desarrollo participativo em La sociedad cubana actual: repensando*

los gobiernos municipales como principal actor para El desarrollo, desde um estúdio de caso (Hans Carrillo Guach, Cuba), A brief history of anti-neoliberalism: South American Political Economy and Development Paradigms in the XXI Century (Jose Francisco Puello-Socarras, Argentina), Sociological theory, history, global modernity (Jose Mauricio Dominguez, Brasil), La Diplomacia de los Pueblos, relaciones internacionales alternativas desde el Sur Karla Dias Martines, Venezuela), Los desafios de una agenda regional para el desarrollo. Hacia un sistema social de innovación en el Mercosur: el caso del diseño industrial (Luciano Borboblio, Argentina), Ampliación de los Derechos Políticos de los inmigrantes: caminos hacia una ciudadanía desnacionalizada en la Ciudad de Buenos Aires (Maria Virginia Bonora, Argentina), Market Led Agrarian Reform in the Global South: Histories, Issues and Prospects (Mark Stevenson Curry, Filipinas), Linking Development with Security in the Global South? An introduction to the Security Sector Reform (Mathias Valdez Duffau, Japon), Política industrial, La experiênciã boliviana (Robertodel Barco Gamarra, México), The Dekasegi and Pinoy Descendants: Labor Conditions and Migrant Dynamics of Brazilian and Filipino Nikkeijin Workers in Japan (Ron Bridget Vilog, Japón), Perspectives from the Contested Terrains of Africa: Intellectualism, Development and Social Movements Siphesihle Dumisa, Sudafrica), Economic and Social Policy in Post-Neoliberal Latin America: Analyzing Impact on Poverty, Inequality and Social Wellbeing (Tara Ruttemberg, Costa Rica), Los condicionantes hegemónicos sobre las alternativas regionales de desarrollo en el Sur. El caso del MERCOSUR y las perspectivas del Alba y la Unasur (Victoria Mutti, Argentina), Rethinking Development: The Need for Ethics in Development Theory and Practice (Workineh Kelbessa, Etiopia).

As it was the experience in the Seminar, these articles show the effort to promote a revival and expansion of comparative thinking and cross-regional networking among a younger generation of Southern scholars. The debates between more than 40 people from Africa, Latin America and Asia have broadened the analytical perspectives and the overall quality of the scientific engagements of them. The articles of the book are mirror of that experience, showing a greater diversity of disciplines, themes, methodological perspectives and representativeness in terms of countries.

This rich debate and academic exchange reflected in these articles was possible thanks to the democratic, plural and high quality academic level offered by the colleagues of Fundaj, specially Alexandrina Sobreira (Scientific Coordinator), Cibele Rodrigues (researcher) and Zarah Lira (Coordinatin of Institutional Sector).

Finally, we would like deeply thanks to all the contributors of this publication, and also professors and colleagues who enriched the debate. They made possible the quality of the volume of this journal that we expect will be an important contribution to rethink the South integrated into the global world. In this sense we would like to make a special recognition to Fundaj who make possible to disseminate the production of the Seminar in the *Ciência & Trópico Journal*.

Carolina Mera (Clacso)  
Carlos Cardozo (Codesria)  
Julio Teehankee (Apisa)



## PRESENTACIÓN

Los artículos incluidos en estos volúmenes de la *Revista Ciência & Trópico* fueron generados en el marco de la 5ta. Escuela de Verano Sur-Sur sobre Repensar el Desarrollo: Alternativas Regionales y Globales para el Desarrollo en el Sur que tuvo lugar en Recife, en mayo de 2012, en el contexto del Programa de Colaboración Académica entre África, América Latina y Asia. La Escuela de Verano, coordinada por la Asociación de Estudios Políticos e Internacionales de Asia (APISA), el Consejo Latinoamericano de Ciencias Sociales (CLACSO) y el Consejo para el Desarrollo de la Investigación en Ciencias Sociales de África (CODESRIA), y avalada por la Agencia Sueca para el Desarrollo y la Cooperación Internacional (ASDI), fue organizada conjuntamente con la Fundação Joaquim Nabuco (FUNDAJ). Un eje principal de trabajo ha sido el desafío de formar jóvenes académicos en los diversos problemas que afrontan los países del Sur.

Los artículos seleccionados para la *Revista Ciência & Trópico* fueron presentados en la Escuela y representan contribuciones



originales hacia un entendimiento sobre Repensar el Desarrollo: Alternativas Globales y Regionales para el Desarrollo en el Sur. Repensar el desarrollo y los dilemas a los que actualmente se enfrenta el Sur es un tema crucial a la hora de generar nuevos análisis con el propósito de encontrar soluciones a las múltiples y críticas situaciones sociales.

Los años de ajuste estructural se caracterizaron por una fijación con los indicadores macro-económicos establecidos por los dogmáticos neoliberales como ejes centrales para la construcción del bienestar económico y para fortalecer la confianza de los inversores. Asimismo, la sistemática planificación nacional en pos del crecimiento económico y el desarrollo fue reemplazada por la confianza en la magia del libre mercado que, según insistían las instituciones de Bretton Woods, era el único camino viable hacia la transformación económica en el Sur. Resta agregar que el Estado era implacablemente atacado y se realizaban denodados esfuerzos en torno a deslegitimarlo como actor en el proceso de desarrollo económico. Quizás aún más preocupante era la erosión sistemática del diseño de políticas y de las capacidades políticas en el Sur, así como la colocación de la toma de decisiones económicas fundamentales en instituciones financieras internacionales o, en el caso de permanecer dentro del territorio, fuera del alcance de las estructuras democráticas. El desarrollo era inconcebible, ya que debía tener lugar sobre la base de prioridades y estrategias políticas definidas desde afuera o en ausencia de un Estado que fuera capaz de liderar el proceso de elaboración de estrategias coherentes.

En términos globales, las Instituciones Financieras Internacionales cumplieron un rol importante en reproducir las asimetrías de un sistema internacional extraordinariamente desigual, dando lugar a una enorme transferencia de recursos naturales,

utilidades, ingresos y riquezas desde el Sur hacia el Norte, y, con ello, poniendo en riesgo las posibilidades de alcanzar el ansiado desarrollo.

De cara a la evidente injusticia predominante en el sistema internacional y a la bancarrota de las organizaciones multilaterales existentes, ¿cómo pueden los países del Sur impulsar sus estrategias de desarrollo contra la pobreza y la exclusión en un contexto global adverso?

En lo que concierne a los países del Sur, el decepcionante resultado de dos o más décadas de ajuste estructural del Fondo Monetario Internacional (FMI)/Banco Mundial, junto con la aprensión en torno a los efectos de los fundamentos neoliberales de los acelerados procesos de globalización, fueron el contexto (y dieron como resultado una reaparición) del interés en el tema del desarrollo y de cómo asegurarlo sobre una base (social, económica, política y ecológica) autosustentable. Las cuestiones planteadas en este contexto son relativamente concisas y podrían resumirse en un gran interrogante: ¿Cuál es el marco político requerido a fin de reencauzar los países del Sur hacia la senda del desarrollo? ¿Qué tipo de esquema de desarrollo deberían generar estos países con el propósito de lograr el crecimiento en un contexto que asegure las posibilidades y perspectivas de manutención de la ciudadanía? Además del imperativo de redefinir el escenario global con un orden más democrático e igualitario, tal vez la respuesta más adecuada a esta pregunta se pueda asociar al nivel regional, conjuntamente con acuerdos y procesos de cooperación e integración entre los países del Sur. Es por esta razón que, en el pasado, durante el transcurso de los programas de ajuste estructural (enérgicamente promovidos en África, Asia, América Latina y el Caribe), los proyectos de integración y cooperación regional eran manifiestamente reprobados como opción de política estratégica, en particular para los países en desarrollo. Las fuentes políticas y geoestratégicas de oposición

a los programas de integración y cooperación Sur-Sur eran claras: se desplegó todo un repertorio de nuevos argumentos técnicos para complementar la hostilidad política preexistente hacia la cooperación entre los países del Sur. De este modo, los esquemas regionales Sur-Sur no sólo eran considerados ineficientes e insuficientes, sino que, además, eran acusados de desviar el comercio y distorsionar el mercado. Según se argumentaba, el bienestar económico global sería más asequible desde la estructura de la Organización Mundial de Comercio y los esquemas de cooperación Norte-Sur estructurados en torno de un modelo de red radial (*hub-and-spoke*).

La desaprobación de la cooperación regional Sur-Sur, durante los 1980 y 1990, fue de la mano con el ferviente impulso de programas de ajuste estructural en todo el Sur. Sin embargo, el pobre desempeño de los mismos programas de ajuste estructural, junto con los realineamientos económicos y geopolíticos internacionales, provocados por el final de la Guerra Fría entre el Este y el Oeste, se combinaron para reflotar la idea del regionalismo y para incentivar el empleo de renovadas energías en diversos tipos de esquemas de integración y cooperación en todo el sistema internacional, Norte y Sur. Este resurgimiento se puso de manifiesto en el Sur global por medio de la renovación y/o racionalización de procesos de cooperación e integración existentes, así como el lanzamiento de nuevas iniciativas. Algunas de ellas fueron intentos por revivir el espíritu del regionalismo de Bandung y esfuerzos por alcanzar el patrón de desarrollo en el Sur. Los ejemplos más prominentes se centran en el movimiento del Foro Social Mundial y su campaña por una globalización alternativa, centrada en el pueblo, la alternativa contrahegemónica Bolivariana de Hugo Chávez para las Américas (ALBA), la actualmente entusiasta Unión de Naciones Sudamericanas (UNASUR) y la búsqueda de una coordinación estratégica tri-continental, como en el caso de IBSA (India, Brasil y Sudáfrica).

Con base a las cuestiones anteriormente mencionadas, más de 40 académicos participantes de la Escuela de Verano reflexionaron y examinaron algunos de los vastos aportes existentes acerca de las alternativas globales y regionales para el desarrollo en el Sur. Profesores y especialistas de 22 países (Argentina, Bolivia, Brasil, Camerún, Colombia, Costa Rica, Cuba, Egipto, Etiopía, Filipinas, India, Indonesia, Japón, Malawi, México, Nigeria, Senegal, Sudáfrica, Tailandia, Uganda, Venezuela y Vietnam) debatieron acerca de los siguientes ejes temáticos: relaciones internacionales y cooperación Sur-Sur; repensar las estrategias de desarrollo y los movimientos sociales; democratización, educación y religión; diversidad cultural, prácticas culturales y cambio político; el rol del Estado y las políticas industriales y comerciales; procesos de integración regional entre los países del Sur; y derechos políticos y migraciones.

Estos temas fueron debatidos en profundidad en la Escuela y, hoy, son expuestos en la presente publicación por medio de las siguientes contribuciones: Reconocer la Religión en los Procesos de Democratización en África Subsahariana: el Caso de Níger (Abdoulaye Sounaye, Níger); El Biocarbón: energía alternativa para el desarrollo de los países del Sahel (Abibatou Banda Fall, Senegal); Diversidad Cultural, Sistemas de Conocimiento Endógeno y Aprendizaje para el Desarrollo Africano: Múltiples Visiones desde el Sur (Asasira Simon Rwabyoma, Uganda); El Rol de IBSA (India, Brasil y Sudáfrica) en el sistema internacional actual: ¿Qué tipo de desarrollo y para quién? (Clarisa Giaccaglia, Argentina); La Decadencia del Neoliberalismo y el Auge del Neo-keynesianismo: un Análisis Conceptual (Dedy Permandi, Indonesia); Una Perspectiva Africana sobre la Crisis del Capitalismo Global (Demba Moussa Dembele, Senegal); De los agentes a la agencia (Estefanía González Vélez, Colombia); Hacia una educación ecológica africana: una

estrategia alternativa para el desarrollo de los países de África Subsahariana (Fatoumata Keita, Mali); Cómo el régimen político y la liberación del comercio contribuyen a repensar el desarrollo en África Central: evidencia empírica (Gerard Tchouassi, Camerún); Desarrollo participativo en la sociedad cubana actual: repensando los gobiernos municipales como principal actor para el desarrollo, desde un estudio de caso (Hans Carrillo Guach, Cuba); Una breve historia del anti-neoliberalismo: la Economía Política Sudamericana y los Paradigmas de Desarrollo en el Siglo XXI (José Francisco Puello-Socarras, Argentina); Revisitando la Dependencia y el Desarrollo en América Latina (Jose Mauricio Dominguez, Brasil); la Diplomacia de los Pueblos, relaciones internacionales alternativas desde el Sur (Karla Dias Martínez, Venezuela); Los desafíos de una agenda regional para el desarrollo. Hacia un sistema social de innovación en el MERCOSUR: el caso del diseño industrial (Luciano Borgoglio, Argentina); Ampliación de los Derechos Políticos de los inmigrantes: caminos hacia una ciudadanía desnacionalizada en la Ciudad de Buenos Aires (Maria Virginia Bonora, Argentina); Reforma Agraria Impulsada por el Mercado en el Sur Global: Historias, Problemas y Perspectivas (Mark Stevenson Curry, Filipinas); ¿Asociar el Desarrollo con la Seguridad en el Sur Global? Introducción a la Reforma del Sector de la Seguridad (RSS) (Mathias Valdez Duffau, Japón); Política Industrial: la experiencia boliviana (Roberto del Barco Gamarra, México); Los Descendientes de Dekasegi y Pinoy: Condiciones Laborales y Dinámica de las migraciones de los trabajadores Brasileños y Filipino Nikkeijin en Japón (Ron Bridget Vilog, Japón); Perspectivas desde los Territorios en disputa en África: Intelectualismo, Desarrollo y Movimientos Sociales (Siphesihle Dumisa, Sudáfrica); Política Económica y Social en una América Latina Posneoliberal: Análisis del impacto sobre la Pobreza, la

Desigualdad y el Bienestar social (Tara Ruttemberg, Costa Rica); Condicionantes hegemónicos sobre las alternativas regionales de desarrollo en el Sur. El caso del MERCOSUR y las perspectivas del ALBA y la UNASUR (María Victoria Mutti, Argentina); Repensar el Desarrollo: La Necesidad de la Ética en la Teoría y la Práctica del Desarrollo (Workineh Kelbessa, Etiopía).

Tal como se vivenció durante la Escuela de Verano, estos artículos expresan un esfuerzo por promover el resurgimiento y la expansión del pensamiento comparativo y de las redes interregionales entre jóvenes académicos del Sur. Los debates entre más de 40 participantes de África, América Latina y Asia ampliaron las perspectivas analíticas y la calidad de los compromisos científicos. Los artículos comprendidos en esta Revista son un reflejo de dicha experiencia, demostrando una gran diversidad de disciplinas, temas, perspectivas metodológicas y representatividad en términos de países.

El valioso debate e intercambio académico expresado en los artículos fue posible gracias al democrático, plural y alto nivel académico demostrado por los colegas de la FUNDAJ, en especial Fernando José Freire, Alexandrina Sobreira, Cibele Rodrigues y Zarah Lira.

Finalmente, quisiéramos manifestar nuestra profunda gratitud a todos aquellos que contribuyeron con esta publicación, así como a profesores y colegas que enriquecieron el debate. Ellos contribuyeron a la calidad de esta publicación. Así, esperamos que este sea un aporte significativo para repensar el Sur integrado globalmente. Deseamos hacer una mención especial a FUNDAJ, que posibilitó la difusión de la producción de la Escuela a través de la *Revista Ciência & Trópico*.

Carolina Mera, CLACSO  
Carlos Cardoso, CODESRIA  
Julio Teehankee, APISA



## INTRODUÇÃO

Uma vez apresentado o contexto geral na Quinta Escola de Verão Sul-Sul sobre o tema Repensar o Desenvolvimento, cabe uma reflexão sobre a coerência temática dos artigos apresentados nestes três números da *Revista Ciência & Trópico*. Aliada à compreensão da trajetória e dos temas da Conferência: Alternativas Globais e Regionais para o Desenvolvimento no Sul, segue breve análise sobre as diversas abordagens que vão de perspectivas teóricas a estudos de caso na África, Ásia, América Latina e Caribe.

A busca pelo desenvolvimento tem sido um dos elementos centrais que caracterizam a história moderna do Sul Global. Paralelamente às transformações políticas e sociais que ocorreram como processo secundário, a história de muitos desses países pode ser resumida como uma construção em busca do desenvolvimento econômico. A base de tais afirmações vem sendo constantemente desafiada. Os próprios conceitos em que se baseiam são frequentes temas de debate, por isso trazemos uma perspectiva diferente sobre os teóricos e as análises que deles derivam.



O próprio conceito de desenvolvimento tem sido objeto de discussão, como argumenta Workineh Kelbessa – *Rethinking development: the need for ethics in development theory and practice* – ao afirmar que “teóricos do desenvolvimento têm se preocupado com questões sociais e econômicas e ignorado o bem-estar humano e ambiental”. Da mesma forma, o artigo de Rogério Giugliano – *Space and development: a non-hegemonic view* – questiona a validade do conceito tradicional de desenvolvimento como “o fluxo hegemônico que tem suas origens no ator do Norte”. Argumenta, nesse sentido, que progresso e mudança também podem ser o resultado de relações e fluxos não hegemônicos.

O conceito de desenvolvimento não somente tem sido objeto de controvérsias, como também o presumido caminho para diversos procedimentos. Tanto acadêmica quanto empiricamente, a trajetória para o desenvolvimento abrangeu uma vasta gama de teorias, ideologias e empreendimentos coletivos. Globalmente, podemos considerar essa busca pelo desenvolvimento como um dos motivadores para as experiências coletivas que foram vistas em suas mais peculiares formas no Sul global. Alguns desses tópicos são abordados em trabalhos como o de Dedy Permadi, *The decline of neo-liberalism and the rise of neo-keynesianism: a conceptual analysis*, bem como no de José Francisco Puello-Socarrás, *A brief history of anti-neoliberalism: South American political economy and development paradigms in the XXI Century*.

O debate sobre tais perspectivas baseia-se numa discussão teórica que permeia os três volumes da *Revista Ciência & Trópico*, seja como uma matéria subjacente, ou como um elemento constante nas análises elaboradas. Essas considerações vão além de paradigmas teóricos, que emergem das preocupações pragmáticas de decisões governamentais e relações sociais. É justamente para resolver essas

particularidades que os artigos mesclam teoria e empiria no cenário internacional.

Os trabalhos de análise mais ampla, tais como *La diplomacia de los pueblos, relaciones internacionales alternativas desde el Sur*, de Karla Dias Martinez, Venezuela; *African perspective on the crisis of global capitalism*, de Demba Moussa Dembele, Senegal; e “*El rol de IBSA (Índia, Brasil y Sudáfrica) en el sistema internacional contemporáneo: ¿Qué tipo de desarrollo y para quién?*”, de Clarisa Giaccaglia, Argentina, contribuem para a construção de um novo quadro analítico baseado na perspectiva do excluído Sul Global. Eles revisitam diferentes áreas do conhecimento por meio da incorporação de atores excluídos e de casos que introduzem uma nova perspectiva sobre as verdades aceitas.

A diversidade geográfica dos autores e dos estudos de caso também foi uma variável importante na conformação de todo o debate. Foi feito um esforço não apenas para incluir uma grande variedade de países e regiões, mas também para enfatizar repetidamente os locais excluídos do debate global. A perspectiva africana, em particular, sobre o desenvolvimento, também foi destacada por meio de artigos, como: *Toward an Afric-ecological education: an alternative strategy for the development of Sub-Saharan African countries*, de Fatoumata Keita, Mali; *How political regime and trade liberalization help to rethink development in Central Africa: Empirical evidence*, de Gerard Tchouassi, Camarões; e *Perspectives from the Contested Terrains of Africa: Intellectualism, Development and Social Movements*, de Siphesihle Dumisa, África do Sul.

A integração regional foi um dos temas de destaque na Escola de Verão pela dimensão que a territorialidade representa na agenda global Sul-Sul. Há uma grande variedade de perspectivas: desde revisitando a teoria da dependência clássica, que orientou grande

parte dos processos de integração regional na América Latina, até documentos que discutem a relação entre os novos paradigmas econômicos e do conhecimento estabelecido na integração. A experiência latino-americana é particularmente enfatizada em artigos como *Los condicionantes hegemónicos sobre las alternativas regionales de desarrollo en el Sur. El caso del Mercosur y las perspectivas del Alba y la Unasur*, de Victoria Mutti, Argentina; e *Los desafíos de una agenda regional para el desarrollo. Hacia un sistema social de innovación en el Mercosur: el caso del diseño industrial*, de Luciano Borgoglio, Argentina.

Outros temas como segurança, religião, democratização, desigualdade e cultura e sua relação com o conceito de desenvolvimento estão incluídos, não apenas por meio da diversidade dos casos abrangidos, mas também pela gama de expressões assumidas nas regiões do Sul global. Alguns desses dados surgem em artigos como *Desarrollo participativo em La sociedad cubana actual: repensando los gobiernos municipales como principal actor para el desarrollo, desde um estudio de caso*, de Hans Carrillo Guach, Cuba; *Market Led Agrarian Reform in the Global South: Histories, Issues and Prospects*, de Mark Stevenson Curry, Filipinas; *Linking Development with Security in the Global South? An introduction to the Security Sector Reform*, de Mathias Valdez Duffau, Japão; e *Política industrial, La experiencia boliviana*, de Roberto del Barco Gamarra, México, quando permitem, mediante experiências específicas, um novo olhar sobre as construções teóricas do debate sobre o desenvolvimento.

A presente edição especial da *Revista Ciência & Trópico*, com três volumes dedicados ao diálogo Sul-Sul bem como a Escola de Verão que a originou, estabelecem uma base teórica para subsidiar a discussão dos acontecimentos atuais e dos casos empíricos sobre os

assuntos propostos por professores e alunos Clacso, Codesria e Apisa. Assim, três principais linhas temáticas podem ser identificadas. A primeira estabelece uma abordagem plural para as bases da teoria do desenvolvimento, sempre adotando uma perspectiva alternativa do Sul. A segunda apresenta artigos voltados para análise internacional e estabelecimento de generalizações, a partir do diálogo Sul-Sul e, finalmente, uma terceira linha que apresenta especificidades do Norte Global, frequentemente ignoradas no Sul.

Embora nem todos os artigos contidos nestes volumes tenham sido mencionados, é pertinente salientar que todos contribuíram para construir um espectro mais amplo de debate Sul-Sul. Cabe, portanto um agradecimento aos respectivos autores e ao Clacso, à Apisa e à Codesria que instituíram com maestria o Programa de Colaboração Acadêmica entre África, Ásia, América Latina e Caribe.

Para finalizar, é relevante destacar que, para a Fundação Joaquim Nabuco, este Evento foi de extrema importância para uma instituição que vem contribuindo para a disseminação do conhecimento plural, científico e interdisciplinar no contexto internacional.

Alexandrina Sobreira de Moura  
Editora da *Revista Ciência & Trópico*  
e Coordenadora Científica da Fundação Joaquim Nabuco (Fundaj)  
na Quinta Escola de Verão Sul-Sul



## INTRODUCTION

Once presented the general context in which the Fifth South-South Summer Institute about Rethinking Development occurred, as well as the trajectory of some the South-South debate and particularly of the present initiative, one last word must be said about the thematic coherence of the articles presented here. Along with our shared understanding of the trajectory and last developments of our conference's theme: Global and Regional Alternatives for the Development in the South, previously presented, we can now proceed to an explanatory note on its relation with the articles which compose the present volume. We expect to explain some of the rationale used to select, group and guide the debates over the papers presented in the conference and regrouped here.

The search of development, or at least of the path of development has been one of the central characterizing elements of the modern history of the global south. Concomitant with political and social transformations which occurred as secondary process, the history of many of these countries can be summarized as a societal

enterprise in search of economic development. Nevertheless, the basis of such affirmations are constantly challenged. The very concepts on which they rely are matters of frequent debate. Here we have tried to bring a different perspective on these theoretical frameworks and on the analysis which derive from them.

The very concept of “development” has been subject to much debate, as argues the article by Workineh Kelbessa – Rethinking Development: The Need for Ethics in Development Theory and Practice – which states that “development theorists have been preoccupied with social and economic concerns, and ignored human and environmental well-being”. In the same way, the article by Rogério Gimenes Giugliano – Space and development: a non-hegemonic view – questions the validity of the mainstream concept of “development” as “the hegemonic flux that has its origins in the northern actor” arguing that “progress and change can also be the result of non-hegemonic relations and fluxes”.

Not only the concept of development has been subject to controversies, but the presumed path that leads to it has assumed the form of various procedures and recipes. Both academically and empirically the so-called path for development has known all kinds of theories, ideologies, and collective enterprises. Globally, we can call this quest for development one of the motivators for collective experiments and many of its most exotic forms were seen in the global south. Some of these paths are addressed in pieces such as Dedy Permadi’s “The Decline of Neo-Liberalism and the Rise of Neo-Keynesianism: A Conceptual Analysis”, as well as in ‘Jose Francisco Puello-Socarras’ “A brief history of anti-neoliberalism: South American Political Economy and Development Paradigms in the XXI Century”.

The debate over these so-called paths for development is discussed through a southern perspective, and serves as a preparatory

theoretical debate for the following agenda of discussion contained in the three volumes of the *Ciência & Trópico Journal*. This discussion integrates most of the papers, either as a secondary or underlying matter, or as a constant theme. Those considerations also go much beyond theoretical paradigms. It all happens in the midst of the pragmatic concerns of governmental decisions and human relations that permeate the academic debates. It is precisely to address these particularities that the selection of articles goes beyond theoretical discussions, bringing about a number of empirical cases of the international scenario.

Broader analysis papers such as “La Diplomacia de los Pueblos, relaciones internacionales alternativas desde el Sur” (Karla Diaz Martinez, Venezuela), “African perspective on the crisis of global capitalism” (Demba Moussa Dembele, Senegal), and “El rol de IBSA (Índia, Brasil y Sudáfrica) en El sistema internacional contemporáneo: ¿Qué tipo de desarrollo y para quién?” (Clarisa Giaccaglia, Argentina), help build a new analytic framework based on the perspective of the excluded global south. They bring important contributions by revisiting different established pieces of knowledge through the incorporation of excluded actors and cases which introduce a new perspective on accepted truths.

The geographical diversity of the authors and of case-studies was also an important variable in conforming the whole of the debate. An effort was made, not only to include a great variety of countries and regions, but also to emphasize on locations repeatedly excluded from the global debate. A particular African perspective on development was also emphasized through articles such as: “Toward an African-ecological education: an alternative strategy for the development of Sub-Saharan African countries” (Fatoumata Keita, Mali), “How political regime and trade liberalization help to



rethink development in Central Africa: Empirical evidence” (Gérard Tchouassi, Camaroon), and “Perspectives from the Contested Terrains of Africa: Intellectualism, Development and Social Movements” (Siphesihle Dumisa, Sudafrica).

Finally, a theme that could not escape our discussion is related to regional integration. One of the main controversies in development theories, regional organizations and common-market initiatives are a recurring subject in many of the articles presented at the Summer Course Fifth South-South Summer Institute. There is a wide range of perspectives: from revisiting the classical dependency theory which guided much of the regional integration processes in Latin-America to papers that discuss the relation between the new economic paradigms and the established knowledge on integration. The Latin-American experience is particularly emphasized in articles such as “Los condicionantes hegemónicos sobre las alternativas regionales de desarrollo en el Sur. El caso del MERCOSUR y las perspectivas del ALBA y la UNASUR” (Victoria Mutti, Argentina) and “Los desafíos de una agenda regional para el desarrollo. Hacia un sistema social de innovación en el MERCOSUR: el caso del diseño industrial” (Luciano Borgoglio, Argentina).

Other themes, as security, religion, democratization, inequality, culture and their mutual dialogue as well as their relation with the concept of development are included, not only through the variety of cases covered, but also through the variety of expressions they assume in the diversity of regions of the global south. Some of these subjects emerge in pieces such as “Desarrollo participativo en la sociedad cubana actual: repensando los gobiernos municipales como principal actor para el desarrollo, desde um estudio de caso” (Hans Carrillo Guach, Cuba), “Market Led Agrarian Reform in the Global South: Histories, Issues and Prospects” (Mark Stevenson Curry,

Filipinas), “Linking Development with Security in the Global South? An introduction to the Security Sector Reform” (Mathias Valdez Duffau, Japon), and “Política industrial, La experiência boliviana” (Roberto del Barco Gamarra, México) when they present through specific experiences a new look at the theoretical constructions of the development debate.

The present edition of the *Ciência & Trópico Journal* tries to establish some theoretical ground to subsidize the discussion of current events and empirical cases on the matters proposed by the Fifth South-South Summer Institutes. Bearing that in mind, three main sets of articles can be identified. First, it is established a theoretical approach to the bases of development theory and to many of its marginal but inseparable subjects, always adopting an alternative southern perspective. A second group of papers can be classified as aiming at broader international analysis and generalizations, also trying to convey the international scenario through the south’s standpoint. Finally, the last set of articles deals with specific case-studies to identify the particularities of dynamics which are well known so often studied in the global north, and frequently ignored in the south.

Even though many, if not most, of the articles contained in this journal were not mentioned in this brief foreword, once all of the three numbers of the *Ciência & Trópico Journal* contributed to build a broader spectrum of the south-south debate. We never meant any statement on the quality or importance of any of the works that were, or were not, mentioned. All the papers were carefully chosen for their academic quality and relevance to the overall debate. Nevertheless, it was beyond the objectives of this explanatory note to detain itself in the particulars of each paper, but rather try to draw the picture of how they fit in the broader debate as well as how they discuss with each other.

Concluding this foreword, we expect to attain the objective of composing a piece in which different views were introduced into the broader mainstream of the South-South. It is relevant to highlight that, for Joaquim Nabuco Foundation, this event was extremely important for an institution that contributes to the dissemination of scientific, plural and interdisciplinary knowledge for the international context.

Alexandrina Sobreira de Moura  
Editor of the *Ciência & Trópico Journal*  
and Scientific Coordinator of the Fundação Joaquim Nabuco (Fundaj)  
at the 5<sup>th</sup> South-South Summer Institute

## INTRODUCCIÓN

Presentado el contexto general en el cual el Quinto Instituto de Verano Sur-Sur, con el tema Repensando el Desarrollo, una última palabra debe ser dicha sobre la coherencia temática de los artículos presentados en estos tres números de la *Revista Ciência & Trópico*. Junto a nuestra comprensión sobre la trayectoria y los dos últimos desarrollos del tema de nuestra conferencia: Alternativas Globales y Regímenes para el Desarrollo en el Sur, presentados anteriormente, podemos avanzar para una nota explicativa sobre su relación con los artículos seleccionados.

La búsqueda por el desarrollo ha sido uno de los elementos centrales que caracterizan la historia moderna del Sur Global. Simultáneo a las transformaciones políticas y sociales que ocurrieron como procesos secundarios, la historia de muchos de esos países puede ser resumida como una empresa social que busca el desarrollo económico. Sin embargo, la base de tales afirmaciones es constantemente desafiada. Los propios conceptos en que se basan son frecuentes asuntos de debate. Por eso, intentamos traer una

perspectiva distinta sobre esos cuadros teóricos y los análisis que derivan de ellos.

El propio concepto de desarrollo ha sido objeto de muchos debates, como argumenta el artículo de Workineh Kelbessa – Rethinking development: the need for ethics in development theory and practice – que afirma que “teóricos del desarrollo se están preocupando con las cuestiones sociales, ignorando el bienestar humano y ambiental”. De la misma forma, el artículo de Rogério Gimenes Giugliano – Space and development: a non-hegemonic view – cuestiona la validez del concepto tradicional de desarrollo como “el flujo hegemónico que tiene sus orígenes en el actor de Norte”, argumentando que “progreso y cambios también pueden ser el resultado de las relaciones y flujos no hegemónicos”.

No solamente el concepto de desarrollo está siendo objeto de controversias, sino que, además, el presumido camino que lleva a lo que asumió la forma de diversos procedimientos y recetas. Académica y empíricamente, el camino para el desarrollo conoció todos los tipos de teorías, ideologías y emprendimientos colectivos. Globalmente, podemos considerar esa búsqueda por el desarrollo como una de las motivaciones para las experiencias colectivas que fueron vistas en sus más exóticas formas en el Sur global. Algunos de esos caminos son abordados en trabajos como el de Dedy Pernadi, *The decline of neo-liberalism and the rise of neo-keynesianism: a conceptual analysis*, bien como en el de José Francisco Puello-Socarrás, *A brief history of anti-neoliberalism: South American political economy and development paradigms in the XXI Century*.

El debate sobre esos caminos para el desarrollo es discutido a través de una perspectiva y sirve como un debate teórico para el siguiente orden de las discusiones que están en los tres volúmenes de la *Revista Ciência & Trópico*. Esa discusión integra la mayor

parte de los países, sea como una materia secundaria o subyacente, o como una constante. Esas consideraciones van, también, más allá de los paradigmas teóricos, en que todo ocurre en medio a las preocupaciones pragmáticas de decisiones gubernamentales y de relaciones humanas, permeadas pelas incertidumbres que son controladas por los debates académicos. Es justamente para solucionar esas particularidades que esta selección de artículos va mas allá de las discusiones teóricas, trayendo, así, una serie de casos empíricos del escenario internacional.

Los trabajos de análisis más amplios, tales como “La diplomacia de los pueblos, relaciones internacionales alternativas desde el Sur”, de Karla Dias Martinez, Venezuela; “African perspective on the crisis of global capitalism”, de Demba Moussa Dembele, Senegal; y “El rol de IBSA (Índia, Brasil y Sudáfrica) en el sistema internacional contemporáneo: ¿Qué tipo de desarrollo y para quién?”, de Clarisa Giaccaglia, Argentina, ayudan en la construcción de un nuevo cuadro analítico basado en la perspectiva del excluído Sur Global. Ellos traen importantes contribuciones, pasando por distintas obras establecidas del conocimiento a través de la incorporación de actores excluídos y de casos que introducen una nueva perspectiva sobre las verdades aceptadas.

La diversidad geográfica de los autores y de los estudios de caso también fue una importante variable en la conformación de todo el debate. Un esfuerzo fue hecho no solo para incluir una gran variedad de países y regiones, sino también para enfatizar los locales excluídos del debate global. En especial, la perspectiva africana sobre el desarrollo también fue enfatizada por medio de artículos como: *Toward in Afric-ecological education: an alternative strategy for the development of Sub-Saharan African countries*, de Fatoumata Keita, Mali; *How political regime and trade liberalization help to rethink*

*development in Central Africa: Empirical evidence*, de Gerard Tchouassi, Camerún; y *Perspectives from the Contested Terrains of Africa: Intellectualism, Development and Social Movements*, de Siphesihle Dumisa, Sudáfrica

Finalmente, un asunto que no podría faltar en nuestra discusión se relaciona con la integración regional. Una de las principales controversias en las teorías de desarrollo, en las organizaciones regionales y en las iniciativas comunes de mercado es un tema recurrente en muchos artículos que están en el Quinto Instituto de Verano Sur-Sur. Hay una gran variedad de perspectivas: desde revisitando la teoría de la dependencia clásica, que orientó gran parte de los procesos de integración regional en América Latina, hasta documentos que discuten la relación entre nuevos paradigmas económicos y del conocimiento establecido en la integración. La experiencia latinoamericana es particularmente enfatizada en artículos como “Los condicionantes hegemónicos sobre las alternativas regionales de desarrollo en el Sur. El caso del MERCOSUR y las perspectivas del ALBA y la UNASUR”, de Victoria Mutti, Argentina; y “Los desafíos de una agenda regional para el desarrollo. Hacia un sistema social de innovación en el MERCOSUR: el caso del diseño industrial”, de Luciano Borgoglio, Argentina.

Otros temas como seguridad, religión, democratización, desigualdad, cultura y su diálogo mutuo, bien como su relación con el concepto de desarrollo, están incluidos, no solamente por medio de la variedad de casos expuestos, sino también a través de la variedad de expresiones asumidas en la diversidad de las regiones del Sur global. Algunos de esos datos aparecen en artículos como *Desarrollo participativo en La sociedad cubana actual: repensando los gobiernos municipales como principal actor para*

*el desarrollo, desde un estudio de caso*, de Hans Carrillo Guach, Cuba; *Market Led Agrarian Reform in the Global South: Histories, Issues and Prospects*, de Mark Stevenson Curry, Filipinas; *Linking Development with Security in the Global South? An introduction to the Security Sector Reform*, de Mathias Valdez Duffau, Japón; y *Política industrial, La experiência boliviana*, de Roberto del Barco Gamarra, México, cuando permiten, a través de experiencias específicas, una nueva mirada sobre las construcciones teóricas del debate sobre el desarrollo.

La presente edición de la *Revista Ciência & Trópico*, bien como la conferencia que la originó, intenta establecer una base teórica para subsidiar la discusión de los acontecimientos actuales y de los casos empíricos sobre los asuntos propuestos por el programa de la conferencia. Con todo eso claro, tres grupos principales de artículos pueden ser identificados. Primeramente, un abordaje teórico es establecido para las bases de la teoría del desarrollo y de muchos de sus temas marginales, entretanto inseparables, siempre adoptando una perspectiva alternativa del Sur. Un segundo grupo de documentos puede ser clasificado como aquel que busca un análisis internacional y de las generalizaciones, intentando, también, transmitir el escenario internacional a través del punto de vista del Sur. Por fin, un conjunto de artículos trata sobre específicos estudios de caso que identifican las particularidades de muchas de las dinámicas que son bien conocidas y que muchas veces son estudiadas en el Norte Global, frecuentemente ignoradas en el Sur.

Aunque muchos, ni todos los artículos que están en esta revista fueron mencionados en esta introducción, una vez que todos los tres números de la *Revista Ciência & Trópico* contribuyeron en la construcción de un espectro más amplio de debate Sur-Sur. Esta nota nunca significó cualquier declaración sobre la calidad o



importancia de las obras que fueron, o no, mencionadas. Todos los artículos presentes fueron cuidadosamente elegidos por su calidad y relevancia académica para el debate global. Sin embargo, los objetivos de la presente nota explicativa fue más allá de detenerse en las particularidades de cada trabajo, intentando, así, dibujar la imagen de como ellos se encajan en el debate más amplio, bien como la forma como ellos discuten entre sí.

Así, esperamos lograr el objetivo de componer una pieza en la cual distintos puntos de vista fueron introducidos en el más amplio objetivo de Sur-Sur. Es relevante destacar que, para la Fundação Joaquim Nabuco, este evento fue extremadamente importante para una institución que viene contribuyendo en la disseminación del conocimiento plural, científico e interdisciplinar en el contexto internacional.

Alexandrina Sobreira de Moura  
Editora de la *Revista Ciência & Trópico*  
y Coordinadora Científica de la Fundação Joaquim Nabuco  
(Fundaj)  
en el Quinto Instituto de Verano Sur-Sur

# THE DECLINE OF NEO-LIBERALISM AND THE RISE OF NEO-KEYNESIANISM: A CONCEPTUAL ANALYSIS

Dedy Permadi\*

## INTRODUCTION

*Our world needs a paradigm shift.*

**Etzioni**

*Neo Keynesianism is the most likely alternative.*

**Zevon**

Until now, there are still debates about effective ways to manage the nation-state economy in narrower scope and the world economy in a broader scope. The debates are not only between socialism and capitalism, but also concerning how much the state should play a role in economic activities. Actually, those debates illustrated that the competition between the state and the market is always colored the structure of international political economy. Functioning markets which allocates and distributes scarce resources have a mechanism that is very decentralized and individualistic. While, state serves to distribute power, which is the ability to influence or determine the outcome of an action/event. Thus the political (power) and economic

---

\* PhD candidate at the Lee Kuan Yew School of Public Policy, at National University of Singapore (NUS), Singapore. Lecturer at the Department of International Relations, at Gadjah Mada University (GMU), Indonesia.

(wealth) has a very close relationship since the implementation of power in general affect resource allocation and distribution.<sup>1</sup>

Competition between state and market produces many variants of theoretical/concept in the context of the global political economy. There is concept that “wants” market authority over state authority (ex. liberalism); there is concept which is more “wanted” by state authority over the market (ex. mercantilism), and there are many others who try to combine the understanding between them with a distribution formula of specific authority.<sup>2</sup>

Interestingly, the liberal concept itself appears in different variants. Starting from the ideas of classical liberalism – which is proposed by David Ricardo – the variants development of liberalism are delivering dynamics that are very interesting to be studied. Classical liberalism certainly gives a very big space to the market. However, the development of classical liberalism began to be abandoned and the people turn to Keynesianism with its Bretton Woods System (BWS).<sup>3</sup> To the Keynesians, the state is required in order to encourage economic growth and to cover market shortages.<sup>4</sup>

This concept immediately evicted by Hayek and Friedman with their neo-liberalism. Their ideas are inspired by the spirit of classical liberalism where state is prohibited to interfere with market. This concept grows rapidly because of the supports from Margaret Thatcher, Ronald Reagan and also *Washington Consensus*, which suggested the principles of neo-liberalism. For this conservative, liberals state intervention will lead to distortion and make the world

---

<sup>1</sup> STRANGE, Susan. *States and Market*, London: Pinter Publishers, page 24-32. 1989.

<sup>2</sup> *Ibid.*

<sup>3</sup> The discourse of this thought can be seen (for example) in the post World War II when the U.S. government is encouraged to have the Council of Economic Advisors who provide input on various U.S. macroeconomic management

<sup>4</sup> GILPIN, Robert. *Global Political Economy: Understanding The International Economic Order*, Priceton & Oxford: Priceton University Press, page 69-70. 2001

economy can not run effectively and efficiently. Therefore, they delegates those mechanisms to the market virtues and always try to keep the state doesn't "pollute" the market.

The emergence of various ideas that tend to criticize the neo-liberal voiced louder, in general, no longer believe in the conceptions of neo-liberal. This refers to the many unsuccessful phenomenas of political economy and the downturn of neo-liberal schemes.

The present global economic crisis increasingly emphasized such criticisms. They believe that this crisis is caused by the freedom of the market which is too excessive, so the state no longer has the authority to control market failures. Prescriptions offered by the neo-liberal international institutions (such as IMF, World Bank, etc.) to overcome the global economic crisis is also considered as an aggravating to the situation.

Actually, criticism has touched many aspects, ranging from the public sphere, academic realm, as well as policy-making sphere. In the public sphere, the community began to be irritated by the policies wich are based on market, as an example, a social movement that was succeeds to thwart the negotiations of the World Trade Organizations (WTO), in Cancun, and various anti-IMF demonstrations in the world. In the academic sphere, has developed various criticism ideas. Various international journals and publications have led to pessimistic position on the ideas of neo-liberal. Brief example was the election of Joseph Stiglitz and Paul Krugman as the winner of Nobel Prize of economics, in 2001 and 2008. Stiglitz and Krugman have been known as critics of neo-liberal policies.

While in today policy-making realm many governments no longer believe in neo-liberal concepts, this can be clearly reflected by the *pink-tide* phenomenon in Latin America, *welfare state* in the Scandinavian countries, *developmental state* in East

Asia and much more. Even more surprising, the EU leaders, such as Nicholas Sarkozy, Angela Merkel and Emmanuel Barroso, also began to propose a new global political economic order that is more accommodative for state control.

Those phenomenons may actually indicate a chance to the return of Keynes spirit in the global political economy. This ongoing trend is very interesting to study, because the world need best recipe for its governance that is able to save them from the crisis. Also, if it is true that Keynes thoughts began to be adopted by world society, so this phenomenon can be said as the spread of neo-Keynesianism that would continue the cycle of global political economic governance that evolve with changing times.

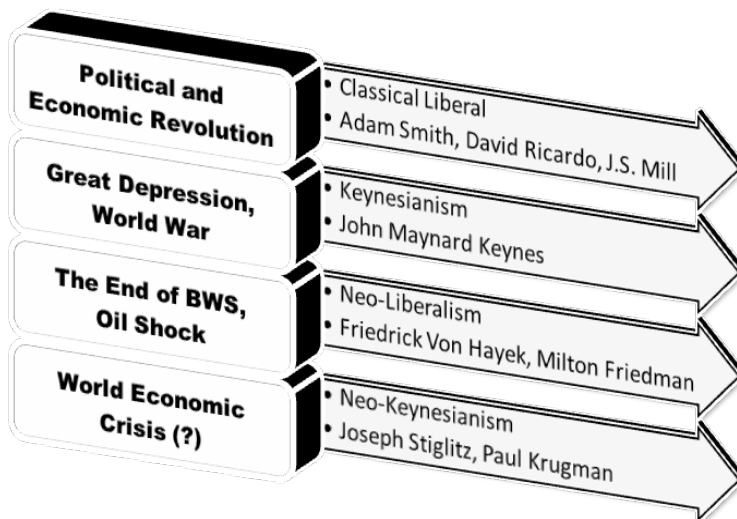
From this background, we can see that liberal thought is always dynamic and at a time will shift from one variant to another variant. Various growing phenomenons are important to show shift tendency from one variant to another. Including how the neo-liberal ideology got many sharp criticisms and neo-Keynesian concept began to emerge as an alternative during this crisis.

### **NEO-KEYNESIANISM: an alternative idea**

Many leading economists have a bid proposal to create a neo-Keynesian political economy globally. Those persons such as former World Bank President Joseph Stiglitz, a Harvard University development economist Jeffrey Sachs, Nobel Winner Laureate James Tobin, and global financier George Soros. Their proposals revolve around the introduction of a global tax on currency speculation (the Tobin Tax) and also the establishment of global central bank to control international capital. The main objective of this proposal is took part in the current regime “beggar thy neighbor” in which

countries compete to offer their best investment opportunities for free-floating capital by involving the role and control of all states in investment (from environmental issues, labor, until Human Rights regulations). The most important thing is the control of global neo-Keynesians can also contribute to reverse the global economic polarization.<sup>5</sup>

The description about dynamics of liberal thought has become very important, especially by examining the existing pattern. The pattern in here is how these ideas, which are variants of liberalism, shift from one to another. This ideas' transformation process is interesting to be studied in the context of the global economy, considering that, until now, the progress of liberal ideas still continues. To answer this requirement, the general insight is not enough. The following paragraphs will discuss about the ideas that has developed so far.



**Graphic 3.** The dynamics mapping and the shift of liberal ideas.

<sup>5</sup> *Ibid*, access on 3 Mei 2009

Neo-liberal idea, which is promoted by Hayek (1949) and many other leaders, is now starting to be questioned about its ability to address contemporary global problems. In line with the weakening of neo-liberalism, the discourses of alternative ideas arise. One of the alternative popular ideas today is neo-Keynesianism. The important thing is the discourse process of another idea (especially neo-Keynesianism) as an alternative of a neo-liberal concept that is still considered dominating the global political economy.

Nevertheless, the global neo-Keynesianism could not be construed as an end-point in the political economy development. This assumption is too early or too fast because of internal contradictions in the experience of national Keynesianism, while global community will find a new systemic logic. However, until now, the global neo-Keynesianism is the most likely alternative in the midst of battle of ideas that still continues.<sup>6</sup>

## **KEY FIGURES OF NEO-KEYNESIANISM**

In the book *The Return of Depression Economic*, Paul Krugman (2008) predicted there will be a time of crisis due to unlimited liberalization. He said that the world economy has turned out to be a much more dangerous place than we imagined.<sup>7</sup> Krugman's prediction seems proved. Many economic observers assume that recent global economic crisis shows how vulnerable the building of neo-liberalism is. While, according to Kholid Syeirazi

---

<sup>6</sup> ZEVON, Warren. *Global neo-Keynesianism, Toward a New Exterior Logic: Global Neo-Keynesianism (An Integral Political Economy)*, 2007. In: <http://panendeism.userboard.net/integral-panendeism-forum-f1/global-neo-keynesianism-t61.htm>. Access on May 5, 2009

<sup>7</sup> KRUGMAN, Paul. *The Return of Depression Economics and The Crisis of 2008*, W. W. Norton. 2008.

(2009), the crisis caused by a combination of moral hazard in the financial industry of Wall Street and “closed eye” attitude of the financial market authority, monetary and governments have been unable to fully control the flow of shares.

Meanwhile, Stiglitz (2005), in his book *Globalization and It's Discontents*, states that globalization, as a product of neo-liberalism, didn't help poor countries. Due to globalization, the world public revenue was not increasing. This opinion is in line with the opinion of Amitai Etzioni (1988), in *The Moral Dimension: Toward a New Economics*. According to Etzioni, the today world requires a paradigm shift in order to save humanity from the dangers of poverty, backwardness, illiteracy and unemployment. Thus the new governance is needed to address contemporary global challenges.

The description above is an evidence of thought emergence to re-strengthen the role of state to maintain market stability brought by the agency or agent. The agents' idea was in line with Keynes' thought, who tried to balance between role of state and market. Of many figures that are anti neo-liberal and tend to pro-Keynes, Stiglitz (2005) and Krugman (2008) adequately represent this thought.

## **1. Paul Krugman**

Paul Krugman has full name Paul Robin Krugman was born on February 28, 1953, in Long Island, New York, from a Jewish family. In 1974, he graduated in economics from Yale University and, in 1977, he received an honorary doctorate from the Massachusetts Institute of Technology (MIT).<sup>8</sup> His area of study is international economics, including international trade, economic geography, and

---

<sup>8</sup> *New York Times*, Columnist Biography: Paul Krugman. In: <http://www.nytimes.com/ref/opinion/KRUGMAN-BIO.html>. Access on April 29, 2009



international finance. During the development, Krugman activities focused on academic activities, especially became faculty member at several leading universities such as Yale University, MIT, Berkeley, London School of Economics, and Stanford University. While at Princeton University, he became a professor in economics and international relations.

By looking at his theory and views, Krugman can be classified as an expert in neo-Keynesianism. He always believed that the economy can not be separated from politics and justify state intervention in managing and stimulating the economy. For example, Krugman recognizes the role of labour unions in wage determination. He argues a decent minimum wage is not always cause unemployment. Health services for the citizens must also not hand over entirely to the market. Whereas in the case of taxes, he is a pessimistic figure that is against the assumption that tax cuts will bring positive impact to the economy.

Krugman is known as a critic of President George Walker Bush. According to him, the budget deficit of Bush Government that is resulted from a decrease in taxes, increase public spending and the invasion of Iraq in the long term should deliver large economic crisis. This opinion was proved by the global economic crisis that begins from the United States. In the midst of the crisis, Krugman openly supported Barack Obama, a democratic party elected president, whose policies lead to strengthening the role of the state.

In explaining the current crisis, Krugman began by re-review relation of excess capital relativity compared with the amount of labor, or the relativity of excess employment compared with capital. These papers rely on theories that can be grouped into an introduction to the causes of economic crises associated with economic structure meaning of relative lack of capital or a relative shortage of labor.

In the economy of a nation which structure relative surplus of labor, the crisis in general is caused by overinvestment, so that prevention can only be done during hausse or boom is ongoing. There must be recognition that the economy heats up and investment tensions larger than savings. These countries can not do anything except to use the opportunity during the recession for establish itself in the economical organization. Conversely, the crisis of states which are economic structure characterized by relative excess capital is caused by underconsumption. So if a crisis occurs and is followed by a recession or even depression, consumption and investment was encouraged which is named prime pumping. From this case, the Keynes formula is the most appropriate.

In his book entitled *The Return of Depression Economics and the Crisis of 2008*, Krugman said that many leading economists who said that theories about business cycles are not too relevant anymore because they felt that the knowledge of economic science has advanced, so the world does not need to worry about business cycle volatility.

In contrast to this view, Krugman believes that the economic tidal wave is still fully valid. He argued with examples, such as Latin America in the 1980s, Japan, in 1990 and the crisis in Asia, including Indonesia, which started in 1997. However, he assumes that recessions and depressions can always be solved or softened.<sup>9</sup>

Krugman warns that, in 2003, the Nobel Prize winner Robert Lucas told the annual meeting of the American Economic Association that the business cycle still exists. But precisely because the business cycle can be tamed, then world does not need to worry anymore.

---

<sup>9</sup> GARRISON, Roger W. *Paul Krugman on the Austrian Theory of the Business Cycle*, Auburn University

Thus, the current focus is better directed at long-term economic growth. In contrast to these opinions, Ben Bernanke (now serving as Governor of Central Bank of the United States), in 2004, saying that macroeconomic policies have succeeded in controlling the business cycle, so its presence is only a minor annoyance, not a major issue.<sup>10</sup>

Although there is still a long debate on this issue, Krugman continues to believe that the recent crises are very similar to the depression of 1930, so that optimistic statements as proposed by Robert Lucas, Ben Bernanke and Alan Greenspan are also extremely unreasonable.

What I mean by depression economics is a situation in which Uncle Alan [Greenspan] can't save us. In every recession - and we've had lots of recessions - the head of the Federal Reserve cuts interest rates, the recession ends and things come back. Depression economics is a situation in which normal anti-recession medicine no longer works. That was true in the 1930s, it was true of Japan in the 1990s, it was true in a lot of developing countries and now it's true for us.<sup>11</sup>

However, he was not overly pessimistic about the prospects to control recent crisis and recession. According to him, in this globalization era, most active input is money or capital. So there is no shortage of capital relative to labor or labor shortages relative to the structural capital. The fact is in one country and within certain period of time, investment is greater than investment capital available for loans, either domestic or foreign, but it is not national saving by its own people. These comparisons indicate that economic condition is *baisse* or *hausse*.

---

<sup>10</sup> KRUGMAN, Paul. *The Return of Depression Economics and The Crisis of 2008*, W. W. Norton, page 9. 2008.

<sup>11</sup> GROS, Daniel. *The Money Culture, 'Depression Economics' Nobel Prize-winner Paul Krugman on America's financial crisis*, 2008. In: <http://www.newsweek.com/id/171871>. Access on May 3, 2009

So if all the countries experiencing capital shortages as now, it will be recession everywhere. The cause is not limited capital, but existing capital is saved or there is a massive hoarding. Banks that gives credit is creating account deposits and when credit is refund, there is money destruction. Therefore, there is liquidity tightening or credit freeze or liquidity squeeze.

The question for each economist, including Krugman, is how world leaders overcome this crisis. For him, a tidal wave of economic or business cycles or conjunctuur that stick to market mechanisms system is no longer denied. But the most interesting new thing is the relationship between one country to another, and much money is accumulated from technological and economic progress that creates value added in large quantities. China, for example, has proven that they have great ability in net exports. Thus the equations developed by neo-Keynesianism as Krugman is as follows:

$$Z = C + I + G + (X - M)^{12}$$

By taking example of China's case, C, or consumption, is driven by pumping purchasing power of very large poor people. To meet the growing needs of its people as well as meet the world needs, new companies must be established and old companies are expanded, which means that I or investment will increase and doubling the growth through what is called *multiplier effect*. Its government which is still controlled bulk of these companies will have more ability to build infrastructure. This means G, or Government Spending rose. While net exports ability has proven that to create China's foreign exchange reserve is more than 2 trillion U.S. dollars.

---

<sup>12</sup> KRUGMAN, P.; OBSTFELD, M. *International Economics. Theory and Policy*, 7th edition, Boston: Pearson Addison-Wesley, 2006.

This fact should make the world more optimistic to face economic recession. The amounts are bigger than the great depression of 1930, but the ability of states and nations have also incredibly developed. These countries also have accumulate great purchasing power to do prime pumping and create economic jump start in developed countries, no matter how great depression is, morale and psychology have large role in recent recession.

What about his views on international pro neo-liberal institutions such as IMF? Krugman states that IMF and U.S. Treasury Department must take responsibility for the crisis in Indonesia, or they are mishandled it, so the crisis becomes more severe. When IMF was invited to help Thailand, Indonesia and Korea, they immediately suggest and encourage these countries to raise taxes, reduce spending to avoid large budget deficits. It is very difficult to understand why these policies became IMF program in three countries, because no one except IMF thought that budget deficit is a problem. And it turns out that IMF policies have two negative impacts. First, recession worsened because of declining demand. Secondly, things were out of control causing panic.<sup>13</sup>

Besides, IMF also requires structural reforms that transcend field boundaries of monetary and fiscal policy as a condition of obtaining a loan from IMF. Closing banks is irrelevant to tackle the crisis. Others, such as demanding the Indonesian government to remove monopoly provision by President Suharto to his cronies which is have nothing to do with the mandate and authority of IMF. Giving monopoly of cloves to the two entrepreneurs is a bad thing, but it has nothing to do with mistrust of the Rupiah which make its exchange rate plunged.<sup>14</sup>

---

<sup>13</sup> KRUGMAN, Paul. *The Return of Depression Economics and The Crisis of 2008*, W. W. Norton, 2008.

<sup>14</sup> *Ibid*, page 115-116

When financial crisis that struck United States began global, he mentioned tendency towards great depression like the 1930s. Then, he urged that the world leaders, especially Europe, take immediate action to stop the global financial crisis. Accordingly, he criticized the bailout reimbursement worth U.S. \$ 700 billion, which was initiated by Bush. He affirmed that Bush's efforts to buy up troubled stocks will not solve crisis, because it was conducted without clear direction.

These opinions emphasize identity of Krugman as a scientist with pessimistic view in academic circles. He also illustrates, world economic crisis is started from the periphery countries such Mexico in 1995. Then shift to East Asia in the period 1997-1998 and continues to Brazil and Russia from 1999 to 2000 period. Finally, crisis swept the world economic centers such as United States and Europe. It is characterized by bankruptcy of United States giant corporate, such as Bear Stearns, Northern Rock, Fannie Mae, Freddie Mac, and Lehman Brothers.

In previous work, Krugman has also tried to explain the causes of global economic crisis. He argues that the crisis was mainly triggered by the emergence of bubbles economy due to the seven modes of thinking and habits of global investors. According to him, this seventh model is a short-term thinking, greed, easy to trust other people who actually can not be trusted, follow the signs as a group, underestimate the problems, use beliefs' propaganda, and speculate with other people's money.<sup>15</sup>

## **2. Joseph Eugene Stiglitz**

Joseph Eugene Stiglitz was born in Gary, Indiana, United States, on February 9, 1943. He was educated at Amherst College in

<sup>15</sup> KRUGMAN, Paul. *The Great Unraveling*, W.W. Norton & Co. 2003.

1960-1963 and continued his education at the Massachusetts Institute of Technology (MIT), in 1964. While doctoral education undertaken at Cambridge University, from 1965 to 1966. Stiglitz's career was increase both in education and practical political (by occupying several positions in government). In the field of education, he became a faculty member at the Massachusetts Institute of Technology (MIT), Yale University, and at the Graduate School of Business, Columbia University. He was also a Member of the Advisory Board for the Oxford Council on Good Governance. In the field of government, he became Chairman of the Board of Economic Advisors of United States President in the reign of Bill Clinton from 1995-1997. His career is increased at the international level, became Senior Vice Chairman and Chief Economist of World Bank from 1997 to 2000.<sup>16</sup>

Besides being editor of Journal of *The Economists Voice* with Bradford DeLong and Aaron Edlin, Stiglitz also wrote several books such as *Whither Socialism, Globalization and Its Discontents* and *The Roaring Nineties*. The highest achievement was when he received the Nobel Prize in Economics, in 2001, along with George Akerlof and Michael Spence. With his thought, which is not trust the free market, Stiglitz can be categorized as a neo-Keynesianism economist.

In the book *Globalization and Its Discontents*, he asserted that International Monetary Fund (IMF) put the interests of the largest shareholder (United States) above poor countries that are should be assisted. In this book, Stiglitz also offers several reasons why globalization has caused public outrage, as happened in Seattle and Genoa.<sup>17</sup> For Stiglitz, the capitalist economic system may be regarded as the best economic system man has ever built. However,

---

<sup>16</sup> ARNOTT, Richard; GREENWALD, Bruce; NALEBUFF, Barry. *Joseph Stiglitz and Economics for an Imperfect World* (Introduction to "Economics for an Imperfect World: Essays in Honor of Joseph Stiglitz"), Massachusetts: MIT Press, page 1, 2002.

<sup>17</sup> STIGLITZ, Joseph. *Globalization and Its Discontents*. Book review. 2002.

no one has ever asserted that this system also led to instability. The economic crisis is one of capitalism products that currently come faster. In fact, in the last thirty years there has been more than a hundred times of crisis. This indicates a serious weakness of capitalist economic system. The economic system of capitalism which states role of government should be negated in market competition is very unreasonable. This is only possible if there is same level of information. He worried about the existence of asymmetric information that cause anything is not on actual condition. Therefore, government intervention in market economy is needed.

Stiglitz always criticize theory that declares market will run perfectly if there is no state interference. He believes that countries are still needed to maintain stability. Therefore, he believes that countries that follow capitalist system a la the United States, one day will experience economic collapse. This belief is proved by current world economic crisis. During this crisis, almost all countries in the world should intervene to market.

The current global economic crisis is sourced from subprime mortgage crisis in the United States and then spread to other countries. This clearly shows the weakness of liberalization (globalization) and market failures. One of the most obvious examples is when international financial system is liberalized, and then capital that has been circulating throughout the world and has a transnational network (without the control of the country) will be the impact channel of the economic crisis. From the perspective of United States, it can be viewed as positive side because in the end the impact of crisis is borned by almost all countries in the world.

According to him, the current crisis resulted from markets carelessness and exacerbated by government policies. However, he also criticized U.S. government's actions that made the bailout of financial institutions and inject stock market. For him, bailout just



likes giving a blood transfusion to patients who experienced bleeding. Transfusion will not mean anything because the cause of the bleeding was not treated. Thus they need take several steps for example by convert house's financing with reduces loan value when housing prices fall through cashable tax credit. Make good economic stimulus such as insurance for unemployed and good infrastructure investment in the future. Infrastructure investment will stimulate the economy in the short term and improve long-term economic growth rates.

Furthermore, Stiglitz said U.S. financial crisis that spread into global financial crisis even worse than Great Depression in 1930s. This crisis brings tremendous impact to the capitalist countries and its followers. On the other hand, countries which over the years rejected American invitation to participate in its economic model, proved to be less affected by current global financial crisis. Director of the Peterson Institute for International Economics, Fred Bergsten pointed out that one of the countries is China.

Stiglitz explicitly express criticism of liberal-leaning policy holders/capitalist. According to him, current subprime mortgage crisis is a disorder caused by the carelessness of Central Bank governor Alan Greenspan. Stiglitz's critique is quite surprising because Greenspan is known as economic figures that clear in his utterance and policy. Even the market often moves in accordance with his direction. Thus market has no doubts about Greenspan.<sup>18</sup>

Beside sharply criticize the government's economic policies; Stiglitz also conveyed his criticism to President George W. Bush. According to him, Bush made U.S. got insulted with his various policies, such as refusal to sign Kyoto protocol and the invasion of Iraq. In his book *The Three Trillion Dollar War* (written with Linda

---

<sup>18</sup> STIGLITZ, Joseph . Greenspan, Bush Errors Finally Come Home to Roost, *Economist View*. 2007.

Bilmes), he argued that the Iraq war has contributed to the slow U.S. economy and also prevent its recovery.<sup>19</sup> The almost five year's war has been spent costs directly from the U.S. Treasury Department at 845 billion dollars. However, Stiglitz and Bilmes argue that the actual cost of the war could reach three trillion U.S. dollars. These direct costs excluding interest debt to finance the war, health care costs for veterans, and the cost of replacing equipment destroyed or damaged by the war. Not to mention cost that is not counted in the budget such as rising oil prices and also macroeconomic and social costs.<sup>20</sup>

How about Stiglitz's views on international institutions like IMF, WTO and World Bank? He is renowned as a critic of international institutions. According to him, these institutions are a continuation of U.S. government ideology that tends to support globalization, liberalization and privatization. "Washington Consensus" ideologies are trying to be disseminated through IMF to the governments of developing countries. By the time they need help, they must accept the IMF intervention.

In fact, the formula offered by IMF met many failures. This can be seen in the case of Latin America and East Asia. Countries which reject presence of IMF, such as South Korea and Malaysia were faster to recover from crisis than Indonesia and Philippines, which is subject to the prescriptions of IMF. IMF lending rate is too high and monetary policies that implemeted to suffered countries are contradictive, on the other hand expansionary economic policies are implemented in the UK or France. This loanable fund is likely to weaken the economy and ultimately makes countries more difficult

---

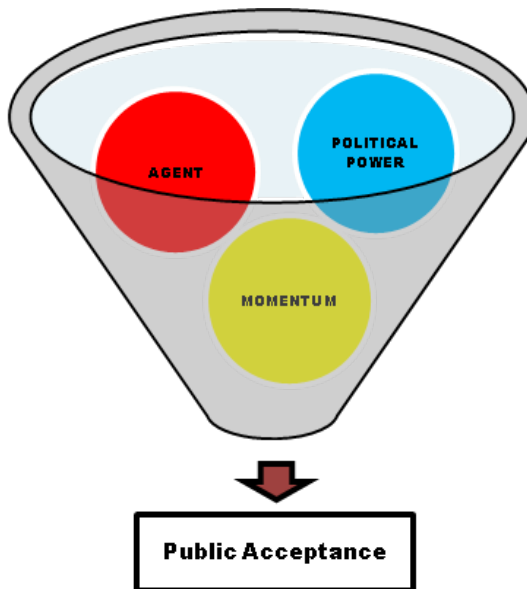
<sup>19</sup> STIGLITZ, Joseph; BILMES, Linda. *The Three Trillion Dollar War, The cost of the Iraq and Afghanistan conflicts have grown to staggering proportions*. 2008,. In: [http://www.timesonline.co.uk/tol/comment/columnists/guest\\_contributors/article3419840.ece](http://www.timesonline.co.uk/tol/comment/columnists/guest_contributors/article3419840.ece). Access on May 2, 2009

<sup>20</sup> *Ibid*, Access on May 2, 2009

to pay back the loan funds. He cited that there has been a big mistake in this decade's economic policies even in the case of the East Asian crisis management.<sup>21</sup>

In other cases, IMF has allocated loans worth 16.4 billion U.S. dollars to Ukraine, 7.6 billion U.S. dollars to Pakistan and 2.1 billion dollars U.S. to Iceland to assist those countries in overcoming the impact of recent global economic crisis.<sup>22</sup> Stiglitz warned that IMF policies in Pakistan could increase support to Taliban militia and said that this international financial institutions could prevent democracy by restricting government roles.

### **IS THIS THE SHIFT OF NEO-LIBERALISM TO NEO-KEYNESIANISM?**



**Graphic 6. Idea Distribution to Major Idea**

<sup>21</sup> STIGLITZ, Joseph. *Information and The Change in The Paradigm in Economics*, New York: Columbia University, page 474. 2001.

<sup>22</sup> Antara News, *Stiglitz: Pinjaman IMF Justru Lemahkan Negara yang Dibantu*, 2009. In: <http://www.antara.co.id/view/?i=1233102907&c=EKB&s>. Acces on May 2, 2009

According to the research I've done before, at least there are four factors that determines the process of shifting of economic ideas: namely momentum, agents, political power and public acceptance of new ideas. The momentum is not just a change in balance of world power, but it also can be specifically economic crisis or a chronic crisis of world politics – chronic economic crisis is such as malaise (depression), from 1929 to 1930, and the 1970s oil shock era, while the political crisis is such as when the world experienced war in 1930-1940s eras.

The next important thing is the presence of actors who try to improve the discourse of an idea. Giddens calls this as agent. The actor in this context can actually be divided into intellectual actors (such as scientists, the epistemic community, and other academics) and non-intellectual actors (such as interest groups, social movements and individuals/other non-intellectual groups). Figures which clearly had an impact usually came from intellectual circles, and therefore it can be considered that intellectual actors are the milestone bearer of a discourse/ideas. The role of Smith (1964), Hayek (1949) and others can not be doubted.

The next thing is the existence of certain political forces that reinforce/expedite the process of ideas' discourse. A study of political power as an important part of idea's discourse has been widely applied. For example, the studies by Giddens (1979), Hill (1989) and so forth. Political power is very important because at least will legitimate adaptation of an idea. The most interesting example was when Thatcher and Reagan approved the idea of Hayek (1949) and Friedman. In the end, ideas of those intellectual leaders are legitimized in the political sphere, therefore has power to be implemented in the practical sphere. This also marked the public acceptance of the idea, so this idea can be considered truly dominant.

Thus, the four points above are closely related each other, even under certain conditions all three can work together and support each other for the success of an ideas' discourse. However, there is a tendency that momentum provided "an opportunity" to intellectual actors to reinforce the idea. After the idea get a special reception from the public or the political elite, then that idea can be legitimized through the existing political forces. Ultimately, these ideas can become a dominant idea in certain scope.

What about the idea of neo-Keynesianism? This idea does have a big potential to become a dominant idea in the world in this contemporary era. These opportunities must be seen from the four points that have been identified previously. If seen from momentum that supports neo-Keynesianism discourse, thus current financial crisis may be appropriate to support that. Meanwhile, if viewed from the aspect of "intellectuals", Paul Krugman (2008) and Joseph Stiglitz (2008) could be the key actors considering the fact that both received Nobel Prize in economics, like Hayek and Friedman, who are the bearers of neo-liberalism. Furthermore, the political power (can be from above or from below/bottom-up and top-down) that supports this idea is not really as big as political forces that support ideas of neo-liberalism in the past. However, this political power has begun to be seen with planning of *BWS* Part 2 by European leaders and the adoption of some Keynesian ideas by elected U.S. President, Barack Obama. Finally, how this idea became accepted by society is still a big question and should fight continuously by the agents.

Thus, the momentum of global financial crisis is chronic enough to be used by intellectual actors to strengthen its position in ideas competition. If these efforts continue to be done, then the opportunity to gain acceptance from society will be even greater. This shows the political clout to support idea's discourse also

intensified. All these efforts will continue until the point where the idea of neo-Keynesianism get political support and gain legitimacy for implementation in the practical sphere. By looking at these developments, the chance of a neo-Keynesian idea to become dominant is actually quite large. Nevertheless, this opportunities still require a long process due to several factors like the weakness of movement by agents, limited political power that gives support and also weak acceptance of society.

## **CONCLUSION**

Liberal thought is always experiencing dynamics with regular pattern. That pattern describes competition between state and market that continue to compete for strategic and dominant position in the international political economy. Competition between state and market is not only reflected in the debate between liberal thinking with anti-liberal ideas (such as structuralism and mercantilism) alone, but is also reflected in the variants that evolved in the dynamics of liberal thought itself.

In the contemporary era, the idea of Keynesianism is raised again to address global challenges that are difficult to solve by the neo-liberals, including the formula offered by Hayek. This idea is more “easily” accepted by society because the world is currently experiencing a severe economic crisis so that people need an alternative idea to overcome this problem. This development is inseparable from the role of figures that represent the pro-Keynesian who always strive for acceptance of these ideas in various spheres such as Joseph Stiglitz and Paul Krugman. This effort will continue until the point where the idea of neo-Keynesianism get political support and gain legitimacy for implementation in the practical

sphere. Unfortunately, the public acceptance of this idea is still very weak. By looking at these developments, we can conclude that the chance of spread of neo-Keynesian idea is quite large.

However, to become a dominant idea, this idea still have to pass a long way considering the lack of unity of actor, weak political support, and lack of society acceptance. Thus in this contemporary era, domination of Neo-Liberalism and Hayek's ideas are starting to get the challenge from alternative ideas, including the Neo-Keynesianism.

## REFERENCES

ARNOTT, R., GREENWALD, B., NALEBUFF, R. K. *Joseph Stiglitz and Economics for an Imperfect World*. Introduction to "Economics for an Imperfect World: Essays in Honor of Joseph Stiglitz, Massachusetts: MIT Press. 2002.

CAPORASO, J. A., LEVINE, D. P., *Theories of Political Economy*, Cambridge: Cambridge University Press. 1992.

CHILCOTE, R. H. *Theories of Comparative Politics: The Search for a Paradigm*.

COLANDER, D.A.W. *The Spread of Economic Ideas*, Coats (Ed.). Cambridge: Cambridge University Press. 1989.

DOLHENTY, Jonathan. *Classical Liberalism, Libertarianism, and Individualism*. 2003. Disponible in: <http://www.radicalacademy.com/philclassliberalism.htm>. Access on May 5, 2009.

GARRISON, Roger W. *Paul Krugman on the Austrian Theory of the Business Cycle*, Auburn University.

GIDDENS, Anthony. *Central Problem in Social Theory*, California: University of California Press, 1979.

\_\_\_\_\_. *The Constitution of Society: Outline of the Theory of Structuration*, Cambridge: Polity Press, 1985.

\_\_\_\_\_. *The Consequences of Modernity*, Cambridge: Polity Press Ltd, 1990.

GILPIN, Robert. *Global Political Economy: Understanding The International Economic Order*, Princeton & Oxford: Princeton University Press, 2001.

\_\_\_\_\_. Dalam Brian Toyne & Douglas William Nigh, *International Bussiness: An Emerging Vision*, Carolina: University of South Carolina Press, 1987.

GROS, Daniel. *The Money Culture, 'Depression Economics' Nobel Prize-winner Paul Krugman on America's financial crisis*. 2008. Disponible in: <http://www.newsweek.com/id/171871>. Access on May 3, 2009.

HALL, Peter A. *The Political Power of Economic Ideas: Keynesianism Across Nations*, (ed.) New Jersey: Princeton University Press. 1989.

HAYEK, Friedrich A. *Individualism and economic Order*, London: Routledge & Kegan Paul Ltd. 1949.

HAYEK, Friedrich A. *Individualism and economic Order*, London: Routledge & Kegan Paul Ltd. 1949.

JONES, Brent. *Is today's economic crisis another Great Depression?*, (ed.). 2008. Disponible in: [http://www.usatoday.com/money/economy/2008-11-03-economy-depression-recession\\_N.htm](http://www.usatoday.com/money/economy/2008-11-03-economy-depression-recession_N.htm). Access on May 20, 2009.



KANGAS, Steve. *Causes of the Great Depression: a Review of Keynesian Theory*. Disponible in: <http://www.huppi.com/kangaroo/Causes.htm>. Access on May 20, 2009.

KRUGMAN, Paul. *The Return of Depression Economics and The Crisis of 2008*, W. W. Norton. 2008.

\_\_\_\_\_. OBSTFELD, M. *International Economics. Theory and Policy*, 7th edition, Boston: Pearson Addison-Wesley, 2006.

\_\_\_\_\_. *The Great Unraveling*, W.W. Norton & Co, 2003.

KUHN, Thomas S. *The Structure of Scientific Revolution: Second Edition*.

MANKIWI, N. G. *New Keynesian Economics, The Concise Encyclopedia of Economics*. 2008. In: <http://www.econlib.org/library/Enc/NewKeynesianEconomics.html>. Access on May 20, 2009.

MARTINEZ, E.; GARCÍA, A.; TREANOR, P. *Neoliberalism: origins, theory, definition*. 2005. In: <http://web.inter.nl.net/users/Paul.Treanor/neoliberalism.html>. Access on May 20, 2009.

MAS'OED, Mohtar. *Ekonomi-Politik Internasional dan Pembangunan*, Yogyakarta :Pustaka Pelajar. 2001.

MUGASEJATI, N., MARTANTO, U. *Kritik Globalisasi dan Neo-Liberalisme*, Yogyakarta: Fisipol UGM. 2006.

*New York Times*, Columnist Biography: Paul Krugman. In: <http://www.nytimes.com/ref/opinion/KRUGMAN-BIO.html>. Access on April 29, 2009.

*New York Times*, Paul Krugman. 2009. In: <http://topics.nytimes.com/top/opinion/editorialsandoped/oped/columnists/paulkrugman/index.html>. Access on June 2, 2009.

Panendeism.org. *Toward a New Exterior Logic: Global Neo-Keynesianism (An Integral Political Economy)*. 2007. In: <http://panendeism.userboard.net/integral-panendeism-forum-f1/global-neo-keynesianism-t61.htm>. Access on May 3, 2009.

PRIYONO, B. H. *Anthony Giddens: Suatu Pengantar*, Gramedia: Jakarta, 2002.

RAVENHILL, John. *Global Political Economy (second edition)*, Oxford: online resources center.

ROGER W. G., *Paul Krugman on the Austrian Theory of the Business Cycle*, Auburn University.

SALIM, Agus. *Teori dan Paradigma Penelitian Sosial*, (ed.). Yogyakarta: Tiara Wacana, 2001.

SMITH, Adam. *The Wealth of Nation*, New York: Dutton. 1964.

\_\_\_\_\_. *An Inquiry into The Nature and Causes of The Wealth of Nations*, 1776.

\_\_\_\_\_. *The Theory of The Moral Sentiment*, 1759. In: <http://www.adamsmith.org/smith/tms-intro.htm>. Access on May 4, 2009.

SMITHA, F. E. Adam Smith, Socialists and Liberals. *Macrohistory and World Report*, 2003.

STERLING-FOKER, Jennifer. *Making Sense of International Relations Theory*, Ed., London: Lynne Rienner Publishers, Inc. 2006.

STIGLITZ, J.; BILMES, L. *The Three Trillion Dollar War, The cost of the Iraq and Afghanistan conflicts have grown to staggering proportions*, 2008. Disponible in: [http://www.timesonline.co.uk/tol/comment/columnists/guest\\_contributors/article3419840.ece](http://www.timesonline.co.uk/tol/comment/columnists/guest_contributors/article3419840.ece). Access on May 2, 2009.

\_\_\_\_\_. CHARLTON, A. *Fair Trade for All: How Trade Can Promote Development*, New York: Oxford University Press. 2005.

\_\_\_\_\_. *Greenspan, Bush Errors Finally Come Home to Roost*, Economist View. 2007.

\_\_\_\_\_. *Information and The Change in The Paradigm in Economics*, New York: Columbia University, 2001.

STRANGE, Susan. *States and Market*, London: Pinter Publishers, 1989.

SUGIONO, Muhadi. *Kritik Antonio Gramsci Terhadap Pembangunan Dunia Ketiga*, Yogyakarta: Pustaka Pelajar, 1999.

TREANOR, Paul, *Neoliberalism: origins, theory, definition*, 2005. Disponible in: <http://web.inter.nl.net/users/Paul.Treanor/neoliberalism.html>. Access on May 20, 2009.

WOODS, Ngaire. *Economic Ideas and International Relations*, International Studies Quarterly, 1995.

ZEVON, Warren, *Global neo-Keynesianism, Toward a New Exterior Logic: Global Neo-Keynesianism (An Integral Political Economy)*, 2007. Disponible in: <http://panendeism.userboard.net/integral-panendeism-forum-f1/global-neo-keynesianism-t61.htm>. Acces on May 5, 2009

## ABSTRACT

Liberal thoughts have always experienced dynamic movements by giving birth to varieties of thoughts within the liberal thought itself. This is expressed on the development of this thought from the idea of classical liberalism, Keynesian political economy, and also Hayek's ideas which remains the dominant idea until this current time. However, in the development of the contemporary global political economy, the neo-liberal thought has started to receive a strong criticism. This article thesis focus on analytical ideas that will then be the tools to analyze the opportunity of the spread of the neo-Keynesianism idea in the dominancy of

Hayek's Ideas. In the contemporary era, the Keynesianism idea is being brought back to the surface in order to answer various global challenges which are difficult to be solved through neo-liberal schemes. This idea is considered "easy" bearing in mind how the world is currently at a massive economic crisis which requires the people to have alternative ideas in order to solve their problems. This development depends also on the part of the actors/agents who represent those who are pro-Keynesianism, such as Joseph Stiglitz and Paul Krugman. This effort will keep on being continued up to a point where the neo-Keynesianism ideas gain the political support and legitimacy to be implemented in the practical fields. This opportunity still requires a long process due to various factors such the limited supporting political power and the people's acceptance which can still be considered very weak.

**KEYWORDS:** Neo-keynesianism. Development. Political power.

## RESUMO

Pensamentos liberais têm experimentado sempre os movimentos dinâmicos, dando origem a variedades de pensamentos dentro do próprio pensamento liberal. Isso está expresso no desenvolvimento deste pensamento a partir da ideia do liberalismo clássico, em que tanto na economia política keynesiana, como também nas ideias de Hayek, permanece o pensamento dominante até o momento atual. No entanto, no desenvolvimento da economia política contemporânea global, o pensamento neo-liberal começou a receber uma forte crítica. O foco desta tese é sobre ideias analíticas que serão, então, as ferramentas para analisar a oportunidade da difusão da ideia do neo-keynesianismo na dominância de ideias de Hayek. Na era contemporânea, o pensamento keynesiano está sendo trazido de volta à superfície, a fim de responder a diversos desafios globais que são difíceis de serem resolvidos por meio de esquemas neo-liberais. Esta ideia é considerada "fácil", tendo em mente como o mundo está atualmente em uma enorme crise econômica que exige que as pessoas tenham ideias alternativas, a fim de resolver seus próprios problemas. Esse desenvolvimento depende também da parte dos atores/agentes que representam aqueles que são pró-keynesianismo, como Joseph Stiglitz e Paul Krugman. Esse esforço vai ser continuado até um ponto em que as ideias neo-keynesianistas ganharem o apoio político e a legitimidade para serem implementadas nos campos práticos. Essa oportunidade ainda requer um longo processo devido a vários fatores, tais como o limitado e sustentado poder político e a aceitação das pessoas, o que ainda pode ser considerada muito fraca.

**PALAVRAS-CHAVE:** Neo-keynesianismo. Desenvolvimento. Poder político.



# **A BRIEF HISTORY OF ANTI-NEOLIBERALISM: South American Political Economy and Development Paradigms in the XXI Century**

José Francisco Puello-Socarrás\*

## **INTRODUCTION**

Between 1970s and 1990s, the number of governments clearly identified with neoliberal hegemony in Latin America was about twelve. Along the XXI century, this situation seems to have changed. By the first decade of new millennium the prominence of neoliberal countries in the region appears diminished.

The coming of the XXI Century takes along new political scenarios in Latin America, especially in South America. The increase of social protest against neoliberalism in many places was supported by renewed political projects often stating center/left ideology that confronted the conservative and right-wing ideology held by neoliberalism (SILVA, 2006; PUELLO-SOCARRÁS,

---

\* Political scientist and assistant professor at Escuela de Política y Gobierno, of the Universidad Nacional de San Martín, in Buenos Aires Argentina; research fellow at Corporación para el Desarrollo de la Investigación Social y la Formación Política, ConCiencia Política, Colombia; Grupo Interdisciplinario de Estudios Políticos y Sociales, Theseus, at the Universidad Nacional de Colombia; Grupo de Estudios sobre Colombia y América Latina, GESCAL, in Argentina/Colombia; and Fundación de Investigaciones Sociales y Políticas, FISYP, in Argentina. Email: josephco@yahoo.com.

2008b). Actually, in several countries these rising political forces tried to react to this fact by making over social demands into new political programs and becoming party-electoral organizations that eventually were elected in national (or local) governments (LANZARO, 2008).

Since the beginning of the XXI century to the present day, those governments used to be named or identified by scholars, journalist, politicians and even common people, as “new” (to remark something “new” from the old traditional political classes in the previous era), “progressive” or “revolutionary” governments (SANTISO, 2006; CRAIG and PORTER, 2006; GRUGEL; RIGGIROZZI, 2009; BURDICK et al., 2009). However, the most important feature in the political environment was a clear opposition against neoliberalism, the so-called “Anti-Neoliberalism” (tide) (MOREIRA et al., 2008). Of course, sometimes, all these nominations are very problematic and in the current debates controversies still remains. After all, it is clear that something happened (and it is happening nowadays) in the new millennium in South American politics, policies and polities *vis-a-vis* previous times.

This paper attempts to analyze the relationship between anti-neoliberalism and development through the theoretical lens of ideational and intellectual fields. The leading objective is to refresh analytic frames in this topic to identify crucial trends (changes, ruptures and continuities) in the paradigms of development in South America in recent times. This perspective brings more analytic tools to explain the dialectics of the whole process of neoliberal hegemony and counter-hegemony alternatives in historical terms in Latin America and the Caribbean.

In this sense, two paradigmatic cases (Argentina and Bolivia) are the background to extract (partial but robust) hypotheses

and conclusions that would explain (partial) findings about two different *general* trajectories relating with anti-neoliberalism and development paradigms in South America<sup>1</sup>. This article only seeks to present an analytic frame and theoretical tools, and not to display in detail data and information. However, the final section contains the main references used by the author to support logical affirmations, including evidence beyond the paradigmatic cases mentioned.

## WHAT NEO-LIBERALISM IS... AND IS NOT

There is so much confusion about what neoliberalism is and is not. Our particular framework of analysis points out about different levels to approach neoliberalism discourses (ideas and praxis) taking into account a normative-cognitive perspective in the “battles of ideas dynamics” (PUELLO-SOCARRÁS, 2008a, 2008b) (see Figure 1).

First of all, neoliberalism is not *only* a set of economic (or social) policies, to say a *policy program* as people and some scholars might think generally associated with different versions from *Washington Consensus* (WC) prescriptions for public policies (PUELLO-SOCARRÁS, 2008a, 2011)<sup>2</sup>. Neoliberalism is a major global political (class) project in the late capitalism. Therefore, it is much more than a set of public policies. Policy programs are merely a concrete expression of neoliberalism’s real actions at a particular

---

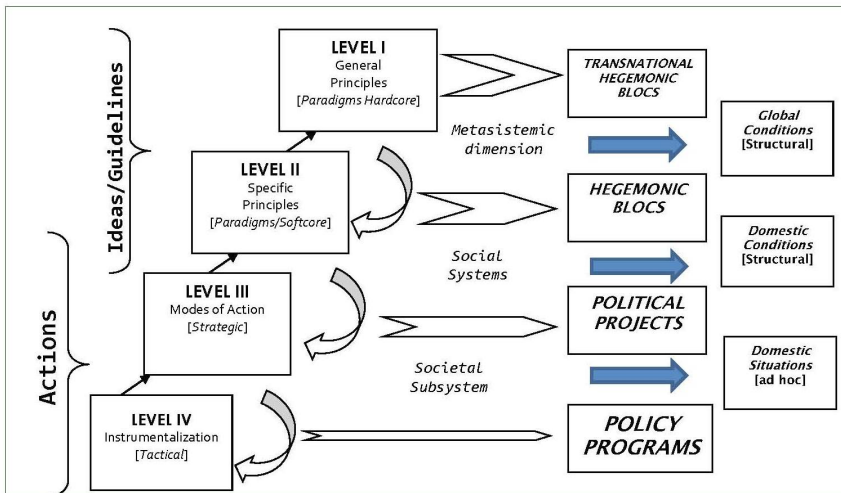
<sup>1</sup> These ideas are part of author’s PhD dissertation (in process): *Ideas, Intellectuals and Development in Latin America (2000-2010). A comparative approach in Argentina and Bolivia* (Universidad Nacional de San Martín, Buenos Aires-Argentina). This research received a grant from the Consejo Nacional de Investigaciones Científicas y Técnicas (CONICET), Ministerio de Ciencia, Tecnología e Investigación Productiva, Republic of Argentina.

<sup>2</sup> Since its original version in 1989 the *Washington Consensus* (WC) had shown different varieties like “WC+1” and the so-called *Washington Contentious* in late 1990s (BIRDSALL; DE LA TORRE, 2000) among others.



time and space, but also linked with a specific level of “intervention” and “construction” of Social Reality in a broader sense (in the case of “policies”: instrumentalization level). Any strategic or tactical action taken by neoliberalism (for instance, economic or social policies and policy instruments) will be intertwined in a bottom-up connection with higher levels, ideological guidelines and the neoliberal world-views, usually expressed in the form of “paradigms” (ideas, cognitive and normative frames). Similarly, at the same time, higher levels are linked with lower ones top-down (PUELLO-SOCARRÁS, 2010a).

In addition, neoliberalism embraces not only different levels in the social and political construction of Social Reality. It also implies several dimensions, such as the political, cultural, ecological and so on. Then, neoliberalism is not just a matter of economics; it is both multidimensional and complex phenomena that outline different types of realities.



**Figure 1. Normative-cognitive levels in the «Battle of Ideas Dynamics»**

Source: Author (based on PUELLO-SOCARRÁS, 2008a, 2009a, 2010a; SUREL, 2000; PLEHWE, 2006, 2011).

Secondly, and from an ideological point of view, neoliberalism is not a monolithic ideology (MIROWSKI; PLEHWE, 2009; PLEHWE, 2001, 2006, 2009; PUELLO-SOCARRÁS, 2008), but, once again, it is complex and multidimensional.

From the very beginning of neoliberalism launched back in the late 1940s by the Mont-Pérelin Society (1947), it is possible to recognize a number of varieties into historical neoliberalism (e.g. diverse streams of neoclassical thought and sociopolitical perspectives about its hegemonic goals). It is true that the mainstream of neoliberalism between 1970s and 1990s – even today in some aspects – was marked by Anglo-American (especially US-based) orthodox neoliberalism's brand<sup>3</sup> (PUELLO-SOCARRÁS, 2008).

This fact suggests that today's so-called "neoliberalism crisis" is not the end of the neoliberalism hegemony as a whole. It is the crisis of one kind of neoliberalism (especially, in some spaces), that is to say: "orthodox" and Anglo-American very close to the political visions and economic conceptions made available by Washington Consensus framework. The point here is that currently neoliberalism and its main changes reveal a sort of patchwork transition from the orthodox drifts (Anglo-American) towards heterodox ones (Austrians, Ordoliberalism, Austro-american synthesis) (PUELLO-SOCARRÁS, 2008). In other words, it is a progressive transition inside the very neoliberalism ideology frameworks, discourses and practices without leaving its power as a hegemonic political project. This change is part of a "general trend" in the global process in the XXI century because it should be recalled that neoliberalism, as a hegemonic project, has different temporalities and spaces. Indeed, neoliberalism's orthodox frameworks have dramatically fallen behind heterodox ones as the main references (ideological,

---

<sup>3</sup> (for example Friedman's view of economy, politics, social life)

intellectual, political, etc.) to rebuild hegemony in the middle of the currently crisis of the capitalism system.

In this way, it is possible to identify two central streams in neoliberalism’s history with a strong presence in the hegemonic reconfiguration today: “old” and “new”; orthodox and heterodox; laissez-faire and regulated (CERNY, 2008; WATKINS, 2010); radical and pragmatic; *nested* and *embeddeness* (PLEHWE, 2011; GLORIA-PALERMO, 2010) neoliberalism(s).

For analytic purposes and to recognize the different trajectories in the process of hegemonic deconstruction and reconstruction in the present day, I synthesize some differences between “old” and “new” neoliberalism regarding four key issues: a) State presence, b) Market performance, c) Society balances and imbalances, and d) Ideological roots of both forms of neoliberalism (see Table 1).

	‘Old’ neoliberalism	‘New’ neoliberalism
<b>State</b> presence as <i>apparatus</i>	<i>Deregulated.</i> State interventions or central planning impossible. The State of <i>inaction</i>	<i>Regulated.</i> State interventions not allowed except under <i>regulation</i> [‘opportunistic action’]. Central planning impossible. The State of <i>reaction</i> .
<b>Market</b> performance	Liberalisation with <i>license</i> [extreme liberty] of <i>markets</i> . The Market as a product of State/Government failures.	Liberalisation with <i>liberty of markets</i> . Compulsion of the State’s regulations only in function of Market (“failures”).
<b>Society</b> Social and extra-economic (im)balances	Spontaneous and auto-regulated by <i>markets</i>	Forced and regulated by State and <i>quasi-markets</i> .
<b>Ideological roots</b> (Neoclassical economic thought)	Orthodox Anglo-American schools as key references “Fundamentalism of the Market”: <i>laissez-faire</i> perspective.	Heterodox Austrians / Ordoliberal (German) / Market Social Economy as key references “The Market is fundamental”: anti- <i>laissez-faire</i> perspective.

**Table 1. Old and New Neoliberalism.**

Source: Author

In “real” terms, orthodox neoliberal hegemony in Latin America since the early 1970s, starts with several forms of both political and economic authoritarianism (*coups d’Etat* and civil-military dictatorships in countries of the Southern Cone, like Chile, Argentina, Uruguay, etc., and through the so-called *Delegative democracies* [O’DONNELL, 1992], authoritative democracies in Colombia, for example) and later, during 1980s, under “democratic regimes” and impositions of the *Washington Consensus* through multilateral institutions (International Monetary Fund and World Bank) until the end of 1990s. This period resulted in a Paradigm of Development (especially in the economic sense) basically characterized by: a) Market-led export economic model and b) Macroeconomic stabilization as the *hard-core* general principles that were carried out through specific principles: liberalization, deregulation, flexibilisation and privatization (BIRDSALL et al., 2010; WILLIAMSON, 1990, 1994, 2003).

All the results of this version of (orthodox and old) neoliberalism – including economic growth and social development of course – around the world, but in the region particularly proved to be disastrous. Levels of poverty, indigence, destitution, marginalization and exclusion that historically characterized Latin America and the Caribbean were increased dramatically by the XXI century.

## **THE ANTI-NEOLIBERALISM AFFAIR**

The same questions about neoliberalism are related to with anti-neoliberalism: what is anti-neoliberalism and what is not?

Analytically speaking, the main difference between neoliberalism and anti-neoliberalism is that the latter does not express any concrete policy agenda or specific model of development, nor

a political project – as many people thought and some scholars tried to theorize. First and foremost, anti-neoliberalism is just an historical event in the process of deep social struggles against the capitalist hegemonic project. To put this in a little metaphor: the Anti-neoliberalism is against Margaret Thatcher’s “TINA” (there is no alternative... to neoliberalism, of course) saying “No. There is An Alternative...” (to neoliberalism, of course) but nobody knew exactly where, when and how that alternative would be real or possible (MUNCK, 2003). It is so important to notice that all social, economic and political complaints against neoliberalism in Latin America clearly pointed towards one type of neoliberalism. Social resistance versus the so-called Orthodox Neoliberalism (especially policies encouraged by the *Washington Consensus*) explains different trajectories in the varieties of discursive practices of anti-neoliberalism from progressive anti-*Washington Consensus* appeals to radical anti-capitalisms callings.

This seems to be a key analytic element because although anti-neoliberalism was not really clear about its political and economic goals beyond neoliberalism, it is the historical background when the seeds of discontent lead to the “end” of orthodox neoliberalism hegemony and, at the same time, is the period when the structural conditions for a neoliberalism revival germinate (a kind of neoliberalism renewed; heterodox-based), and the birth of counter-neoliberalism alternatives (socioeconomic and political projects that try to deinstitutionalized the previous neoliberal regime and its renewed forms) (BRENNER et al., 2002, 2010). This particular interpretation attempts to catch up with the breakpoints of the whole process, identifying discontinuities and continuities in a historical and political perspective.

Furthermore, in the middle of the crisis of the capitalism

system, this is the time of the return of ideas and ideologies – especially the resurgence of discourses about development (BRESSER-PEREIRA, 2007a, 2007b; BORON, 2009) – not only against the orthodox perspectives of previous neoliberalism. The coming back of the discussion about conceptions in development showing that some people was strongly wrong when they believed that ideologies had been defeated by the rhythm of history (FUKUYAMA, 2008). The battle of ideas had not finished yet. It is: *alive and kicking!*

This scenario of regenerated intellectual background probably played a key role in the emergence of new social platforms and political projects against neoliberalism, in particular, the reconfiguration of electoral-party systems. In several places, social movements barely politicized and new political parties and diverse leaderships were attempted to “transform” historical social dissatisfactions into a political source to gain different kinds of support and, in many cases, obtain significant electoral victories under “anti-neoliberalism flag”.

Specifically, Latin-American anti-neoliberalism could be dated to 1994. It began in the region with the uprising of the (neo) Zapatist National Liberation Army in Chiapas (Mexico) against the North America Free-Trade-Agreement – a typical expression of Neoliberalism hegemonic political project (in all versions) – and its extends into the first decade of XXI century. It is clear that this periodization could be a little bit arbitrary. But it’s thinking to situate analytically the start-point of anti-neoliberal affair as an historical crucial episode along the recent times and the breakpoint of the neoliberalism hegemony, among other important events (like Argentina’s social crisis, in 2001, and the Bolivian “Water War”, in 2000, and “Gas War”, in 2003) highlights key moments of greatest severe resistance versus the policies of the neoliberalism. Besides, this period is so important because the social resistance gradually

became organized political projects.

In all cases, these events are pushing different types of changes into sociopolitical platforms in the inherited “model” of development. That progress led one to hope that the neoliberal hegemony came to an end, and a kind of a new period in the political economy of the region was coming.

### **NEOLIBERALISM IN XXI CENTURY: diffraction and bifurcation in the development paradigm**

At the present day, it is uncertain to what extent the situations and whole process of anti-neoliberalism transformed previous conditions, and which reconfigurations it fosters in the actual regional political economy.

Scholarly debates around a “new period” after neoliberalism have been offering a couple of answers trying to find continuities and discontinuities, although especially stressing the breaks.

Some observe the virtual existence of a post-neoliberal regime (HERSBERG; ROSEN, 2006; SADER, 2008; LEIVA, 2008; MACDONALD; RUCKERT, 2009; HEIDRICH; TUSSIE, 2009) consisting of a group of countries in Latin America, but specifically in South America, where center/left-wing parties have reached governmental power during this century, besides from the fact that neoliberal regime in other countries goes forward, regionally speaking. In this version, after anti-neoliberalism it is possible to detect two different types of development paradigms: neoliberal and post-neoliberal (CASTAÑEDA; MANGABIERA; UNGER, 1998; RODRICK, 2002; HERSHBERG; ROSEN, 2006). Others have stressed the existence of three different versions of regimes in the region: neoliberal and post-neoliberals (in plural). In contrast, this interpretation assumed that the post-neoliberal group has two

branches: first, “radical socialists” (governments self-appointed as revolutionaries like Venezuela, Bolivia and Ecuador); and, second, “new developmentalist” (so called “progressive” reformist by its advocates; here, Brazil and Argentina are paradigmatic cases).

How to know the extent to which we could find a “post-neoliberal era”? How far away has the anti-neoliberalism affair gone? Or simply: after neoliberalism, what? (PETRAS; VELTMEYER, 2009).

Both characterizations about political economy regimes in South America seem, to me, (partially) wrong. At least from the point of view of theorizing the central changes in the region, taking into account anti-neoliberalism as analytic tool associated with paradigms of development. By this way, it is possible to point out trends in terms of different trajectories around present regimes in political economy, “models” of development, political projects and policy programs, as well as from global, regional or local standpoints. As I’ve been talking before, one of the mechanisms to establish tendencies are ideas and ideology but chiefly the intellectual and ideational fields from a cognitive/normative perspective. Here, the changes or transformations in paradigms of development in particular shed light into some partial hypothesis and conclusions.

Now, the central mistake of the interpretations mentioned above is the great weight of the prefix post in the term post-neoliberalism. The question that rises immediately is: what is the so-called “post” of neoliberalism? This also begs another question: to what extend has the neoliberalism been banished once and for all? “Post” is a random prefix but, mostly, a very problematic notion because a) it submits a static and linear approach about phenomena and does not take into account dialectics on hegemony/resistance in the neoliberalism/anti-neoliberalism process as a whole. This may suggest a kind of rigid, logical and formal dichotomy, too: continuity



or discontinuity in the features of the regimes along the time; b) is there empirical evidence about the ‘end’ of neoliberalism in the “post” countries to say that we are in the opening of a new historical era? Indeed, is there a solid standard to substantially differentiate neoliberal regimes from post-ones, including slight differences between “radicals” and “progressives”? Many questions remain about this topic. But it’s clear that the term post-neoliberal is very confusing and entangles everything, analytically (and politically, I must to say) speaking.

Addressing this puzzle leads us to consider more closely and analytically the types of changes and transformations in the paradigms of development “in motion” and the influence of anti-neoliberalism in trying to synthetize key processes and trends.

In this sense, I argue that anti-neoliberalism entailed two major tendencies related with changes and transformations: diffraction “in” the neoliberalism on one side, and bifurcation “of” neoliberalism on the other. Figure 2 shows this scheme graphically. What are these two different about?

Diffraction “in” neoliberalism brings changes inside of neoliberalism, to say, discontinuity and continuity, through the “rebirth” of neoliberalism in a kind of new fashion (new neoliberalism). The key issue here is the evidence of several changes in ideas and conceptions compared to the previous neoliberal frames, mainly in policy programs (“rethinking” economic and “social” policies and instruments under new neoliberal frames, for example) but not good-sized transformations in its hegemonic political project. In other words, diffraction means a robust discontinuity from the former orthodox neoliberal frames and at the same time a strong continuity as an evolution of neoliberalism taken as a whole in recent times. Here, there is no alteration in the neoliberal paradigm (general

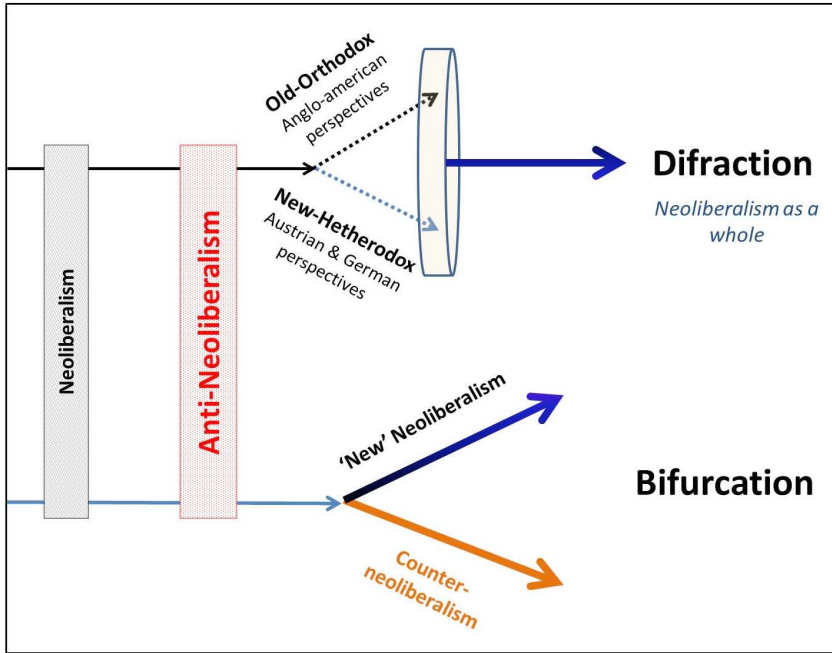
and, relatively, specific principles) of development at all<sup>4</sup>.

Bifurcation “of” neoliberalism displays, on the one side, the virtual continuity of neoliberalism (including a kind of neoliberalism adaptation to the antineoliberalism affair as we discussed above with the notion of diffraction) and, on the other hand, at the same time, a route of transformations in the political economy hegemony outside and far away from neoliberalism. Of course, the non-neoliberal bifurcation brings alterations that are negatively related with hegemonic political project and logically affects policy programs in a counter-neoliberalism sense<sup>5</sup>. They could be called revolutionaries because it involved a *re-evolution* of the former paradigm into another different and alternative. Note that diffraction and bifurcation are both an outcome of *antineoliberalism* in a non-linear sense.

---

<sup>4</sup> A good example of this is the self-evidence convergence between “new” frames (in a neoliberal-heterodoxy style) on macroeconomic policy recently promoted by International Monetary Fund (major institutional device associated with global neoliberal hegemony since 1970s) and the “new developmentalist” proposals on macroeconomic policy (BLANCHARD et al., 2010; BRESSER-PEREIRA, 2007a).

<sup>5</sup> Replace neoliberal paradigm outside of neoliberalism hegemony always takes time to make it *real*. But it’s clear that early stages and future trajectories of any political project of transition from neoliberal to alternatives regimes should be characterized by de-institutionalization of previous hegemony as a necessary condition to stand up other regime configuration. Then the trajectories of this kind of process should be both counter-neoliberal and counter-hegemonic. This is not only useful for analytical purposes, but it is a powerful political criterion to observe recent changes (new neoliberalism) or transformations (counter-neoliberalism) in Latin America and the Caribbean.



**Figure 2.** Diffraction and Bifurcation of Neoliberalism as a product of Anti-neoliberalism affair  
 Source: Author.

Keeping in mind this analytic frame, the crucial processes in the reconfiguration of regional political economy in XX century are counter or pro neoliberalism regimes. Hegemonic form of neoliberalism of 1990s has left behind. Diffraction and bifurcation courses suggest these two types of regimes updated.

Even the alleged proximity between the two branches of “post-neoliberalism” (revolutionary radical socialists and progressive reformist new developmentalist) is a misleading interpretation, a fallacy.

The so-called new developmentalists models are the product from the diffraction (not bifurcation) of the neoliberalism/anti-neoliberalism dialectics. Identity or solid connections – politically, epistemologically and so on – between the “old” developmental

frames of development and “new” developmentalist doesn’t even exist (PUELLO-SOCARRÁS, 2008, 2010). Clearly, key features of the latter (paradigm, political project, policy programs) are closer to new neoliberalism than to the old version of developmental model (nominated as State-led industrialism) although some scholars are trying to conceal this fact as a way of hiding the (new) neoliberal hardcore paradigm present in the assumed neo-developmental. In a regional sense, neo-developmental regimes are paradigmatic about new neoliberalism ones (CYPHER, 2006; GAMBINA, 1998).

## CONCLUSION

This paper attempted to shed new light into the discussion about anti-neoliberalism. I focus on its relation with neoliberal hegemony viewing anti-neoliberalism as an alternative theoretical frame that would provide useful analytic tools to approach processes of changes and transformations in development paradigms in the beginning of XXI century, in South America from, the perspective of ideas, ideology and ideational and intellectual fields, to say, a cognitive/normative insight.

Although this article did not want to display in detail data and information around any particular cases, it does offer (partial) hypotheses and conclusions about the continuities and discontinuities in neoliberal hegemony. The logic and possibilities of emergence of development paradigms after the neoliberal (orthodox) period are related to two major trends: diffraction “in” and bifurcation “of” neoliberalism. Both types of processes allow for the exploration of trajectories of pro and counter-neoliberal regimes at the present day, anticipating to re-conceptualize present scholar and political debates.

Anti-neoliberalism seems to be not only a mere historical event of resistance against neoliberalism. It is an important device to understand changes and transformations in the neoliberal paradigm and the efforts in rebuild new conceptions about development outside of neoliberalism, to say, looking for an Alter-and-Native, AlterNative development (*Buen Vivir*, “well-being” paradigms in South America is a good example to discuss this idea) (FARAH; VASAPOLLO, 2011). This goal is broadly neglected when, at the same time, antineoliberalism may have forced neoliberalism begin a process of adaptation in a new fashion and to adopt a kind of “remedy” against increased “counter” hegemonic social resistance in the region without putting neoliberal hegemony at risk. These facts sometimes are unintentionally unobserved, but others simply deliberately conceal the false hearted consequences, both academic and political.

In essence, the basic criteria to evaluate – analytically and politically – pro or counter neoliberalism regimes are the counter-hegemonic force of political projects and policy trajectories associated with effective transformations of market-led paradigm that affect general discourses and specific practices on development regimes in every case (countries), and later, in the regional reconfiguration, under a top-down and bottom-up inquiry. Through this focus, regional economic “models”, like the so-called “neo-developmentalists”, are markedly pro-neoliberalism and represent just a continuity in the extended course of (new) neoliberalism’s revival in the XXI century.

## REFERENCES

BIRDSALL, N.; TORRE, A. de la. “*Washington Contentious. Economic policies for social equity in Latin America*”, Washington, Carnegie Endowment for International Peace, 2000.

BIRDSALL, N., TORRE, A. de la y VALENCIA, F. “The Washington Consensus. Assesing damage Brand”, *Policy Research Working Paper* (WPS5316), Washington: World Bank, 2010.

BLANCHARD, O., DELL’ARICCIA, G. and MAURO, P. “Rethinking Macroeconomic Policy”, *Journal of Money, Credit and Banking*, Blackwell Publishing, V42(s1), 09, 2010.

BORON, A. *Socialismo siglo XXI. ¿Hay vida después del neoliberalismo?* Buenos Aires, Luxemburg, 2009.

BRENNER, N. PECK, J. y THEODORE, N. “¿After Neoliberalization?”, *Globalizations*, Septiembre, Vol. 7, No. 3, 2010.

BRENNER, Neil y THEODORE, Nik. “Cities and the geographies of ‘actually existing neoliberalism’”, *Antipode*, Vol. 34, No. 3, 2002.

BRESSER-PEREIRA, Luiz Carlos. *Macroeconomia da estagnação*. São Paulo, Editora 34, 2007a

BRESSER-PEREIRA, Luiz Carlos. “Estado y mercado en el nuevo desarrollismo”, *Nueva Sociedad*, No. 210, julio-agosto 2007b.

BURDICK, John; OXHORN, Philip; ROBERTS, Kennett (eds.). *Beyond the neoliberalism in Latin America. Societies and politics at the crossroads*, New York, Palgrave MacMillan, 2009.

CASTAÑEDA, J., MANGABIERA UNGER, R, *et al.*, “*Después del neoliberalismo: un nuevo camino. El Consenso de Buenos Aires*”, 1998 en Korzeniewicz, Roberto y Smith, William, “Los dos ejes de la tercera vía en América Latina”, *Colombia Internacional* No. 48 (Bogotá: Universidad de Los Andes), 2000.

CERNY, P., “Embedding Neoliberalism: the evolution of a hegemonic paradigm”, *The Journal of International Trade and Diplomacy*, Vol. 2, No. 1, 2008.

COCKETT, R. *Thinking the Unthinkable: Think-Tanks and the Economic Counter-Revolution 1931–1983*, London, HarperCollins, 1995.

CRAIG, David y Doug Porter. *¿Development beyond Neoliberalism? Governance, poverty reduction and political economy*. New York, Routledge, 2006.

CYPHER, J. “Export oriented industrialization. State policies and contemporary national production systems. Initiatives and perspectives from Mexico, Chile and Argentina”. Paper. Latin American Studies Association, San Juan (Puerto Rico), marzo 15-18 2006.

DEZALAY, Y. and GARTH, B. *La internacionalización de las luchas por el poder: la competencia entre abogados y economistas por transformar los Estados latinoamericanos*, Bogotá, Unibiblos, Universidad Nacional de Colombia, 2002.

FARAH, I. and VASAPOLLO, L. (cords.). *Vivir Bien: ¿paradigma no capitalista?* La Paz, CIDES-UMSA, 2011.

FUKUYAMA, F. (ed.). *Falling behind. Explaining the development gap between Latin America and the United States*, Oxford, Oxford University Press, 2008.

GAMBINA, J. “Crítica al Consenso de Buenos Aires o el Disenso del Sur”, en *Revista Realidad Económica*, No. 155, del 1 de abril al 15 de mayo de 1998.

GLORIA-PALERMO, S. Le neoliberalisme a l’épreuve de la crise des subprimes, *American Sociological Association*, Volume XVI, Number 2, 2010.

GOMES, C.; MANGABIERA UNGER. *O Próximo Passo. Uma*

*alternativa practica aõ liberalismo*, Rio de Janeiro, Topbooks, 1996.

GRUGEL, Jean; RIGGIROZZI, Pía (comps.). *Governance after neoliberalism in Latin America*, New York, Palgrave, 2009.

HEIDRICH, P.; TUSSIE, D. “Post-Neoliberalism and the New Left in the Americas: The Pathways of Economic and Trade Policies” en: MacDonald, Laura y Ruckert, Arne (eds.) *Post-neoliberalism in the Americas*, New York, Palgrave, 2009.

HERSBERG, E.; ROSEN, F. *Latin America after neoliberalism. Turning the tide in 21th century?*, New York, The New Press, 2006.

KORZENIEWICZ, R.; SMITH, W. “Los dos ejes de la tercera vía en América Latina”, *Colombia Internacional* No. 48 (Bogotá: UNIANDES), Abril 2000.

LANZARO, Jorge. “La socialdemocracia criolla”, *Nueva Sociedad*, No 217, septiembre-octubre de 2008.

LEIVA, Fernando Ignacio. *Latin American Neostructuralism. The Contradictions of Post-Neoliberal Development*, Minneapolis, University of Minnesota Press, 2008.

MACDONALD, L.; RUCKERT, A. (eds.) *Post-neoliberalism in the Americas*, New York, Palgrave, 2009.

MIROWSKI, P.; D. PLEHWE (eds.), *The Road from Mont-Pèrelin. The making of the neoliberal thought collective*, Cambridge, Harvard University Press, 2009.

MOREIRA, Carlos; RAUS, Diego; GÓMEZ LEYTON, Juan Carlos (coords.). *La nueva política en América Latina. Rupturas y continuidades*, Montevideo, Ediciones Trilce, 2008.

MUNCK, R. “Neoliberalism, necessitarianism and alternatives in Latin America: there is no alternative (TINA)?”, *Third World Quarterly*, Vol 24, No 3, pp 495–511, 2003.



O'DONNELL, Guillermo. “¿Democracia delegativa?” en: *Contrapuntos. Ensayos escogidos sobre autoritarismo y democratización*, Buenos Aires, Paidós, 1997.

PETRAS, J.; VELTMEYER, H. *What's Left in Latin America? Regime Change in New Times*, London, Ashgate Publishing, 2009.

PLEHWE, D. “Transnational Discourse Coalitions and Monetary Policy: Argentina and the limited Powers of the ‘Washington Consensus’”, *Critical Policy Studies* Volume 5 No. 2, 2011.

PLEHWE, D. Bernhard Walpen y Gisela Neunhöffer (eds.) *Neoliberal Hegemony. A global critique*, New York, Routledge, 2006.

PLEHWE, D. *Globalización capitalista, élites de poder y redes neoliberales* en Estrada Álvarez, Jairo (ed.), *Intelectuales, tecnócratas y reformas neoliberales en América Latina*, Bogotá, Unibiblios, 2005.

PUELLO-SOCARRÁS, J.F. *Nueva Gramática del Neo-liberalismo. Itinerarios teóricos, trayectorias intelectuales, claves ideológicas*. Bogotá: Universidad Nacional de Colombia, 2008a.

PUELLO-SOCARRÁS, J.F. “¿Un Nuevo Neo-liberalismo? Emprendimiento y Nueva Administración de ‘lo público’”. *Revista Administración & Desarrollo* (Bogotá: Escuela Superior de Administración Pública) No. 49, 2008b. Disponible en línea: [http://hermesoft.esap.edu.co/esap/hermesoft/portal/home\\_1/rec/arc\\_3979.pdf](http://hermesoft.esap.edu.co/esap/hermesoft/portal/home_1/rec/arc_3979.pdf).

PUELLO-SOCARRÁS, J.F. “Revolución sin Guerrillas, ¿Guerrillas sin Revolución? La vigencia del concepto Revolución en las Guerrillas Contemporáneas. El caso del Ejército de Liberación Nacional en Colombia” en: Rajland, Beatriz y Cotarelo, María Celia (comps.). *La Revolución en el Bicentenario. Reflexiones sobre la emancipación, clases y grupos subalternos*. Buenos Aires: CLACSO, 2009a.

PUELLO-SOCARRÁS, J.F. “América Latina: nueva tónica y viejos tópicos. Cartografía en torno a las formas y reformas de la política

en el siglo XXI”. *Revista de la COPPPAL: “La Reforma Política en América Latina y el Caribe. Propuestas para los Partidos Políticos”* (Buenos Aires: Conferencia Permanente de Partidos Políticos de América Latina y el Caribe), 2009b.

PUELLO-SOCARRÁS, J.F. “Ciencias Sociales, Políticas y Foros Públicos. Nexos, (inter)conexiones y (des)vinculaciones contemporáneas”. *Documentos de Trabajo* (Buenos Aires: Consejo Latinoamericano de Ciencias Sociales, CLACSO) No. 6, 2010a.

PUELLO-SOCARRÁS, J.F. “Del *Homo Economicus* al *Homo Redemptoris*. Emprendimiento y Nuevo Neo-liberalismo”. *Otra Economía. Revista Latinoamericana de Economía Social y Solidaria* (Polvorines: RILESS) Vol. 4, No. 6, 2010b. Disponible en línea: <http://www.riless.org/otraeconomia>.

PUELLO-SOCARRÁS, J.F. “Escribiendo un ‘Nuevo Neoliberalismo’”. *Anuario de Investigaciones* (Buenos Aires: Fundación de Investigaciones Sociales y Políticas, FISYP) No. 1, 2011. Disponible en línea: <http://www.fisyp.org.ar/WEBFISYP/Inv1.pdf>.

RIGGIROZZI, P. “After neoliberalism in Argentina: reasserting nationalism in an Open economy” en: Grugel, J. y Riggirozzi, P. (comps.), *Governance after neoliberalism in Latin America*, New York, Palgrave, 2009.

RODRICK, D. “After neoliberalism, what? Ponencia. *Alternatives to Neoliberalism Conference*. New Rules for Global Finance Coalition, May 23-24, 2002.

SADER, E. *Posneoliberalismo en América Latina*, Buenos Aires, CLACSO-CTA Ediciones, 2008.

SADER, E. “El Consenso de Buenos Aires”, *La Jornada*, México (16 de octubre 2003).

SANTISO, J. *Latin America’s political economy of the possible. Beyond Good Revolutionaries and Free-Marketeers*, Cambridge, MIT Press, 2006.

SILVA, E. *Challenging Neoliberalism in Latin America*, Cambridge, Cambridge University Press, 2009.

SUREL, Y. “The role of cognitive and normative frames in policy-making”, *Journal of European Public Policy*, Vol. 7, No. 4, Octubre de 2000b.

TAYLOR, M. “The contradictions and transformations of neoliberalism in Latin America: from structural adjustment to ‘empowering the poor’” en MacDonald, Laura y Ruckert, Arne (eds.) *Post-neoliberalism in the Americas*, New York, Palgrave, 2009.

WATKINS, Susan. “Arenas movedizas”, *New Left Review* No. 61, 2010.

WILLIAMSON, J. “Appendix: Our agenda and the Washington Consensus”, en Kuczynski, Pedro-Pablo y John Williamson, *After the Washington Consensus: restarting growth and reform in Latin America*, Washington, The Institute for International Economics, 2003.

WILLIAMSON, J. “What the Washington Consensus means by policy reforms”, en Williamson, J. (ed.), *Latin American adjustment: how much has happened*, Washington, The Institute for International Economics, 1990.

WILLIAMSON, J. *The political economy of policy reform*, Washington, Institute for International Economics, 1.994.

WILLIAMSON, Oliver. “The new institutional economics: taking stock, looking ahead” en *Journal of economic literature*. Vol. XXXVIII, 2000.

## **ABSTRACT**

This paper attempts to analyze the relationship between anti-neoliberalism and development through the theoretical lens of ideational and intellectual fields and shedding light into some (partial) hypothesis and conclusions about the neoliberalism era. The argument proposed here is that anti-neoliberalism entailed two major trends related to various changes and transformations in the regional political economy hegemonic project: diffraction in neoliberalism on one side, and bifurcation of neoliberalism on the other. These two tendencies shed new lights to understand the changing neoliberal hegemony in the XXI century, its discontinuities and continuities. The leading objective here is to refresh analytic frames around this topic and to identify rising paradigms of development in South America in recent times by theorizing about the usefulness of anti-neoliberalism as analytic tool.

**KEYWORDS:** Neoliberalism. Anti-neoliberalism. Development. South America.

## **RESUMO**

O que é “anti-neoliberalismo”? O que não é? Este trabalho pretende analisar a relação entre o anti-neoliberalismo e o desenvolvimento através da lente teórica do campo ideacional e intelectual, além de iluminar algumas hipóteses (parciais) e conclusões sobre a era do neoliberalismo. O argumento aqui proposto é que o anti-neoliberalismo implicou duas tendências importantes relacionadas com as várias mudanças e transformações no projeto de economia política regional hegemônica: a difração “no” neoliberalismo de um lado e, do outro, a bifurcação “do” neoliberalismo. Essas duas tendências lançam novas luzes necessárias para entender a hegemonia neoliberal da mudança no século XXI, incluindo as suas discontinuidades e continuidades. O objetivo é levar para atualização os quadros analíticos em torno desse tema e identificar os paradigmas crescentes do desenvolvimento na América do Sul, nos últimos tempos, ao teorizar sobre a utilidade do neoliberalismo como uma ferramenta analítica. Dessa forma, é possível apontar não só as trajetórias gerais, mas também as particulares, em torno da atual evolução dos regimes econômicos, “modelos” políticos de desenvolvimento, projetos políticos e programas de políticas, bem como pontos de vista globais, regionais ou locais.

**PALAVRAS-CHAVE:** Neoliberalismo. Anti-neoliberalismo. Desenvolvimento. Regimes político econômicos.



# LA DIPLOMACIA DE LOS PUEBLOS, RELACIONES INTERNACIONALES ALTERNATIVAS DESDE EL SUR

Karla Díaz Martínez\*

*Los latinoamericanos [...] llevamos quinientos años aprendiendo a odiarnos entre nosotros y a trabajar con alma y vida por nuestra propia perdición, y en eso estamos; pero todavía no hemos podido corregir nuestra manía de andar soñando despiertos y chocándonos con todo, y cierta tendencia a la resurrección inexplicable.*

**Eduardo Galeano**

## INTRODUCCIÓN

América Latina desde las últimas décadas del siglo XX ha padecido la aplicación de las políticas neoliberales con la acentuación de la pobreza, la exclusión social y el incremento de las desigualdades como consecuencias. Así, la realidad de esos años se sumó a toda una tradición de opresión de los sectores populares, afrodescendientes y de los pueblos indígenas presente desde la invasión europea, y que se mantuvo aún después de las independencias y de la constitución de los Estados nacionales.

En el marco global, el fin de la Guerra Fría y el establecimiento de los EEUU como potencia vencedora ha sido, y sigue siendo, determinante en múltiples ámbitos. En lo político, el Consenso de Washington y toda una serie de ajustes económicos son representativos de la influencia que el Norte ejerce sobre América

---

\* Posee Magister en Sociología del Desarrollo (UARCIS-Chile). Especialista en Derecho y Política Internacional por la Universidad Central de Venezuela, Becaria Clacso – Asdi, 2011. Actualmente se desempeña como docente en el área de Ciencias Políticas y es Doctorante en Procesos Sociales y Políticos de América Latina (PROSPAL). E-mail: [karladiazm@yahoo.com](mailto:karladiazm@yahoo.com)

Latina. En el ámbito cultural se ha consolidado una suerte de hegemonía, que propiciada por los medios de comunicación y las tecnologías de la información pretenden una homogenización cultural que busca desaparecer diferencias, minorías, ancestralidades, y toda la pluralidad que caracteriza la región latinoamericana, y el Sur en general.

El Estado, por su parte, se ha visto disminuido bajo el pretexto de la supremacía de lo económico y de la capacidad del mercado para solucionarlo todo. Pero en términos prácticos es una realidad que el Estado se ha visto sobrepasado de múltiples maneras. Desde arriba por la institucionalidad internacional, FMI, Banco Mundial, capaces de dictar políticas internas, así como por las poderosas transnacionales hechas del manejo de los recursos estratégicos de los países proveedores: los del Sur. Pero así mismo, desde abajo toda una gama de formas de organizaciones sociales, movimientos populares, pueblos indígenas, comunidades, campesinos, ONG, han ido avanzando en procesos complejos de organización social y política, y en la conducción de sus propios destinos. De esta forma, se comienza también a ver las relaciones internacionales no sólo desde la perspectiva del Estado como actor principal sino con una pluralidad de actores ya existentes en la realidad.

En tanto la globalización económica y sus actores nacionales oprimen desde arriba se da la emergencia de formas creativas de organización social y política, la construcción de alternativas de asociatividad y de hacer política con los recursos propios. La política salvaje es una de estas formas, “una reflexión crítica y práctica de las formas de dominación existentes, que va más allá de ellas; tiende a ser transcultural, a trascender varias políticas u órdenes políticos como horizonte ético intelectual” (TAPIA, 2008, p. 188).

Las prácticas salvajes suelen propiciar el paso de un principio de organización a otro, sin ser ellas mismas el adelanto de las nuevas

formas, sino más bien el momento disolvente y de fluidez sobre el cual a veces es posible la instauración de formas alternativas de reorganización social y política (TAPIA, 2008, p. 123). En el caso de los pueblos indígenas, ellos recurren a sus formas tradicionales de organización, muchas veces adaptado a su contexto temporal o espacial, para proponer formas de organización que reemplacen el orden existente que los excluye.

En este sentido, desde América Latina emerge el concepto de la Diplomacia de los Pueblos. Según Bansart

significa el intercambio entre comunidades de base, formadas por dos o más territorios: intercambio de preocupaciones, análisis y experiencias [...] De este modo la Diplomacia de los Pueblos es muy diferente de la Diplomacia de los Estados sin, por eso, entrar en conflicto con ésta. Responde a un derecho de visibilidad y consiste en una actuación directa, activa, flexible, adaptable a todas las circunstancias. Está lejos de la diplomacia de los negocios; se trata de una diplomacia de la dignidad (BANSART, 2008, p. 33).

Esta propuesta de Diplomacia de los Pueblos encuentra su origen en la diplomacia indígena, que no es más que la forma originaria de relacionamiento de los pueblos originarios entre ellos y con otros, sin embargo, la Diplomacia de los Pueblos es mucho más amplia pues recoge no sólo el conocimiento y las prácticas de la diplomacia indígena, sino que incorpora experiencias de sectores campesinos, populares y mestizos urbanos (TICONA, 2006).

Desde el mundo indígena, y particularmente desde Bolivia en su actual proceso de transformación del Estado, se fundamenta a partir del rescate de sus prácticas ancestrales: “Como representantes de pueblos y culturas ancestrales, sobrevivientes de una Cultura



de la Vida según la cual nos hemos regido durante milenios, este gobierno está asumiendo con la mayor responsabilidad volver a fortalecer este legado de nuestros abuelos y ancestros, generando propuestas alternativas que recojan nuestras raíces e identidad, que nacen y crecen desde las comunidades en plena soberanía” (TICONA, 2006, p. 11).

La complementariedad, la unión y el intercambio entre pueblos constituye la noción básica de la propuesta:

Lo que ahora llamamos diplomacia, es entendido por nuestros abuelos como unión armónica, hermandad que no tiene fronteras. Esta hermandad suma *suyus*<sup>1</sup> y articula territorios. Por medio del *ayni*<sup>2</sup>, por medio de intercambios, compromete a personas, comunidades y sociedades, recursos e instituciones. La diplomacia del *Tawantinsuyu*<sup>3</sup> es hermandad, complementación, es Diplomacia de los Pueblos por la Vida (TICONA, 2006, p. 10).

Esta propuesta surge en el contexto de los procesos de transformación que se están dando a comienzos del siglo XXI en América Latina, y que persiguen reinventar un nuevo tipo de relación entre el Estado y su sociedad. Se trata de

redefinir la noción de política, imprimiéndole un carácter público, tornándola un espacio de acumulación de fuerzas sociales, culturales y directamente políticas, quebrando la dualidad Estado/sociedad civil que pertenece al universo liberal y choca directamente con la socialización de la política y el poder, objetivos fundamentales en la emancipación de los hombres (SADER, 2006a, p. 9).

---

<sup>1</sup> Suyus: Regiones, en idioma quechua.

<sup>2</sup> Ayni: reciprocidad, correspondencia mutua. Servicio en la necesidad del otro con retribución en la misma condición y situación, en idioma quechua.

<sup>3</sup> Tawantinsuyu significa cuatro regiones, en idioma quechua

Se trata del empoderamiento de movimientos sociales e indígenas, que persiguen la construcción de sociedades plurinacionales y pluriculturales, inclusivas y participativas, desde una perspectiva descolonizadora intentando romper con los paradigmas de la modernidad occidental. Porque si bien, América Latina ha estado en el centro del proceso de desarrollo de la modernidad, paradójicamente ha sufrido sus impactos por hallarse en la periferia o semiperiferia, es decir, que no ha tenido acceso a las herramientas principales de poder que operaron en este proceso de desarrollo de la modernidad. De ahí que el subcontinente se considere a sí mismo como una forma incompleta o degradada de la modernidad (DOMINGUES, 2009, p. 11).

Uno de los cuestionamientos centrales a las teorías tradicionales de las Relaciones Internacionales es que estas se fundamentan en el Estado y el paradigma de la representatividad. La Diplomacia de los Pueblos intenta ir más allá de las relaciones entre los Estados, busca que las relaciones internacionales estén entrelazadas mediante sus representantes sociales y civiles, como las organizaciones sociales, los movimientos sociales progresistas, bajo otros principios de relación internacional, de integración, más horizontales entre los pueblos del mundo (TICONA, 2006, p. 5).

La Diplomacia de los Pueblos no pretende sustituir a la diplomacia tradicional adelantada por los Estados y gobiernos, sino más bien complementarlas al trabajar de manera paralela con esta para así profundizar por caminos más directos, a los de las burocracias oficiales, a la integración cultural, económica, social y política de los pueblos del sur (CONSTANT, 2007, p. 52),

La Diplomacia de los Pueblos entonces, la podemos definir como el relacionamiento y la conciliación de intereses entre sujetos diversos, donde la conducción de las relaciones no es exclusiva de centro de poder alguno, ni del Estado, sino que por el contrario le da preeminencia al intercambio social, cultural, político, económico y de múltiples ámbitos entre pueblos, comunidades, movimientos sociales y cualquier otra forma de organización o sujeto colectivo, donde prevalecen los intereses populares, en cuanto al intercambio, al relacionamiento, a la comunicación y a la unión de los involucrados.

Así, este planteamiento cobra importancia en diversos ámbitos. Apunta hacia la reinención de lo social a partir del elemento cultural al que se apela como forma de resistencia; en este caso, las identidades colectivas y las formas de organización. Así mismo, en el elemento político resulta espacio de transformación en términos de la consolidación de nuevas formas de hacer política y de la interacción entre actores diversos, cuestionando las tradicionales Relaciones Internacionales que consideran al Estado-Nación como actor principal, siendo que la emergencia de las identidades de naciones indígenas y de movimientos sociales reclaman espacios de participación en el ámbito de lo internacional.

En lo concreto, esto se materializa, primero, en términos de repensar el desarrollo, por estar la Diplomacia de los Pueblos estrechamente relacionada con el paradigma del Buen Vivir o Sumak Kawsay, que propone una relación armónica entre el ser humano y la naturaleza como entorno del que forma parte. En segundo lugar, se materializa en la potenciación de un nuevo tipo de integración participativa, plural y de complementariedad, en el nivel de la región latinoamericana, y en el nivel de la integración Sur-Sur.

La Diplomacia de los Pueblos aparece en el panorama latinoamericano actual como un intento de construcción contra-

hegemónica desde dos ámbitos. En primer lugar, y originalmente, desde las bases, donde se desarrolla un tipo de relacionamiento entre sectores sociales, comunidades vecinas, pueblos indígenas, organizaciones no gubernamentales. Para el caso de los pueblos indígenas, se trata de la continuidad de relaciones ancestrales con otros pueblos o con otras comunidades muchas de las cuales han quedado separadas por fronteras coloniales o republicanas impuestas y que les han otorgado nacionalidades distintas siendo parte de una misma nación indígena. Este caso es frecuente en el continente latinoamericano a lo largo de todas las fronteras estatales, pero también ha sido el detonante de múltiples conflictos en la realidad poscolonial de África y Asia.

Otra muestra es el relacionamiento entre organizaciones o movimientos constituidos como tales, ubicados en fronteras de distintos países, no necesariamente vecinos, intercambio que suele estar incentivado por el uso de las tecnologías de la comunicación. Ejemplo concreto de esto se encuentra en el Foro Social Mundial y en organizaciones como la SPARC (Sociedad para la Promoción de Centros de Recursos Zonales), que es una asociación fundada por mujeres, sujetos de poca movilidad, y dedicada a ellas, cuyo objeto inicial fue el de organizar a los habitantes de los barrios pobres de Bombay para obtener viviendas. Actualmente la asociación cuenta con una red de grupos en múltiples ciudades de Asia y en algunas ciudades latinoamericanas y africanas (SASSEN, 2007, p. 247).

El segundo frente de acción de la Diplomacia de los Pueblos es el intercambio con apoyo o intervención de la autoridad estatal, y que se manifiesta de diversas formas, a nivel local a través de la llamada Paradiplomacia, que no es más que las relaciones internacionales de los gobiernos locales (RODRÍGUEZ GELFENSTEIN, 2006), pero también a través de la realización de cumbres y espacios de

intercambio. Ejemplo de esto es la Cumbre Mundial de los Pueblos sobre Cambio Climático y Derechos de la Madre Tierra, realizada en Cochabamba, Bolivia, en 2010, como espacio de intercambio y discusión propiciado por Bolivia y su presidente Evo Morales, una iniciativa con apoyo de la institucionalidad de un Estado para la elaboración de propuestas a nivel internacional por parte de actores sociales<sup>4</sup>.

Otro significativo ejemplo se plasma en programas sociales implementados a nivel internacional como la Misión Milagro de Venezuela, que es un programa social humanitario diseñado para atender de manera gratuita la enorme población de escasos recursos que presenta problemas de salud visual, y que se está llevando a cabo en diversos países latinoamericanos y del mundo<sup>5</sup>.

<sup>4</sup> Entre las más destacadas propuestas surgidas de este foro está la de llevar adelante un Referéndum Mundial, plebiscito o consulta popular, a favor de la Madre Tierra. Argumentando que “en las negociaciones sobre Cambio Climático desarrolladas en Copenhague se demostró que los representantes de los países desarrollados pretenden atribuirse la toma de decisiones y la imposición de las mismas a todos los pueblos, gobiernos y países del planeta; decisiones inconsultas que afectan la Madre Tierra y el futuro de la humanidad, olvidando que el planeta y su destino no son propiedad exclusiva de un grupo de gobiernos o instituciones internacionales”. Así mismo se propuso la creación de un Tribunal Internacional de Justicia Climática y Ambiental, sobre la base de “la falta de voluntad política de los países desarrollados para cumplir de manera efectiva sus compromisos y obligaciones asumidos en el Marco de la Convención de las Naciones Unidas sobre Cambio Climático y el Protocolo de Kyoto, y frente a la inexistencia de una instancia legal internacional que prevenga y sancione todos aquellos delitos y crímenes climáticos y ambientales que atenten contra los derechos de la Madre Tierra y la humanidad”. Disponible en: [http://www.movimientos.org/conferenciamundialpueblos/show\\_text.php3?key=17208](http://www.movimientos.org/conferenciamundialpueblos/show_text.php3?key=17208).

<sup>5</sup> Según datos aportados por la Ministra de Salud venezolana Eugenia Sader, 1.549.000 personas han sido beneficiadas por la Misión Milagro entre 2005 y 2012. Aproximadamente 33.000 pacientes de 20 diferentes países como Ecuador, El Salvador, Colombia, Brasil, Guatemala, Perú, Chile, Puerto Rico, Honduras, Paraguay, Costa Rica, Nicaragua, República Dominicana, Uruguay, Bolivia, Argentina, México, Portugal, Italia y Belice. “Las comunidades se organizan y se dirigen a nuestras embajadas pidiendo participar en la Misión Milagro”. En: <http://www.avn.info.ve/contenido/misi%C3%B3n-milagro-venezuela-ha-beneficiado-33-mil-pacientes-otros-pa%C3%ADses>. Según su descripción oficial: “es una iniciativa orientada a solucionar, gratuitamente y de manera rápida y efectiva, la

Por tanto hay una interacción en estos procesos. Se nutre desde abajo, desde las bases sociales, con toda una diversidad de organizaciones y acciones, foros, cumbres y múltiples espacios de debate y construcción. Desde arriba, la institucionalidad estatal de sociedades en transformación, gobiernos de movimientos, incentivan y potencian desde arriba estos espacios. Así mismo, se nutre de lo ancestral rescatando formas políticas y de organización propia de nuestros pueblos indígenas.

## **EL CUESTIONAMIENTO A LA DIPLOMACIA TRADICIONAL Y NUEVAS PROPUESTAS**

Dentro de la disciplina de las Relaciones Internacionales se han elaborado aportes que apuntan hacia la existencia de diversas variantes de la diplomacia formal conducida por los Estado-Nación, algunas de las cuales encuentran coincidencias con la Diplomacia de los Pueblos. Sin embargo, esta última no se encuadra dentro de las propuestas preexistentes, tiene características propias que la distingue, en términos de que está pensada desde América Latina.

De entre estas nuevas formas han surgido una serie de clasificaciones de distinto tipo, como la llamada Track Two Diplomacy, definida en castellano como diplomacia oficiosa, paralela o ciudadana, aunque algunos autores la restringen a los proyectos ciudadanos de base, mientras otros apuntan a que se trata de la intervención de profesionales que están conectados de cerca con los políticos (RUIZ, 2004, p. 85-87).

Frecuentemente, Track Two Diplomacy y Diplomacia Ciudadana se toman como equivalentes, sin embargo hay quienes

---

deuda con las personas excluidas de la atención y apartadas de la vida social y productiva por padecer problemas solucionables de salud visual, incorporándolos a la vida social” Disponible en <http://www.misionmilagro.gob.ve/>

distinguen entre ambas. Se entiende la diplomacia ciudadana como toda una clase de procedimientos no oficiales aplicables a nivel internacional e intercomunal donde existen diferentes culturas y la aparente necesidad de un mejor entendimiento que no puede alcanzarse a través de contactos más formales. Ejemplo de esto son los intercambios ciudadanos, conciertos, hermanamiento de ciudades, intercambios educativos, proyectos de investigación comunes y ayuda humanitaria<sup>6</sup>.

Por su parte, la Track Two Diplomacy sería la “interacción no oficial, informal, entre miembros de naciones o grupos adversarios que apuntan a desarrollar estrategias, influenciar la opinión pública, y organizar recursos humanos y materiales de manera que puedan contribuir a resolver su conflicto” (BURTON; DUKES, 1990, p. 95). Por tanto, estaría diseñada para asistir a los líderes, para evitarles abandonar su necesidad de aparecer “fuertes, astutos e indomables ante su enemigo” (RUIZ, 2004, p. 86).

Todas estas implican la intervención mediante instancias ciudadanas sin relación directa con sus gobiernos, lo que se constituye también como la principal diferencia frente a la diplomacia formal, la posición de los participantes en lo referente a la política, lejana a la de los representantes de tomar decisiones en nombre de gobiernos o Estados (RUIZ, 2004, p. 90).

La Diplomacia Multivial (*multi-tack-diplomacy*), según John McDonald, quien elaboró un modelo al respecto, establece niveles de acuerdo a los actores propensos a intervenir en asuntos diplomáticos, primordialmente orientado hacia la resolución de conflictos internacionales y escaladas de violencia (FISHER, 1997, p. 118).

Estos modelos muestran el interés de los estudiosos en profundizar acerca de formas distintas de hacer diplomacia,

---

<sup>6</sup> Idem

circunscriben las acciones a ciertos grupos o sectores y limitan la participación de otros.

Una propuesta más inclusiva viene dada por la Diplomacia No Gubernamental. Definida por Henri Rouillé D'Orfeuill, quien es uno de sus principales exponentes y propulsores, de la siguiente manera:

La palabra misma es audaz en la medida en que tocamos allí un dominio privativo del Estado de donde los actores privados son tradicionalmente apartados [...] la diplomacia no gubernamental no es ni debe ser comprendida como diplomacia paralela, sino como un componente de una “diplomacia participativa”. Se define por su objetivo y por sus acciones hacia públicos diversos. El objetivo de la diplomacia no gubernamental [...] es único, pero de gran importancia: contribuir a la construcción de un mundo solidario (ROUILLÉ, 2008, p. 103).

Dentro de la definición se delimita que la acción va orientada hacia tres públicos que despiertan su interés: las redes militantes de la solidaridad internacional, la opinión pública y los medios, y los negociadores internacionales. Sin embargo, se orienta hacia las ONG como forma principal de organización ciudadana, que si bien es una herramienta importante, son múltiples las formas de organización que prevalecen sobretodo en la realidad latinoamericana.

La Paradiplomacia, siendo otra de estas variables, está referida, según Sergio Rodríguez Gelfenstein, a

la interacción de subsistemas en función a intereses propios y características comunes. Los Estados comienzan a perder forma territorial en la medida en que las partes que lo integran buscan desde lo local, la forma de conectarse al sistema internacional,



procurando tener voz en el exterior que les permita afrontar los retos que demandan los procesos y problemas globales (RODRÍGUEZ GELFENSTEIN, 2006, p. 11).

Es desarrollada por municipios, regiones o instituciones privadas de un país para dialogar y llegar a acuerdos con municipios, regiones o instituciones privadas de otro país. Y cuando hablamos de instituciones el límite parece casi infinito (ARTAZA, 2010, p. 360).

Por su parte, Noé Cornago Prieto señala que la Paradiplomacia está referida a

la implicación de los Gobiernos No Centrales en las relaciones internacionales, a través del establecimiento de contactos formales e informales, permanentes o *ad hoc* con entidades extranjeras, públicas o privadas, con el propósito de promover asuntos de carácter socioeconómicos, políticos o culturales, así como cualquier otra dimensión externa de sus competencias constitucionales (ARÁMBULA, 2008, p. 5).

Esa interacción entre gobiernos subnacionales conlleva también al enfrentamiento de dos paradigmas de las Relaciones Internacionales según Sergio Rodríguez Gelfenstein, uno relacionado con la interdependencia compleja, que conlleva al pluralismo de actores, es decir, el de la sociedad mundial, y el otro, Estado-céntrico, o tradicional, basado en el realismo político (RODRÍGUEZ GELFENSTEIN, 2006, p. 182).

Pero estas perspectivas tradicionales, que consideran la relación entre Estados en términos de poder e interés nacional, y el estatus internacional determinado por la paz y la guerra, comienzan a ser obsoletas cuando no logra captar las transformaciones del espacio político global, el auge de nuevos actores, prácticas políticas alternas

etc. Por el contrario, el paradigma del globalismo o sociedad mundial reconoce que como consecuencia del desarrollo social, económico, científico y comunicacional, la interdependencia y la cooperación aparecen como la solución a nuevos problemas y retos, necesidades y demandas distintas de las relaciones conflictivas descritas por el realismo (RODRÍGUEZ GELFENSTEIN, 2006, p. 11).

Como resultado de todo esto, se debilita el Estado-Nación para dar paso a estructuras supranacionales, transnacionales, regionales y locales. La frontera de los Estados que limita geográficamente a un territorio se va sustituyendo por una definición en términos de cultura e identidad. “Las fronteras se mueven y reconfiguran de acuerdo a los lazos o características comunes de los pueblos”<sup>7</sup>. Las autoridades locales están respondiendo a los procesos globales de manera activa, ya no son dependientes del apoyo, a veces limitado, que les pueda brindar el gobierno nacional, sino que además deciden buscar sus propias soluciones, para lo cual han creado un sistema de relaciones internacionales, llamado Paradiplomacia, que las leyes comienzan a reconocer. Se organizan nuevas estructuras y formas de interacción regionales y transfronterizas, a partir de las características geográficas y culturales, las necesidades y las fortalezas de dichos territorios.

Como resultado del impacto sobre la soberanía del Estado de los imperativos de un nuevo capitalismo global, de las nuevas condiciones tecnológicas, de los procesos de comunicación masiva y de la multiplicación de las demandas de reconocimiento cultural, la diplomacia parece debatirse hoy entre la obsolescencia y su obligada reinención (CORNAGO, 2010, p. 128).

Este sucinto debate presentado a partir de las propuestas que apuntan hacia la superación de la diplomacia tradicional y su transformación o ampliación nos permite distinguir de entre estos

---

<sup>7</sup> Idem

aportes y la Diplomacia de los Pueblos, siendo que coinciden en algunos supuestos, esta última se afianza en las raíces ancestrales de nuestros pueblos indígenas y se nutre de las luchas de los movimientos sociales y populares de nuestros tiempos, una propuesta amplia e incluyente de forma de organización y relacionamiento. Es decir, se enmarca en la categoría de epistemología del Sur, acuñada por De Sousa, que consiste en la

búsqueda de conocimientos y de criterios de validez del conocimiento que otorguen visibilidad y credibilidad a las prácticas cognitivas de las clases, de los pueblos y de los grupos sociales que han sido históricamente victimizados, explotados y oprimidos, por el colonialismo y el capitalismo globales (DE SOUSA, 2009b, p. 12).

## **LA TRANSFORMACIÓN DE LO SOCIAL: RESISTENCIA Y COMUNIDAD**

La Diplomacia de los Pueblos, tal como hemos referido, se constituye como un tipo contra-hegemónico de relaciones internacionales, teniendo en consideración que el régimen actual de las relaciones internacionales se ha vuelto un elemento central de la globalización hegemónica (DE SOUSA, 2009b, p. 226). El impacto de la globalización sobre las relaciones sociales, la organización social, las identidades individuales o colectivas ha generado transformaciones en la vida social, la emergencia de identidades de resistencia, de nuevas formas de organización social y nuevos repertorios de acción de aquellos que se resisten, y todo esto tiene incidencia en el ámbito internacional.

La globalización es el proceso mediante el cual una condición o entidad local logra extender su alcance por todo el globo, y al hacerlo, desarrolla la capacidad de designar como local a alguna entidad o condición social rival (DE SOUSA, 2009b, p. 230), y, según apunta De Sousa, no existe una entidad aislada llamada globalización, hay más bien globalizaciones, en plural: la globalización hegemónica y otras formas de globalización, que intentan contrarrestar la exclusión (DE SOUSA, 2009b, p. 231).

Uno de los elementos que ha estimulado este fenómeno ha sido el desarrollo de redes globales de comunicación y de complejos sistemas globales de producción e intercambio, que vienen a disminuir el poder de las circunstancias locales sobre la vida de la gente y esta se ve crecientemente afectada por lo que ocurre en otros lados. Sin embargo, es necesario matizar estos elementos porque la idea de una cultura global desterritorializada y convergente no considera suficientemente el hecho de que simultáneamente ha ido resurgiendo el interés por las culturas locales. Lo que denota que la globalización va siempre acompañada de la localización (LARRAÍN, 2005, p. 113).

Las nuevas tecnologías de la información y comunicaciones, parte central de la globalización, han posibilitado el ingreso de una variedad de actores políticos locales en ámbitos internacionales antes exclusivos de los Estados. Esta combinación de redes locales y globales y su activismo genera condiciones para la formación de identidades al menos parcialmente transnacionales, y si bien esto no es excluyente de los vínculos con el país o la localidad provoca un desplazamiento que posibilita que dichos vínculos se extiendan a comunidades translocales (SASSEN, 2007).

Desde el Sur, se apela a las identidades de resistencia que insisten en construir alternativas frente a las imposiciones hegemónicas del Norte que pretenden homogeneizarlo todo. La

identidad, en cuanto a los actores sociales, se refiere al proceso de construcción del sentido atendiendo a un atributo cultural, o un conjunto relacionado de atributos culturales, al que se da prioridad sobre el resto de las fuentes de sentido (CASTELLS, 2001, p. 28).

En lo particular, la identidad de resistencia es generada por aquellos actores que se encuentran en posiciones/condiciones devaluadas o estigmatizadas por la lógica de la dominación, por lo que construyen trincheras de resistencia y supervivencia basándose en principios diferentes u opuestos a los que impregnan las instituciones de la sociedad. Las identidades que comienzan como resistencia pueden inducir proyectos<sup>8</sup>.

Este tipo de construcción social busca romper con la falsa convicción, propia de la modernidad, de que el individuo puede concebirse al margen de la comunidad. La identidad para la resistencia conduce a la formación de comunas o comunidades. Puede ser que este sea el tipo más importante de construcción para la sociedad. Construye formas de resistencia colectiva contra la opresión, de otro modo insoportable, por lo común atendiendo a identidades que aparentemente estuvieron bien definidas por la historia, la geografía o la biología, facilitando así que se expresen como esencia las fronteras de la resistencia<sup>9</sup>.

A partir del caso de Bolivia, García Linera describe a las comunidades (o ayllus) “como estructuras civilizatorias portadoras de sistemas culturales, temporales, tecnológicos, políticos y productivos estructuralmente diferenciados de las constituciones civilizatorias del capitalismo dominante” (GARCÍA LINERA, 2001, p. 51). Así, la comunidad se presenta como una entidad social de vínculos tecnológicos, formas de circulación de bienes y personas,

---

<sup>8</sup> Idem, p. 30

<sup>9</sup> Id. Ibid, p. 31

transmisión de herencia, gestión colectiva de saberes y recursos, sedimentación de experiencias, funciones políticas y proyección de porvenir que se antepone y define a la propia individualidad<sup>10</sup>.

La universalización de la civilización capitalista es la globalización, donde un bloque central de poder aparece como la autoridad de todo el orden mundial, de acuerdo con Quijano. Se ha producido una profunda y masiva modificación de la vida de todas las sociedades y de todas las gentes. Esos cambios no afectan de modo orgánico, sistemático, coherente; a todos los países y a todos los grupos ocurre de modo irregular, discontinuo, heterogéneo, contradictorio, conflictivo. Se desencadenan impulsos y tendencias hacia la constitución de nuevas perspectivas y nuevos cauces culturales. Por eso, la universalización de la civilización capitalista es la otra cara de la irrupción de la diversidad y de la heterogeneidad de las experiencias culturales que existen en el mundo y que circulan en las mismas autopistas de la comunicación global (QUIJANO, 2001, p. 118-119).

Estas nuevas construcciones identitarias de resistencia constituyen una reacción contra la discriminación o marginación cultural, social o política. Son formas de auto identificación que hacen frente a su asimilación a un sistema en el que su situación sería estructuralmente subordinada. Para el caso de América Latina, esto es muy gráfico porque esta resistencia se manifiesta a través del rescate de identidades dormidas, es el caso de los pueblos originarios. Si bien no todas las facetas de la globalización generan resistencias, como apunta Castells, a ciertos grupos sociales sí les hace resistir, fundamentalmente cuando se trata de procesos globalizadores que pretenden homogeneizar o hacer desaparecer, menospreciar o invalidar estas identidades que suelen ser cuantitativamente

---

<sup>10</sup> Idem.

minoritarias. Finalmente, estos grupos resisten como pueden y con los recursos con los que cuentan porque como ciudadanos son minorías que no encuentran representados sus derechos. Nos encontramos con la inoperatividad del sistema de representación (CASTELLS, 2005, p. 17).

La experiencia local se ve alterada por este proceso de globalización. Las comunidades locales, sometidas por siglos a contactos parciales ven alterados sus patrones de conocimiento y conductas (BENGOA, 2007, p. 47). Lo que ocurre es un doble proceso, concomitante, de globalización y particularismo. La percepción de los indígenas es que la globalización se constituye en una amenaza cultural profunda. La transformación de la experiencia local viene a resituar las identidades locales en un contexto radicalmente diferente<sup>11</sup>.

En el mundo comunitario tradicional no era necesario “explicar” la propia identidad. No se precisaba dar cuenta de ella ante nadie. En un mundo cada vez más interrelacionado circula la pregunta obvia: y tú, ¿Quién eres? Frente a la pregunta por la identidad, los indígenas se ven impelidos a iniciar un complejo proceso de respuestas [...] comienza a surgir una necesidad evidente por poseer un ‘discurso de identidad’ (BENGOA, 2007, p. 51).

Por su parte, la realidad del llamado mundo poscolonial<sup>12</sup> nos muestra otra cara de la identidad cultural como forma de resistencia. El caso de la India, que también es una realidad de otras sociedades

---

<sup>11</sup> Idem, p. 51.

<sup>12</sup> Sobre este concepto ver Edward Said 2007 (1990) *Orientalismo* (Barcelona: Debolsillo); Gayatri Spivak 2009 (1988) *¿Pueden hablar los subalternos?* (Barcelona: Macba); Walter Mignolo 1996 “Herencias coloniales y teorías poscoloniales” en González, Beatriz *Cultura y tercer mundo* (Caracas: Nueva Sociedad); entre otros.

del Sur, es un ejemplo en resistencia a partir de la espiritualidad:

El nacionalismo anticolonial forja su propio espacio de soberanía dentro de la sociedad colonial mucho antes de iniciar su batalla política con el poder imperial. Lo hace dividiendo el mundo de las instituciones y las prácticas sociales en dos campos: el material y el espiritual. El material es el campo de lo “exterior”, de la economía y de lo estatal, de la ciencia y de la tecnología, un campo en el cual occidente ha ratificado su superioridad y Oriente ha sucumbido. En este campo, la superioridad occidental ha sido reconocida, y sus logros cuidadosamente estudiados e imitados. El espiritual, por el contrario, es un campo “interior”, que soporta los aspectos “esenciales” de la identidad cultural. Cuanto más se triunfe en imitar los logros de occidente en el campo material, mayor será la necesidad de preservar las características de la cultura espiritual propia (CHATTERJEE, 2008).

Chatterjee habla del tiempo heterogéneo de la modernidad y defiende este argumento con ejemplos tomados del mundo poscolonial donde

se pueden observar empresarios que demoran el cierre de un negocio porque no consultaron aún con sus astrólogos. O trabajadores industriales que no tocarán una nueva máquina hasta que no haya sido consagrada con los ritos religiosos apropiados [...] pero postular que estas situaciones son el producto de la convivencia de varios tiempos – el tiempo de lo moderno y los tiempos de lo premoderno - supondría únicamente ratificar el utopismo propio de la modernidad occidental (CHATTERJEE, 2008, p. 116).



Por todo el mundo, los procesos hegemónicos de exclusión encuentran diferentes formas de resistencias – iniciativas de base, organizaciones locales, movimientos populares, redes transnacionales de solidaridad, nuevas formas de internacionalismo obrero – que intentan contrarrestar la exclusión social abriendo espacios para la participación democrática y la construcción comunitaria, ofreciendo alternativas a las formas dominantes de desarrollo y conocimiento; en suma, en favor de la inclusión social (DE SOUSA, 2009b, p. 231).

Este activismo transnacional tiene una característica positiva, y es que está por igual involucrada con la política de la equidad (redistribución) y con la política de la diferencia (reconocimiento). Pero también tiene una característica negativa: es que las teorías de la separación han prevalecido sobre las teorías que pregonan la unión sobre la gran variedad de movimientos, campañas e iniciativas existentes. Donde lo verdaderamente global es sólo la lógica de la globalización hegemónica, que fija un equilibrio que mantiene tales movimientos separados y mutuamente ininteligibles<sup>13</sup>.

Tal como apunta Chatterjee desde los estudios poscoloniales,

nos cabe a nosotros [...] los marginales del mundo de la modernidad, hacer uso de las oportunidades que todavía tenemos para inventar nuevas formas de orden social, económico y político en el marco de la modernidad. En los últimos cien años hemos ensayado varias experiencias. Muchas de las soluciones fueron consideradas, por otros y por nosotros mismos, como adaptaciones imperfectas del modelo original, inacabadas, distorsionadas y hasta falsificadas. Vale la pena considerar si muchas de esas formas supuestamente distorsionadas de instituciones económicas, leyes, prácticas culturales, no podrían contener la potencialidad de modelos completamente

---

<sup>13</sup> Ibid., p. 232.

nuevos de organización económica o de gobernabilidad democrática, nunca imaginados por las viejas formas de la modernidad occidental. Para eso, entretanto, tenemos que tener el coraje de dar la espalda a la historia de los últimos quinientos años y de encarar el futuro, con una madurez renovada y con una autoconfianza nueva (CHATTERJEE, 2008, p. 53).

En este sentido, y a partir de las identidades de resistencia, se destacan tres planteamientos que hace Manuel Castells. En primer lugar, los actores sociales que se resisten a los procesos de individualización proporcionan una importante alternativa: las comunas culturales, como reacciones a las tendencias sociales imperantes, que funcionan como refugio y solidaridad, y están constituidas desde la cultura (CASTELLS, 2001, p. 88).

En segundo lugar, que esas comunas puedan surgir nuevos sujetos, es decir, nuevos agentes de transformación social, con lo que se construirá un nuevo sentido en torno a la identidad proyecto<sup>14</sup>. En tercer lugar, las identidades que comienzan como resistencia pueden inducir proyectos y, también, con el transcurrir de la historia, convertirse en dominantes en las instituciones de la sociedad, con lo cual se vuelven identidades legitimadoras para racionalizar su dominio<sup>15</sup>. Por tanto de estos actores sociales que resisten pueden surgir nuevos proyectos de sociedad, más bien de tipo solidario y plurales, cercanos a la noción de comunidad.

Con la idea de la diversidad, surge el problema de la interculturalidad, y lo importante de la interculturalidad es que no es una cuestión solamente cultural, sino una cuestión política, y por eso tiene que ser tratada a nivel de dos temas: el Estado y la democracia (DE SOUSA, 2009a, p. 20).

---

<sup>14</sup> CASTELLS, 2001, p. 90.

<sup>15</sup> *Ibid.*, p. 30.

## **LA TRANSFORMACIÓN DE LO POLÍTICO: la inclusión de nuevas prácticas**

La Diplomacia de los Pueblos se presenta como una práctica política, fuertemente vinculada con la diplomacia indígena, y en consonancia con los procesos de transformación del Estado en América Latina, particularmente desde Bolivia, pero con fuerte receptividad en Ecuador y Venezuela. En términos generales, se trata de trasladar al plano internacional un nuevo tipo de democracia, la democracia participativa y el proyecto de construcción del socialismo del siglo XXI<sup>16</sup>.

Se enmarca en la construcción de la epistemología del sur, “que es una comprensión del mundo mucho más amplia que la que nos da la comprensión occidental, y que a pesar de ser cada vez más clara, no está todavía contabilizada en las soluciones políticas y teóricas que por ahora tenemos” (DE SOUSA, 2009a, p. 20). Esta se propone una lucha contra las formas homogeneizadoras de organización de la sociedad, que desplazan y segregan a los grupos que no encajan en la descripción dominante. Donde es fundamental el reconocimiento de la pluralidad humana, que se da a partir de dos criterios: el énfasis en la creación de una nueva gramática social y cultural; y en el entendimiento de la innovación social y cultural articulada con la innovación institucional (DE SOUSA, 2002, p. 64), es decir, la búsqueda de una nueva institucionalidad democrática que reconozca e incluya las formas de organización propuesta por los

---

<sup>16</sup> Sobre el Socialismo del Siglo XXI ver en Tomas Moulian 2001 *Socialismo del siglo XXI* (Santiago: LOM); Mészáros, Istvan 2008 *El desafío y la carga del tiempo histórico: el socialismo del siglo XXI* (Vadell Hermanos/Clacso); Heinz, Dieterich 2007 *Hugo Chávez y el socialismo del siglo XXI* (Caracas: Monte Ávila); Harnecker, Martha 2010 *Inventando para no errar: América Latina y el socialismo del siglo XXI* (Caracas: CIM/El viejo Topo); entre otros.

diversos sectores. Y el primer gran ejercicio para captar las marcas de lo “nuevo” reside en reconocerlo no sólo como fenómeno que desentona sino como hilo conductor que permite revertir la relación de fuerzas existentes (SADER, 2006a, p. 1).

La democracia participativa, de acuerdo a lo que plantea Tomas Moulian, pretende construir una cultura donde sea posible la creatividad como experiencia cotidiana como una finalidad del socialismo. Esta imaginación creativa está también dirigida a que se creen organizaciones y redes, y nuevas experiencias de asociatividad, de construcción de sujetos. Así también, el desarrollo de una cultura comunitaria, con el realce de valores como la fraternidad y la amistad, que sirvan como antídoto a la tacañería burguesa, el egoísmo del ahorro y la despersonalización de las relaciones que privan hoy día. Es un conjunto de luchas para lograr una democracia total, buscando formas distintas de hacer y de pensar (MOULIAN, 2001).

Este tipo de construcción política pone énfasis en la labor creativa de los pueblos. Para escapar de los modelos imitativos, una de las opciones es emprender la búsqueda de la democracia participativa, una cultura igualitaria y una economía solidaria en las comunidades y en los pueblos que aún conservan estructuras tradicionales. Esto, construyendo paso a paso un futuro a partir de la afirmación de estas realidades. Esta reflexión implica, en primera instancia, un reconocimiento explícito de la gran diversidad de estructuras políticas, económicas y culturales que privan en el mundo de hoy, y que están siendo amenazadas por la uniformidad globalizadora de las empresas transnacionales y de los Estados nacionales que se han puesto a su servicio (GABRIEL, 2005, p. 29).

La ampliación de espacios es fundamental en la democracia participativa. Sin embargo, la sociedad debe ser el espacio de lucha porque se busca la transformación de la sociedad, persiguiendo la

reconstitución de instituciones y experiencias contrarias al espíritu del capitalismo (MOULIAN, 2001, p. 142).

Pero lo que ha venido sucediendo en muchas de nuestras sociedades es una apropiación de espacios a la fuerza, una especie de política salvaje, en vista de la exclusión que vastos sectores han sufrido, y es lo que ha dado origen a la constitución de movimientos sociales que comienzan a configurarse cuando la acción colectiva empieza a desbordar los lugares estables de la política, tanto en el seno de la sociedad civil como del Estado, y se mueve a través de la sociedad buscando solidaridades y aliados en torno a un cuestionamiento sobre los criterios y formas de distribución de la riqueza social o de los propios principios de organización de la sociedad, del Estado y del gobierno. Los movimientos sociales suelen hablar de algo que no tiene lugar en la sociedad, sobre la ausencia de algo deseable, cuya consecución se busca y conquista en el movimiento y en la reforma de los espacios políticos existentes (TAPIA, 2008, p. 56). En buena medida, son el producto de la restricción de espacios políticos a elites reducidas. Por ello, la democracia participativa debe luchar contra la elitización de la política que está orientada a dejar dormir a los ciudadanos para que queden reducidos a simples electores (MOULIAN, 2001, p. 109), cuestionando, de esta forma, a la democracia liberal representativa y postulando un tipo de democracia más bien participativa.

El socialismo del siglo XXI debe ser pensado como la socialización del poder político, una democracia participativa que sustituya a la representativa. Debe ser pensado con una economía regida por la lógica de las necesidades y de producción de nuevos sujetos económicos. Debe ser también pensado a partir de la creación de una cultura asociativa en donde se realice el ideal de las

relaciones fraternas<sup>17</sup>. Estas características son más cercanas con la forma comunidad, y rompen con la idea del individualismo como forma de vida en la sociedad.

La experiencia boliviana reciente nos remite a la inclusión de prácticas y códigos propios de las culturas indígenas, mayoritarias en ese país, donde se plantea el paradigma del Buen Vivir como base de los procesos de transformación del Estado. Tal como afirma David Choquehuanca<sup>18</sup>:

Nosotros no buscamos “el vivir mejor”, es más, no queremos que nadie viva mejor, lo que nosotros buscamos es un “vivir bien”, los aymaras queremos volver a ser *qamiris* nuevamente, *qamiri* significa persona que vive bien, los quechuas quieren volver a ser nuevamente *qhapaj*, *qhapaj* es una persona que vive bien y los guaraní han dicho que nosotros queremos volver a ser *iyambae*, *iyambae* es una persona sin dueño y *iyambae* es una persona que vive bien (TICONA, 2006, p. 7, énfasis original).

“No se trata sólo de un cuestionamiento, sino un intento serio de apostar a pensar desde otras categorías analíticas, mejor dicho iniciando desde nuestro pensamiento” (TICONA, 2006, p. 8), así Choquehuanca enfatiza:

Estos nuestros saberes ancestrales, nuestro códigos que nos permitían vivir bien, formas propias de organización que nos permitían vivir bien, que nos permitían una vida equilibrada, no solamente entre las personas, sino que nos permitía una vida equilibrada entre el hombre y la naturaleza, eso es lo que queremos compartir con el mundo, a eso llamamos nosotros la “Diplomacia de los Pueblos (TICONA, 2006, p. 8).

---

<sup>17</sup> Ibid., p. 118.

<sup>18</sup> Canciller del Estado Plurinacional de Bolivia desde el año 2006.

En esta coyuntura de transformación que vive el Estado boliviano, también se realizan cambios en las costumbres, usos y prácticas, una de ellas, es sin duda la diplomacia exterior que a través de nuevas formas y estilos, fomenta el surgimiento de un nuevo relacionamiento, protocolizando la práctica diplomática de los pueblos indígenas. De esta forma se trabaja en la inclusión de prácticas como el Apthapi (comida comunal) y el Akhulli (masticación de la hoja de coca) en los encuentros de relacionamiento e intercambio de Bolivia con otros países y otros pueblos del mundo (ACADEMIA DIPLOMÁTICA, 2009a; 2009b).

El Apthapi o comida comunal hace parte de estos aportes culturales a las prácticas políticas,

“se lo puede considerar una costumbre o práctica cultural de los pueblos y naciones andinas. En él participan todos los miembros de la comunidad, sin exclusión alguna. Por este sentido de inclusión, incorporación y respeto, el Apthapi se define como una práctica abierta y democrática. A partir de esta práctica comunitaria, algunos pre-juicios o expresiones de racismo o discriminación de género – e inclusive por enfermedad – desaparecen. Más al contrario, todos tienden a ser incluidos, tolerantes y tolerados (...) En el Apthapi se da la lógica del buen comer en medio de conversaciones y chistes (...) no hay jerarquías. Se trata de un grupo con lealtad étnica y hasta política, sobre la base del respeto para todos los participantes. La conversación, por lo general, tiende a una comparación cultural entre el pasado, presente y futuro, aludiendo, por ejemplo, a la producción agrícola con los años pasados” (ACADEMIA DIPLOMÁTICA DE BOLIVIA, 2009b, p. 44).

Por su parte el Akhulli es,

la masticación de la hoja de coca, en las circunstancias y maneras practicadas por los indígenas, es un hecho cultural enraizado en principios étnicos y éticos de los pueblos andinos, cuyas funciones religiosas, socioculturales, económicas y médicas constituyen un complejo funcional para la preservación y fortalecimiento de su identidad y que no puede por ninguna razón equipararse con una toxicomanía (ACADEMIA DIPLOMÁTICA DE BOLIVIA, 2009a, p. 11).

El Akhulli es un aglutinante sociopolítico en la organización comunal. Las culturas andinas se basan en la complementariedad, donde los opuestos no se enfrentan sino que se complementan. Son culturas cíclicas porque no son antropocéntricas sino cosmocéntricas; además, siguen las lógicas rotacionales, duales y simétricas. De acuerdo a sus tradiciones, esa relación con la naturaleza se manifiesta por medio de la hoja de coca. En todas las actividades que realizan, la hoja de coca siempre está presente, en el trabajo, en las celebraciones, en los rituales y en lo cotidiano (ACADEMIA DIPLOMÁTICA DE BOLIVIA, 2009a).

La transformación del Estado en Bolivia tiene como base el reconocimiento de la plurinacionalidad, lo que también implica la inclusión de prácticas de relacionamiento de sus pueblos indígenas en la política del Estado Plurinacional. Por ello, se rescatan de su cultura ancestral elementos como el Apthapi y el Akhulli para ser incluidos en la política exterior, y así intentar relacionarse con otros no sólo a partir de los protocolos diplomáticos establecidos, sino también invitar a compartir desde sus costumbres y prácticas de relacionamiento ancestrales.



En el caso de Ecuador, se inicia un proceso de aparente ruptura con este largo horizonte colonial.

Esta ruptura se puede presenciar no sólo en los reconocimientos, derechos y en el carácter del nuevo Estado detallados en la Carta Política, sino también en la manera en que coloca en el centro del repensar y refundar lógicas y racionalidades “otras”. [...] Que parten de la diferencia construida y revivida por los pueblos ancestrales, las que dan un giro a la monoculturalidad, uninacionalidad y razón moderno-occidental-colonial fundantes e inician, a la vez, caminos hacia un interculturalizar, plurinacionalizar y decolonizar (WALSH, 2010, p. 114).

En términos generales la noción del Buen Vivir o Sumak Kawsay orienta la transformación del Estado en Ecuador y constituye en núcleo de la Constitución Política del Ecuador de 2008. Pero en lo particular entregarle derechos a la naturaleza, la naturaleza como sujeto de derecho ha sido uno de los aportes más significativos de la propuesta ecuatoriana. Alberto Acosta apunta, “el ser humano es el objetivo y es el actor fundamental de un proceso en el cual él mismo, siendo objetivo y actor fundamental, tiene que vivir y convivir con la naturaleza. No puede apostar a la sobreexplotación de la naturaleza, menos aún a su destrucción” (ACOSTA, 2010, p. 91)

Por su parte, en Venezuela se persigue la construcción de alianzas a nivel internacional que permitan la constitución de un mundo multipolar y multicéntrico,

para el orden de dominación mundial la actuación venezolana a favor de un sistema internacional igualitario, justo, que respete la no injerencia interna, la autodeterminación de los pueblos y en el cual se redireccionen las relaciones en sentido Sur-Sur

contraviene los intereses del orden hegemónico (RODRÍGUEZ LANDAETA, 2011, p. 2).

Con fundamento en un nuevo orden hegemónico y con base en consolidar una verdadera integración regional y la creación de espacios de encuentro y redes de solidaridad con los países del Sur. Todo esto, a partir del propio proceso de construcción del socialismo del siglo XXI y la democracia participativa que se vive a lo interno de esa sociedad. Los casos aquí reseñados nos hablan de la transformación de lo político, nuevas prácticas y nuevas formas de acción.

### **LA DIPLOMACIA DE LOS PUEBLOS: alternativa de desarrollo y de integración**

El Buen Vivir o Sumak Kawsay comienza a aparecer en las Constituciones del siglo XXI en la América Latina, sintetiza visiones y prácticas ancestrales, debates y propuestas actuales, el acumulado de pensamiento crítico y lucha sociales de décadas recientes; junta dinámicas nacionales e internacionales de respuesta al modelo de desarrollo y al modelo de civilización que han conducido a una situación ya reconocida como insostenible (LEÓN, 2010, p. 98).

La Diplomacia de los Pueblos se nutre en su esencia de lo que es el paradigma del Buen Vivir o Sumak Kawsay. De ahí que por ejemplo, el reconocimiento de la naturaleza como sujeto de derecho que se hace desde Ecuador se posiciona como fundamento de una nueva concepción del desarrollo, que ya no sería de tipo extractivista y explotador de la naturaleza, los animales y los seres humanos, que es como se ha concebido hasta ahora, un modelo de desarrollo basado en la explotación y exportación de materias primas hacia el Norte desde el Sur. Se trata entonces de reflexionar acerca de un tipo de desarrollo más bien fundamentado en la subsistencia y el equilibrio

armónico con la naturaleza y el medio ambiente, más cercano con la sabiduría popular, campesina y los conocimientos ancestrales de nuestros indígenas. Donde la tarea es repensar las bases conceptuales del desarrollo, buscando romper con la modernidad occidental y eurocéntrica, pensando desde una perspectiva descolonial, tal y como se proponen los procesos de transformación del Estado que marchan en América Latina.

### El Buen Vivir

representa un proyecto civilizatorio y cultural antitético al capitalismo, a la modernidad y su noción de progreso. Es un proyecto complejo, históricamente construido desde la ancestralidad de los saberes de pueblos originarios y que integra utopías y proyectos sociales en armonía con la naturaleza y la comunidad, articulando formas de consumo, de comportamiento y de conductas no degradantes con los otros ni con el ambiente (PRADA, 2011, p. 282).

Nos acerca hacia relaciones armónicas entre nosotros y con nuestro entorno,

la armonía de nosotros mismos con el universo es lo que permite el sentir, el hacer colectivo y personal de ese Buen Vivir. No es sólo un asunto de tener – y acumular – “cosas”, que se compran o que se venden. Las filosofías del Buen vivir no ven como “un recurso” todo aquello que nos proporciona la Madre Naturaleza. No es un depósito de cosas, es todo un tejido de la vida, de la historia de la naturaleza y de la historia del hombre dentro de ella. Si la naturaleza no es un simple “recurso”, mucho menos lo es el ser humano. La persona centrada en el cosmos viviente y en la comunidad concreta. Que se localiza en algún lugar del planeta (RIVAS-RIVAS, 2011, p. 7).

El Buen Vivir, más que una declaración constitucional en Bolivia y Ecuador, se presenta, entonces, como una oportunidad para construir colectivamente un nuevo régimen de desarrollo, más claramente, una nueva forma de vida. El Buen Vivir constituye un paso cualitativo importante al pasar del desarrollo sustentable y sus múltiples sinónimos, a una visión diferente, más rica en contenidos y más compleja (ACOSTA, 2011, p. 193). Principios orientadores que se caracterizan por promover una relación armoniosa entre los seres humanos individual y colectivamente, y con la Naturaleza. Desde esa perspectiva, el Buen Vivir propone una “nueva arquitectura conceptual”<sup>19</sup> y la creación de una epistemología desde el sur (DE SOUSA, 2009b).

El paradigma del Buen Vivir es la base conceptual de la Diplomacia de los Pueblos. Es decir, encuentra su origen en esta filosofía, de ahí viene, pero está orientada hacia la consolidación de un nuevo tipo de integración menos formal y más arraigada en nuestras sociedades, hacia allá va. Así, a partir de ambos elementos contribuye a repensar el desarrollo.

De esta forma, la propuesta de la Diplomacia de los Pueblos, enarbolada por sociedades en transformación, ha servido de base a nuevos proyectos de integración en la región latinoamericana. Es indispensable acotar en este punto, que en Venezuela, Bolivia y Ecuador es donde se han logrado los mayores avances en términos de transformar la estructura del Estado, y los procesos se han iniciado con Asambleas Nacionales Constituyentes sometidas a participación y aprobación popular. Proponiendo la revolución Bolivariana y la democracia participativa y protagónica en Venezuela, la revolución cultural y la plurinacionalidad en Bolivia, y la revolución y democracia ciudadana en Ecuador, que como rasgo común persiguen ampliar los

---

<sup>19</sup> Ibid., p. 194.

espacios de participación en sus sociedades. Si bien es cierto, en cada uno de los casos se enfrentan a particulares obstáculos, pero en definitiva son sociedades que están debatiendo y construyendo la transformación y la reinención del Estado, y la relación entre este y su sociedad.

En el plano regional se inaugura así una nueva etapa, denominada por algunos especialistas como Regionalismo Posneoliberal (SERBIN, 2010) que comienza con la creación de nuevas alianzas de integración y nuevas organizaciones, y que rompe con la tendencia al Regionalismo Abierto que había predominado en la etapa anterior, complementaria con las políticas neoliberales predominantes a lo interno de los Estados.

Se está planteando el rediseño de la región en un nuevo marco geopolítico (KATZ, 2006), caracterizado por el desplazamiento de los temas de liberalización comercial y desregulación por una agenda marcadamente política signada por el retorno a un rol protagónico del Estado [...] con la redefinición de un espacio sudamericano caracterizado por la exclusión explícita de EEUU (SERBIN, 2010, p. 1). Se trata de proyectos de sociedades con un marcado perfil anti imperialista y que al mismo tiempo persiguen una estrategia de conducción multipolar de la política mundial y la creación de nuevos bloques de poder a nivel internacional.

El nacimiento del ALBA (Alianza Bolivariana para los Pueblos de Nuestra América), en 2004, marca el inicio de esta nueva etapa en la integración latinoamericana. Concebida como una alianza política estratégica, reúne a un grupo de países comprometidos con los proyectos de refundación del Estado y con la construcción de un nuevo tipo de democracia. Posteriormente se constituye la UNASUR (Unión de Naciones Sudamericanas) como iniciativa de integración que logra reunir de manera inédita a todos los doce países de la

América del Sur, y que a pesar de su corta trayectoria, ha logrado incidir de manera satisfactoria en algunas de las más graves crisis políticas de la región.

Más recientemente, se ha dado un importante paso en cuanto a la integración con independencia, con la creación de la CELAC (Comunidad de Estados Latinoamericanos y Caribeños). Su

forma de articulación política es el resultado del reconocimiento de pensar-vivir-sentir Nuestra América a partir del origen común que lo acompaña, de los problemas comunes que lo sacuden, de las amenazas comunes que lo acechan y de la pluralidad intergubernativa que expresa cada uno de los países de esta parte del continente (MOLDIZ, 2011, p. 1).

Su cualidad más significativa es que agrupa a todos los países de América Latina y el Caribe sin la presencia de EEUU y Canadá, y al mismo tiempo ha marcado la decadencia de la vieja institucionalidad regional encabezada por la OEA y liderada por el peso hegemónico de los EEUU y sus políticas hacia la región.

De todas formas, tanto UNASUR como Celac se enfrentan desde su origen a la contradicción de integrar en su seno una diversidad de proyectos nacionales disímiles que a su vez son proyectos de integración con objetivos contrapuestos, algunos orientados hacia el mismo patrón de regionalismo abierto, libre comercio y alianzas con potencias como los EEUU. Mientras que algunas de estas sociedades apuntan hacia un tipo de integración basada en la complementariedad y que intenta desafiar radicalmente al regionalismo competitivo contemporáneo (KATZ, 2006, p. 69). Con tales contradicciones internas en UNASUR y CELAC, los avances se encuentran con serios límites, los propios de las diferencias ideológicas y de proyectos nacionales contrapuestos. Por estos motivos, el ALBA figura como el quiebre y representa en

términos declarativos, pero también en acciones concretas, el punto de partida hacia el regionalismo posneoliberal en América Latina.

Siguiendo a Katz (2006), se puede analizar el ALBA en tres ámbitos. En primer lugar, como resultado del proceso bolivariano (venezolano), proyectando hacia América Latina los avances sociales introducidos en Venezuela a partir de cierta distribución de la tierra, créditos a las cooperativas y una significativa extensión de los servicios educativos y sanitarios. Así mismo se dan particularidades como los acuerdos suscritos entre Cuba y Venezuela, que desafían el embargo norteamericano hacia la isla, y auxilian con suministros y sostén diplomático. Acuerdos que, por lo general, jerarquizan el campo de la salud y la educación.

En segundo lugar, esboza un intercambio comercial cooperativo, planteando la posibilidad de introducir una desconexión entre el precio de los bienes transados y su cotización mercantil. La valuación podría adaptarse a aquello que necesita y puede ofrecer un país a otro. Un intercambio basado en “ventajas cooperativas” compartidas por todos los países y no en un esquema de “ventajas comparativas” (SADER, 2006b).

En tercer lugar, se trata de un proyecto estratégico de unificación latinoamericana, o tal vez es más “unión latinoamericana”, como fue la idea inicial de Simón Bolívar. Este proyecto de unidad regional ha sido hasta ahora impreciso y lejano, existen pocas ideas para materializarlo. Sin embargo, el ALBA podría comenzar a llenar ese vacío si asume un perfil propio y explicita abiertamente sus diferencias con los programas capitalistas de ensamble regional. “Es desafío del ALBA es enarbolar un programa de integración regional como alternativa a los proyectos del imperialismo y las burguesías locales” (KATZ, 2006, p. 83).

Encontramos dos características definitorias que distinguen al ALBA de otros proyectos de integración. En primer lugar se trata de una alianza político estratégica y no de tipo meramente comercial y aduanera; y en segundo lugar, al surgir como alternativa al ALCA (Área de Libre Comercio de las Américas), se reviste de un carácter antiimperialista.

La propuesta del ALBA representa una de las facetas concretas de lo que denominamos Diplomacia de los Pueblos porque propone un nuevo tipo de integración, como alternativa a los modelos tradicionales que siguen el ejemplo de integración europea. Potenciando la organización social y favoreciendo, a su vez, la creación de una estructura internacional con instituciones propias en el ámbito regional acorde con sus objetivos. Este andamiaje institucional comienza a articularse a partir de propuestas, ya puestas en marcha como el Banco del Sur<sup>20</sup> y el Sistema Único de Compensación Regional (SUCRE)<sup>21</sup> como mecanismo de intercambio en la región sustitutivo del dólar y que ya está siendo empleado en transacciones entre los países miembros del ALBA<sup>22</sup>.

---

<sup>20</sup> El Convenio Constitutivo del Banco del Sur fue suscrito en 2009 por siete países, y en abril de 2012 entró en vigencia a partir de los instrumentos de ratificación de cinco países: Argentina, Bolivia, Ecuador, Uruguay y Venezuela.

<sup>21</sup> El Sistema Unitario de Compensación Regional de Pagos, SUCRE, es un mecanismo que sirve para la canalización de pagos internacionales resultantes de las operaciones de comercio recíproco entre sus países miembros. Este Sistema se basa en la utilización de una moneda virtual “sucre”, para el registro de las operaciones exclusivamente entre los bancos centrales, en tanto que la liquidación local (pagos a exportadores y cobros a importadores) se efectúa con las respectivas monedas locales de los países miembros. En: <http://www.sucrealba.org/>

<sup>22</sup> En la actualidad esta moneda virtual, en su ámbito de transacciones, es utilizada por 144 empresas entre públicas, mixtas y asociativas, de las cuales el 90% son privadas, 7% públicas y el resto de carácter mixto. En el año 2011 se realizaron 431 operaciones, lo que representó un aumento de 717% (en relación al año anterior), por un monto de 216 millones de SUCRES que equivalen a 270 millones de dólares. En: <http://www.sucrealba.org/>



Entre los más importantes desafíos del ALBA se encuentra la expansión de esta propuesta a nivel regional y a nivel del Sur, con miras al desarrollo de dos objetivos fundamentales: un sistema internacional multipolar y la integración Sur-Sur.

## **CONSIDERACIONES FINALES**

En América Latina nos encontramos frente a importantes debates en torno a lo social y a lo político. Por un lado está el enfrentamiento entre el sistema representativo, heredero del modelo clásico de democracia liberal, frente a las nuevas propuestas de democracia participativa. Por otro lado, desde abajo, desde los movimientos sociales e indígenas, se está cuestionando la noción de “individualismo” que se instala en nuestras sociedades y se enfrenta a la idea de “comunidad”, que también hace parte de la noción de democracia participativa.

Sobre la base de estos debates, a comienzos del siglo XXI las sociedades latinoamericanas que más han avanzado se están dando a la tarea de intentar la transformación del Estado. En este sentido, la Diplomacia de los Pueblos es una propuesta que responde a estas demandas como elemento importante de dicha transformación toda vez que opera a lo interno en la acción creativa de la propia sociedad, y a lo externo como invitación a otros a que se involucren en este trabajo de construcción colectiva, siendo una influencia a la integración, en el nivel regional latinoamericano, y en el nivel de la integración Sur-Sur, que busca reinventar la relación entre los Estados y sus sociedades. Pero también opera a partir de la interacción desde arriba, con el potenciamiento que le da la institucionalidad estatal en transformación; desde abajo con toda una gama de organización social y nuevas prácticas políticas.

La implementación de esta propuesta parece ser compleja, y en los últimos tiempos la “Diplomacia de los Pueblos” ha estado menos presente en el ámbito mediático y discursivo desde los espacios de poder. Sin embargo, es una apuesta desde las bases para la transformación de lo político, y se manifiesta frecuentemente en foros y cumbres sociales. Entonces, el debate debe girar en torno a que la propuesta de la Diplomacia de los Pueblos se posicione como un nuevo paradigma en las relaciones internacionales, como construcción contra-hegemónica y alternativa a la obsoleta diplomacia tradicional, como un aporte creativo desde los pueblos que reúnen conocimiento y práctica descolonizadora, orientado a la construcción de sociedades más justas y equitativas en nuestro Sur.

## REFERÊNCIAS

ACADEMIA DIPLOMÁTICA PLURINACIONAL 2009a *El Akhulli. La hoja de coca en las relaciones y la diplomacia de los pueblos* (La Paz: Ministerio de relaciones exteriores).

\_\_\_\_\_. 2009b *El Apthapi. El banquete indígena en las relaciones y la diplomacia de los pueblos* (La Paz: Ministerio de relaciones exteriores).

ACOSTA, Alberto. “Sólo imaginando otros mundos, se cambiará éste” en Farah, Ivonne y Vasapollo, Luciano (coord.) *Vivir bien: ¿Paradigma no capitalista?* (La Paz: CIDES-UMSA), 2011.

\_\_\_\_\_. “Respuestas regionales para problemas globales” en León, Irene *Buen Vivir y cambios civilizatorios* (Quito: Fedaeaps), 2010.

ARÁMBULA, Alma 2008 “Las relaciones internacionales de las autoridades locales” (México: Cámara de Diputados). En: <<http://www.diputados.gob.mx/cedia/sia/spe/SPE-ISS-06-08.pdf>> acceso 15 de julio de 2012.

ARTAZA, Mario 2010 “La Paradiplomacia de las regiones chilenas y las provincias argentinas” en Maira, Luis (ed.) *La política internacional subnacional en América Latina* (Buenos Aires: Libros del Zorzal).

BANSART, Andrés 2008 *El Caribe. Una sola posibilidad de integración: La Diplomacia de los pueblos* (Caracas: Instituto de Altos Estudios Diplomáticos Pedro Gual).

BENGOA, José. *La emergencia indígena en América Latina* (Santiago de Chile: Fondo de Cultura Económica), 2007.

BURTON, John y Dukes, Frank 1990 *Conflict: Practices in management, settlement and resolution* (New York: St. Martin's Press).

CASTELLS, Manuel (2005). “Globalización e identidad” en Cuadernos del mediterráneo. No. 5. Disponible en <<http://www.iade.org.ar/modules/noticias/article.php?storyid=2020>> acceso el 03 de marzo de 2012.

\_\_\_\_\_. *La era de la información Vol. 2 El poder de la identidad* (Madrid: Alianza Editorial), 2001.

CHATTERJEE, Partha *La nación en tiempo heterogéneo: y otros estudios subalternos* (Buenos Aires: Siglo XXI Editores Argentina), 2008.

CONSTANT, Héctor (comp.) 2007 *Fundamentos filosóficos de la nueva integración del sur* (Caracas: Instituto de Altos estudios Diplomáticos Pedro Gual).

CORNAGO, Noé 2010 “La descentralización como elemento de innovación diplomática: aproximación a sus causas estructurales y lógicas de acción” en Maira, Luis (ed.) *La política internacional subnacional en América Latina* (Buenos Aires: Libros del Zorzal).

DE SOUSA, Boaventura. 2009a *Pensar el Estado y la Sociedad: desafíos actuales* (Buenos Aires: Waldhuter Editores).

\_\_\_\_\_. *Una epistemología del sur: la reinención del conocimiento y la emancipación social* (México: Siglo XXI/Clacso), 2009b.

\_\_\_\_\_. *Democratizar la democracia: Los caminos de la democracia participativa* (México: Fondo de Cultura Económica), 2002

DOMINGUES, José Mauricio. *La modernidad contemporánea en América Latina* Buenos Aires: Siglo XXI/Clacso, 2009.

FISHER, Ronald. *Interactive conflicts resolution* Nueva York: Syracuse University Press, 1997.

GABRIEL, Leo y López, Gilberto (coord.). *Autonomías Indígenas en América Latina: Nuevas formas de convivencia política*, México D.F.: Plaza y Valdez editores, 2005.

GARCÍA LINERA, Álvaro “Sindicato, multitud y comunidad” en García Linera, Álvaro y otros *Tiempos de Rebelión*. La Paz: Comuna/ Muela del Diablo, 2001.

KATZ, Claudio. *El rediseño de América Latina. ALCA, MERCOSUR y ALBA*. Buenos Aires: Ediciones Luxemburg, 2006.

LARRAÍN, Jorge. *¿América Latina moderna? Globalización e identidad*. Santiago de Chile: LOM, 2005.

LEÓN, Magdalena. “El Buen Vivir: objetivo y camino para otro modelo” en León, Irene *Buen Vivir y cambios civilizatorios*. Quito: Fedaeaps, 2010.

MOLDIZ, Hugo (2011). “La Celac, por el camino de las rebeliones indígenas y las luchas independentistas”. Disponible en: <<http://www.rebellion.org/noticias/2011/12/140716.pdf>>. Acceso 7 marzo 2012.

MOULIAN, Tomas. *Socialismo del siglo XXI: La quinta vía*. Santiago de Chile: LOM, 2001.

PRADA, Raúl (2011) “Más allá del Capitalismo y la Modernidad” en Dulon, Jorge y Gosálvez, Gonzálo (eds.) *Descolonización en Bolivia. Cuatro ejes para comprender el cambio* (La Paz: Vicepresidencia de Bolivia/fBDM).

QUIJANO, Aníbal “Colonialidad del Poder: Cultura y conocimiento en América Latina” en Mignolo, Walter (comp.) *Capitalismo y geopolítica del conocimiento* (Buenos Aires: Ediciones del signo, 2001).

RIVAS-RIVAS, Saúl (2011) “Por el sentido comunal del Buen Vivir” Disponible en <<http://www.aporrea.org/ideologia/a125825.html>>. Acceso en: 30 julio 2012.

RODRÍGUEZ GELFENSTEIN, Sergio (2006) “La paradiplomacia: las relaciones internacionales del gobierno de Chiapas” en Rodríguez Gelfenstein, Sergio (coord.) *La paradiplomacia: las relaciones*

*internacionales de los gobiernos locales* (México D.F.: Cámara de Diputados de México LIX Legislatura/ Gobierno del Estado de Chiapas).

RODRÍGUEZ LANDAETA, Francisco. “La diplomacia bolivariana con ocho estrellas. Fundamentos y medios de acción” Disponible en <<http://www.aporrea.org/actualidad/a125880.html>>. Acceso en: 25 septiembre 2011.

ROUILLÉ D'ORFEUIL, Henri. *La diplomacia no gubernamental*. Santiago: LOM, 2008

RUIZ JIMÉNEZ, José Ángel (2004) “Nuevas diplomacias por la paz y los derechos humanos: la diplomacia civil no violenta” en *Convergencia revista de ciencias sociales de la Universidad Autónoma del Estado de México (Toluca) Vol. 11, No. 34, enero-abril*. Disponible en: <<http://redalyc.uaemex.mx/redalyc/pdf/105/10503404.pdf>> acceso 15 de julio de 2012.

SADER, Emir. “Hegemonía y contra hegemonía para otro mundo posible”. 2006. Disponible en: <[www.biblioteca.org.ar/libros/130769.pdf](http://www.biblioteca.org.ar/libros/130769.pdf)>. Acceso 1º de marzo 2012.

SADER, Emir. “El lento y forme despuntar del ALBA” en *Le Monde Diplomatique* (Buenos Aires) febrero.

SASSEN, Saskia *Una sociología de la globalización*. Buenos Aires: Kats, 2006b.

SERBIN, Andrés (2010). *Regionalismo y soberanía nacional en América Latina: los nuevos desafíos*. Buenos Aires: Nueva Sociedad, 2007.

TAPIA, Luis (2008) *Política salvaje*. La Paz: Clacso.

TICONA ALEJO, Esteban (2006). *La diplomacia indígena, la diplomacia de los pueblos. Hacia la descolonización de las relaciones internacionales* (no publicado).

WALSH, Catherine (2010). “Raza”, mestizaje y poder: horizontes coloniales pasados y presentes” en *Crítica y emancipación*. Buenos Aires: Clacso. Año II, No. 3, primer semestre.

## RESUMEN

El contexto de América Latina a comienzos del siglo XXI es de profundos cambios en el ámbito de lo social, lo político y lo económico. Se desarrollan identidades emergentes y de resistencia y se apela al concepto de comunidad, se proponen nuevas prácticas, de mayor inclusión, que buscan romper con los límites de la democracia liberal representativa. Así, surge la Diplomacia de los Pueblos, como parte de la epistemología del sur, que cuestiona el modelo de desarrollo vigente, propone el paradigma del Buen Vivir o Sumak Kawsay como alternativa, y principalmente apunta hacia un nuevo tipo de integración, inclusiva, participativa y más arraigada en nuestras sociedades. Este trabajo pretende hacer un acercamiento a la Diplomacia de los Pueblos, su concepto, alcances y formas de manifestación, como propuesta que se enmarca dentro de los procesos de transformación del Estado, y que se constituye como una alternativa para repensar el desarrollo desde el Sur.

**PALABRAS CLAVE:** Diplomacia de los Pueblos. Integración. Buen Vivir.

## RESUMO

O contexto da América Latina no início do século XXI é de profundas mudanças no âmbito social, político e econômico. Desenvolvem-se identidades emergentes e de resistência e se apela para o conceito de comunidade, novas práticas de maior inclusão são propostas, que busquem romper com os limites da democracia liberal representativa. Dessa forma, surge a Diplomacia dos Povos como parte da epistemologia do sul, que questiona o modelo de desenvolvimento vigente, propõe o paradigma do Bom Vivero u Sumak Kawsay como alternativa, y, principalmente,

aponta para um novo tipo de integração inclusiva, participativa e mais arraigada nas nossas sociedades. Este trabalho pretende aproximar a Diplomacia dos Povos, seu conceito, alcances e formas de manifestação como proposta que se enquadra dentro dos procesos de transformação do Estado e que se constitui como uma alternativa para se repensar o desenvolvimento a partir do Sul.

**PALAVRAS-CHAVE:** Diplomacia dos Povos. Integração. Bom Viver.





# **PERSPECTIVES FROM THE CONTESTED TERRAINS OF AFRICA: Intellectualism, Development and Social Movements**

Siphesihle Dumisa\*

## **INTRODUCTION**

Contested terrains in Africa are inherently linked to struggle. Historically, the struggles led by African martyrs focused on first generation rights which revolved around the attainment of political freedom, civil rights, and equality before the law. Presently, struggles of the second and third generations have taken on a more socio-economic and solidarity focus respectively. It is the multifaceted struggles for these human rights which provide fertile ground for persistent contestations in Africa's most vital terrains. In this paper, three crucial elements are identified as critical broad themes within which contestations are expressed. These themes inevitably have a ripple-effect on almost all issues which touch the daily lives of the African population. As such, these terrains have significant implications for rethinking development in the region. To be sure, alternatives for development in the South will stem from the resolving of these contestations. Until these contestations are

---

\* Masters in Development Studies at the University of KwaZulum Natal. Researcher intern at the Human Sciences Research Council in South Africa. Email: [sihledumisa@yahoo.com](mailto:sihledumisa@yahoo.com)

resolved in favour of African perspectives, development in Africa will continue to follow Western theories, which have hitherto borne limited success.

Firstly, the paper begins with an analysis of intellectual paradigms in African and examines the unwavering divide between binary academic epistemologies. This is followed by an evaluation of how these epistemologies influence development theories, policies and practices specifically by explaining the antagonism between orthodox and alternative approaches. Lastly, the role of social movements, who are seen to uphold novel solutions to issues concerning Africa, is evaluated. It is noted that social movements are heterogeneous in nature, and it is deemed that an assessment of their existential nature is necessary. The paper argues that the dominance of non-African scholars in the African intellectual space renders development in Africa to be designed according to non-African ideologies and paradigms. Whilst social movements represent a revolt against this, they are alas not intrinsically progressive, which deems an assessment of their existential nature necessary. The theory of epistemic disobedience is applied as a framework to understand the agenda of orthodox development practices inherent within modernisation. This grand narrative is branded as a sophism due to its historical and persistent failures on the African continent.

## **AFRICAN STUDIES**

Contestations in the discipline of African Studies underlie the multifaceted developments of political change in Africa. Several epistemologies and knowledge paradigms have prescribed appropriate methodologies for, and determined the grounds and boundaries of legitimate knowledge to the study of Africa. Ways

of knowing Africa are paramount to understanding the vibrant (and sometimes vicious) contestations which, on the one hand, have occurred among divergent theoretical perspectives, and, on the other hand, between Africanist scholars of different origins. The main theme in this section is an examination of the epistemologies and paradigms that inform various scholars' understanding of Africa. Essentially, at the heart of the contested terrain of African Studies lies the dogmatic character of epistemologies which render differing theories incompatible and even mutually exclusive – somewhat representing them as binary opposing forces.

### **The 'Self' and the 'Other' Binary**

The Slave Trade is the foundation for the creation of the self-other binary between Europeans and Africans, as it marked a significant stage in the building of European global supremacy. Besides the various physical atrocities to which African people were subjected, they also became victims of mental colonisation through the “civilising” agenda of European colonialists. The basic foundation of every contestation and every activity that formed the relationship between the Western settlers and the African natives lay within the notion of the ‘self’ and ‘other’ binary. The European self was

Symbiotically linked to the negation of the self . . . the process of determining *what* constitutes [all] things European required formulating what *does not* constitute such phenomena. The tale of the unfolding of such identity is known as *European modernity* with the other side of the same coin being the geopolitical significance of 1482 (GORDON, 2006, p. 423, emphasis by author).

The “self” and the “other” binary opposite has its roots in the contradictions and conflicts that exist between traditional Western and traditional African epistemologies. Mudimbe and Appiah (1993) provide one explanation of where the heart of this division lies: on the one hand, the advanced, civilised mentality of the West which promotes reason and logical rules, positively faces the new and the unknown in order to apprehend and integrate it into its own order of knowledge; on the other hand, the African universe is primitive, and founded on a prelogical mentality which does not actualise the principles of identity, and non-contradiction; it instead functions on a mythical thinking which is essentially neophobic as it favours its own traditions and past. This binary continues to be manifested in various ways today – largely due to the inapplicability of Aristotle’s logic of syllogism to African human relations.

Aristotelian logic declares that  $X$  is either  $A$  or *negative-A*; and can by no means represent both values, as the two cannot coexist, let alone form a symbiotic relationship. So, where  $A$  equals the grand narrative of modernisation theory advocated by the European “self”, *negative-A* must be the complete opposite of this, which would equal the scientific socialism advocated by the African “other”. This effectively means that *negative-A* is excluded from the boundaries of knowledge; it is considered non-existent and is completely ignored in discourse. In contrast to the above, African philosophy is pivoted on a unique social structure underpinned by a holistic philosophy. Because it is a holistic logic, there can be no rules or laws of contradiction; therefore its logic is constructed as follows:  $A$  can be  $A$  as well as *negative-A* at the same time. Differences are not ignored, but are recognised, as it is understood that these differences cannot render phenomena mutually exclusive, because neither ought to be perceived as evil or threatening. To be precise,  $A$  and *negative-A*

are the same elements in perpetual embrace for existence; in other words, they reinforce and live alongside one another.

It is suitable to further clarify this contradiction by contrasting the maxims of Western philosopher Rene Descartes and his African counterpart John Mbiti which respectively proclaim that: “I think therefore I am”; and “I am because we are; because we are therefore I am”. The basic tenets of each of these dictums are autonomy versus communalism – principles which lend themselves to the support of capitalism within Modernisation theory, and socialism within Marxist theory respectively. Contestations in African Studies are essentially grounded on this epistemological disparity.

Inikori (2006) provides a detailed analysis of this antagonism which has been evidenced in many a ‘truth’ proclaimed in various scholarly works. He argues that the Slave Trade gave rise to debates in which the participants (usually those of Western descent on the one side and those of African descent on the other) historically accused one another of being “ideologues”. He attributes this resentment for two reasons: first, the creation of a racist ideology borne from European supremacy and African oppression; and, second, the ridiculous magnitude of inhumanity experienced during the slave era. According to Inikori (2006), these two historical events produced fertile ground for persistent suspicion between the two categories of scholars. Western scholars refuse to be held responsible for something so shameful, whilst African scholars promote the Dependency theory which puts responsibility for Africa’s underdevelopment squarely on the shoulders of Western nations. This is all true in the historical sense and is still applicable in many ways today.

Inikori (2006) further argues that the level of sentimentality shown by the scholars is a feature of conceptual confusion and paradigm limitations because scholars charge one another with being

ideological in the construction of their arguments. To paraphrase Inikori's (2006) explanation, scholars claim that their colleagues are not committed to a scientific process of discovering the truth in a scholarly inquiry, but, instead, they deliberately conduct their analysis in a manner that will lead them to a preferred (and often preconceived) conclusion. For him, all this antagonism is misguided and futile, as in his own understanding, all scholarship is ideological because the evolution of paradigms entails a significant measure of prevailing societal values which have given shape to ideologies. In this way, the problem does not only lie in the existence of ideology, but lies in the practice of "ideologically motivated" research which undermines or totally ignores existing evidence that counters a given ideology (INIKORI, 2006, p. 49).

### **Boundaries of Legitimate Knowledge**

Kom (2000), espousing a constructionist approach to knowledge, articulates that the notion of "paradigm" emphasises that legitimation, even scientific, cannot be built up outside the social framework that inspires the research. In his own words, he fails to fathom, "How... African research, and even research on African topics, [can] be validated outside Africa itself?" (KOM, 2000, p. 1). This is, indeed, a telling statement. Upon deeper consideration, however, it raises questions about the role of scholars in the African Diaspora. Frantz Fanon's *The Wretched of the Earth* and Aime Cesaire's *Discourse on Colonialism* are but two poignant intellectual contributions to which spring to mind. Kom (2000) further argues that Africans are guilty of idealising Western values and have thus not made a concerted effort to create uniquely African paradigms.

To be sure: African intellectuals suffer from colonised mindsets. Ashcroft similarly asserts that an autonomous framework of knowledge must be derived from some sense of identity and that this sense seems to be irresistibly drawn toward the (self-other, superiority-inferiority) representation installed by imperialism. This argument could perhaps explain the continued dominance of Western paradigms in African Studies. In the same vein, Dongala (2009) proclaims that academic innovation has not been seen in Africa since the days of Ujaama, Panafricanism and Negritude, apart from South Africa's initiation of the Truth and Reconciliation Commission research archives (DONGALA, 2009, p. 6). All these scholars agree that the knowledge-power nexus is still hugely in favour of the West – ostensibly a result of the unequal distribution of wealth. In many ways the West continues to exploit African resources (intellectual exploitation is one form of this abuse).

Gordon (2006) categorically declares that “scholarship itself is conditioned by the centering of modern European academic culture” (GORDON, 2006, p. 418). He argues that no matter how unique a formulation may be (referring to the religion and nation of Islam as one example), it still operates “within predominantly... [European] practices and processes of legitimation” (GORDON, 2006, p. 418). What are these legitimation processes in the academia: are they exclusively scientific and/or social? Whatever the answer, in reality it is clear that all non-Western worldviews have been relegated to the periphery.

In a similar fashion, Mudimbe and Appiah assert that,

What organises the nineteenth-century [and continues to do so in the current century] *episteme* . . . is fundamentally a Western paradigm of knowledge: Western experience actualises history, reason, and



civilisation. The colonising vocation of the West ... and its corollary Christian missioning, posit a basic and curiously ethical necessity: to bring into conformity the variety of existing cultures and mentalities in the world (MUDIMBE; APPIAH, 1993, p. 118).

It is, however, important to note that capitalism and socialism have transcended ethnic boundaries. Europeans who are pro-labour support the popular notion that “an injury to one is an injury to all”, as much as Africans who are pro-labour do. Likewise, Africans that are capitalist support a *laissez faire* economic system as much as European capitalists do. This has been another angle which the many contestations in African Studies have taken. As Alison Jones (2012) explains, social science paradigms are peripatetic – a paradigm’s exclusivity depends on the “the unquestioned assumptions from which its practitioners draw strength ... and weakness” (JONES, 2012, p. 23). It cannot be doubted that many scholars today draw their strength and weakness from socio-economic experiences over and above political constructs. This is greatly influenced by the pervasiveness of globalisation in all its elements.

### **Implications for Development**

It can be concluded that contestations within the field of African Studies have predominantly occurred between Western and African scholars whose realities and epistemologies have led them to believe in divergent theories for Africa’s development. The West still holds significant power over Africa and continues to unduly influence the discourse on African Studies in favour of Western paradigms that are unwilling to accommodate African ways of thinking and being, despite the recent wave of universalism in

the academic sphere. Nonetheless, Gordon (2006) suitably concedes that African Philosophy is thriving and seems to have been able to negotiate its place between the polar ends of imperialist and relativist approaches within the study of Africa. Unfortunately, this progress has not been entirely positive as African scholarship still gets pushed to the periphery in the discipline of African studies and the European scholars jealously guard their core position within the field. The outcome of this has been a clear division between two cleavages in the study of Africa as illustrated by Korang (2006) in his article on the “posts” in African Studies.

Europeans, seeing themselves as representing the ideals of normalcy and normatively correct ways of existence, inevitably resulted in the West strongly promoted the Modernisation theory as the only truth amongst methods of development. The USA was positioned as the ideal developed nation, “proven” by the collapse of the Soviet Union as the Cold War came to an end. The lack of an alternative paradigm to Western hegemony thereafter rendered the entire continent of Africa underdeveloped and in desperate need of European intervention that would guide it in its quest to implement the theory of modernization. As a result research is based on the quest to advance theories on why Africa deviates from the (Western) norm instead of concentrating on finding out what Africa’s patterns and realities are.

Whilst it is recognised that development theories have been adapted to suit different material conditions over time, it is of concern that their “grand narrative” nature, as fostered by advocates on either side, continues to aggravate contestations.

## **SUPREMACY OF THE WASHINGTON CONSENSUS AND FEASIBLE ALTERNATIVES: Unpacking Post-development**

The idea of “grassroots postmodernism” in development is one upon which the theory of “Post-development” is founded (ESTEVA; PRAKASH, 1998 apud HART, 2001). In building our understanding of the theory, some other related theories will also be briefly reflected upon in order to establish an extensive comprehension of the Post-development model. It can be extrapolated that the vision of the Post-development approach is primarily to dispel the hegemony of the Washington Consensus paradigm of development and to allow each separate country (or any given area therein) the space to determine their specific development path. In more precise terms, the model does not envisage “development alternatives but [pursues] alternatives *to* development” (ESCOBAR, 1995, p. 215 apud ZIAI, 2004, p. 1046). Post-development thus refers to a wide assortment of dissident views which are nonetheless “united by [their] antagonism to [capital “D”] Development as a normalising, deeply destructive discursive formation emanating from ‘the west’” (HART, 2001, p. 654). In this way, Post-development theory is engaged in an epistemological and ontological warfare to weaken the universal validity of western (little “d”) development theories.

The deep-seated tension between Post-development and the Washington Consensus lies in the polarised understanding of two issues in particular: the first is the problem of defining development and hence being able to identify its indicators, which leads to the second discontent of determining the necessary policies and implementation strategies for achieving the given set development goals. On the one side, the Washington Consensus view equates development to economic growth and prosperity through modernisation, to be

achieved in the course of the careful implementation of investment plans which are initiated and supervised by professional economists and the like (FINE, 2009). What follows is the proverbial “trickle-down effect”. While on the other side Post-development understands that people are the object of development, implying indicators that measure a person’s well being (e.x.: health, literacy, life mortality, etc) which should be achieved through the involvement of those same people in development programmes that will nurture the necessary basics of human life (PARAYIL, 1996).

To this end we can observe some similarities with Dependency theory which also “speak[s] of a change of paradigm... in relation to established theories of development” (BLOMSTROM; BJORN, 1985, p. 36). However, Dependency theory stems from a distinctly neo-Marxist analysis of the international political economy. In contrast, post-development, “can be interpreted as [neither] a neo-populist nor as a neo-liberal project, but as a product of radical democracy” (ZIAI, 2004, p. 1056). This means that the agenda of the global South is articulated in broader terms than just class politics and is extended to include the transformation of “super structural” fields such as gender relations, culture, and so on through self-determination (ZIAI, 2004, p. 1056). Another fundamental difference is that of state control versus the devolution of power as it relates to development strategies and implementation. Whereas dependency theory is chastised for encouraging a *dirigiste* dogma, post-development is criticised for valorising unfeasible levels of decentralisation. Both are further criticised for not offering enough, if any, constructive criticism of existing development theories (ZIAI, 2004, p. 1056), a critique most relevant to the “reactionary populism” strand of post-development which focuses most of its attention in building anti-Western societies (NANDA, 1999 in

ZIAI, 2004). Both theories are however very clear about the need for revolutionary activity that is led by a grass roots movement as opposed to a single (almighty) vanguard authority. Post-development discourse specifically encourages civil society activity through social movements.

Handler (1992: 697) points out the relationship between “postmodernism” (which can be understood as an overarching discourse for post-development) and (new) social movements quite profoundly, describing postmodernism as a phenomenon of “subversion – the commitment to undermine dominant discourse” whilst social movements are an embodiment of this insurgence. This view coincides with the one expressed by Rahnema (1997a: xif cited in ZIAI, 2004, p. 1046) who utilises similar terms such as “subversive”, “people-centred”, and “radical” to describe the post-development phenomenon. The idea of participatory development is strongly advocated by some post-development scholars who admire the Kerala scenario as an *ipso facto* example of sustainable development instead of relying on *a priori* knowledge to establish a post-development theory (PARAYIL, 2006). However, Mohan and Stokke (2000) warn against the dangers that emerge out of the implementation of participatory development – in particular, they discuss issues pertaining to politics and power in the local context. Nevertheless these points remain very critical in relation to the Washington Consensus model of development which is founded on the basic tenets of modernisation and economic growth (FINE, 2009).

## **SOCIAL MOVEMENTS**

It is suggested in this paper that the question to contemplate given the longevity of the Modernisation theory – as measured by

“its failure to succumb to the laws that Marx had laid down for it” (BURAWOY, 2004, p. 198) – must become one that presupposes a need to boldly reconstruct the Marxist philosophy in order to align it to current material conditions. Accordingly, to borrow one of Burawoy’s assertions; there must be a “shift from [the] politics of class to [the] politics of recognition” (BURAWOY, 2004, p. 193). It is thus held in this paper that at the current juncture social movements must place themselves at the forefront of the battlefield; taking their directives from the ideological principles of the once-vanguard left who remain a binary opposite of capitalism.

This will allow institutional and substantive issues to be responded to in the most befitting manner possible – rather than utilising strategies that are exclusively “organized” or ‘spontaneous’ – the attainment of which, in the eyes of Frantz Fanon, can be emancipatory to the contemporary revolutionary (GIBSON, 2003). The World Social Forum is believed to hold the potential to respond to the hostilities of the present system at both the level of its “waves” and their “ripple effects”. Moreover, in spite of many criticism, it is regarded in this paper as an entity that is able to hold its own within the “multitude” (a concept also without its fair share of disapproval).

On the other side of the diagram there is another battle being waged by social movements against the more direct form of accumulation; that which is fundamentally achieved through the dispossession of the poor and the least powerful in society – not only the workers. These forces aim to re-establish the old ways of life by regaining all that they have lost to the capitalist system. Its agents are located in general society consisting of distinct groups and agendas – unavoidably, at times conflicting. They oppose “the commodification of cultural forms, histories, and intellectual creativity”, in the name of tradition (HARVEY, 2003, p. 148).

According to Harvey's analysis, social movements do not have a coherent way forward; rather than attacking the very force which dispossesses them (i.e. capitalism) they are infatuated by their need to "protect the ancient order" (HARVEY, 2003, p. 165). And so their battle is constrained to material dispossession without taking into cognisance the institutions of power.

Advancing the analogy of seeing capitalism as a coin (pun intended) sheds light on its historical career which has continuously flipped back and forth from being market, to power based with the inconspicuous ease of fluidity. In this sense we come to understand how today "original accumulation constitutes[s] an important and continuing force in the historical geography of capital accumulation through imperialism" (HARVEY, 2003, p. 143). As Harvey aptly puts it, during the Imperialist expansion, 'export of power followed meekly in the train of exported money' (HARVEY, 2003, p.142). This implies that the face of the coin is analogous with "money", whilst its tail end can be viewed in the same vein as "power". Just as the probability of spinning a coin landing on either heads or tails are split halfway, no one can ever be certain which of the aspects of accumulation (direct or indirect) will be applied in any geographical or temporal setting. To this end, Harvey (2003) critically reflects on historical narratives to convincingly provide numerous examples that substantiate his notion of "accumulation by dispossession" – the most notable of which is perhaps the 2008 global economic recession as a result of financial (*'mis'*)speculation and other parallel schemes (HARVEY, 2003; WALLERSTEIN, 2010).

It is suffice to say that David Harvey's notion of accumulation by dispossession is one that is necessary to take heed of if any gains in the fight against capitalism are to be made moving forward. Similar ideas have naturally been brought forward in numerous texts,

including Desai (2002) cited in Ballard et al (n.d:418) and Wallerstein, (2010) to name but two. In addition, Harvey's sentiments to encourage an alliance between the working class formation and social movements, under the banner of "progressives" is compelling. Yet, whilst it is appropriate that we are critical of the ability of social movements to counter capitalism; Harvey's distrust in social movements should also be taken with a "grain of salt". His critique is based on the strong belief that such movements frequently exploit their heterogeneity as they outright reject being "guide[d] towards a more universal valency than the local... [by] often refus[ing] to abandon their particularity". This makes social movements vulnerable to being misdirected by "non-progressive" forces, such as the ones discussed above. All this makes their inclusion under the 'homogenising banner of the multitude' that Harvey speaks so sinisterly of – hazardous – if not myopic. A caveat is provided nonetheless, as it is added that "ways must be found to acknowledge the significance of... [the] multiple identifications [that social movements possess]" (HARVEY, 2003, p. 179).

The critique he offers is by no means immaterial, and is evidently not unique, as seen in Marcuse's critical analysis of the subject and the several rebuttals/responses to this in 2005, in a distinguished publication of the *International Journal of Urban and Regional Research* (Allahwala and Roger; Bond; Conway; Kohler; Ponniah; and Marcuse a and b). One of the main outcomes that is vigorously in line with Harvey (2003) to have come out of the above deliberation has been their questionable ability to constructively advance substantial socio-political-economic agenda(s) on a global scale. Globalisation epitomises neoliberal capitalism, and so anti-systemic agents (as social movements and forums have unanimously been described in this debate) would, arguably, do well to engage a considerable part of their efforts on a global level as opposed to



being excessively localised. They should simultaneously of course take care to not limit their critique of neoliberalism to “globalisation, ‘Washington Consensus’ macroeconomic policies”, etc (BOND, 2005, p. 436, emphasis by author); lest they unwittingly fall into a “silo” analysis trap which somewhat separates development discourse from other more grassroots realities (e.x. environmental preservation, gender equality, youth empowerment, etc.).

### **THE WORLD SOCIAL FORUM: A Force to be Reckoned With?**

By responding to neoliberal policies at both the level of waves and ripple effect – action otherwise referred to as “scales of social change” in Kohler (2005) first, second, and third generation rights can all be pursued concurrently and in coalescence. In fact, reflecting such a multi-dimensional approach to creating “a new world” as it were, the World Social Forum (WSF) is described as the other “superpower” against neoliberalism (ALLAHWALA; ROGER, 2005; PONNIAH, 2005). This section therefore endeavours to provide evidence to showcase how the WSF, through its constituent bodies, has grappled using multifaceted, yet congruent, approaches against the harsh effects of neoliberal policies. In addition, it is held that the WSF commands its own gap within the “multitude”: at a stretch it effectively counters the abstractness of the multitude concept; and in the very least it is not easily obliterated by it.

Prospectively, the WSF could successfully interchange between the resistant reformisms of social movements, and the revolutionarily transformation of the labour formation – an idea suggested in Ponniah (2005) upon reflecting on the tactics of the Norwegian Social Forum (NSF). Even though in retrospect – perhaps due to the way it has operated thus far – the WSF has mostly

been portrayed as more biased to reformist politics. Nonetheless, in this paper its very existence as an entity implies the strengthening of new pedagogies of resistance-cum-revolution. The shared experiences, of different movements on a global scale, has proven to be teleological in a way that Marxism has ostensibly never been able to be (considering its requisite mutation and reconstruction as the philosophy has been transported across space and time). It is perhaps a manifestation of revolutionary pedagogy which “creates a narrative space set against the naturalised flow of the everyday... giving rise to both an *affirmation of the world* [by the subject] through naming it, and an *opposition to the world* through unmasking and undoing the practices of concealments” (MCLAREN, 2000, p. 185, emphasis by author). As Bond stresses, “What is surely the main accomplishment of the WSF is the construction of *dialogical spaces*” (BOND, 2005b, n.p, emphasis by author).

## CONCLUSION

The position of the West representing the meta-ideology of the twenty-first century makes it necessary to first begin with an evaluation of Africa’s ability to uphold its own unique ideologies in order to understand the foundation upon which ideas for alternative development can be based. It is arguably inadequate to respond to a topic on rethinking development without taking into cognisance the epistemologies and paradigms which determine boundaries of knowledge in the current century. Given the heterogeneity of the challenges faced by Africa, it is seen as best to engage in dialogue that promotes a decentralised and non-dogmatic pursuit of development. In this regard, social movements, as epitomised by the World Social Forum are regarded as vital catalysts to achieving this.

## REFERENCES

ALLAHWALA, A.; ROGER, K. Introduction to a Debate in the World Social Forum. *International Journal of Urban and Regional Research*. vol 29, n 2, 2005. p. 409-416.

AMIN, S. *Unequal Development: An Essay on the Social Formations of Peripheral Capitalism*. Harvester Press Ltd - John Spiers: Sussex, England, 1976.

ASHCROFT, B. "Globalisation, Postcolonialism and African Studies" in Goldberg and Solomen (eds.) *Companion to Racial and Ethnic Studies*, first edition. Blackwell Publishers: Oxford, 2002. p.511-520.

BLOMSTROM, M.; BJORN, H. "Background to the Dependency Approach, the Latin American Dependency School" in *Development Theory in Transition*. Chapter 2, 1985, p. 27-50. London: Zed Books.

BOND, P (2005a). Gramsci, Polanyi and Impressions from Africa on the Social Forum Phenomenon. *International Journal of Urban and Regional Research*. Vol 29, No 2, p. 433-440.

BOND, P. The World Social Forum, Draft Paper now published in Taylor, Rupert (ed). *Third Sector Research*. Springer. Chapter 23, 2005b.

CESAIRE, A. "Discourse on Colonialism". Monthly Review Press: New York and London. Translated by Joan Pinkham, 1972.

DONGALA, E. "Clearing the Horizon: Science, Social Science and Africa" *Mots Pluriels*No. 24, 2003. Disponible in: <<http://motspluriels.arts.uwa.edu.au/MP2403ed2.html>>.

FANON, F. "The Wretched of the Earth". Grove Press: New York. Translated by Constance Farrington. 1967.

FINE, B. "Development as Zombieconomics in the Age of Neoliberalism" in *Third World Quarterly* 30(5): 885-904, 2009.

GIBSON, N. *Fanon: The Postcolonial Imagination*. Cambridge, UK: polity, p. 126-175. 2003.

GORDON, L. African Cultural Studies and Contemporary African Philosophy. *The Study of Africa*, 2006.

HARVEY, D. (2003). *The New Imperialism*. Oxford: Oxford University Press. pp. 137- 212.

HANDLER, J.F. "Postmodernism, Protest, and the New Social Movements" in *Law and Society Review* 26 (4): 697-732, 1992.

HART, G. "Development critiques in the 1990s: *culs de sac* and promising paths" in *Progress in Human Geography* 25(4):649-658. (2001).

IDAHOSA, P. "A Tale of Three Images: Globalisation, Marginalisation, and the Sovereignty of the African Nation-State" in Mbaku and Saxena, 1999.

IHONVBERE, J. "Africa in the Twenty-First Century: The Challenges and Opportunites", 2001.

INIKORI, J.. "Measuring the Atlantic Slave Trade: An Assessment of Curtin and Anstey" in *The Journal of African History*, vol.17(2), 1976, p. 197-223. Disponible in: <http://www.jstor.org/stable/180398> Access on: September 18 2010.

JONES, A. *Iron Cages and Paradigms, Ideologies and the Crisis of the Postcolonial State*. Pietermaritzburg: University of KwaZulu-Natal Press, 2010.

KOHLER, B. Social Forums as Space: A Response to Peter Marcuse. *International Journal of Urban and Regional Research*. Vol 29, No 2, p. 429-432, 2005.

KOM, K. Knowledge and Legitimation. *Mots Pluriels* No. 14. 2005. Disponible in: <<http://motspluriels.arts.uwa.edu.au/MP1400akan.html>>.

MOHAN, G.; STOKKE, K. "Participatory Development and Empowerment: The Dangers of Localism" in *Third World Quarterly* 21(2):247-268, 2000.

MCLAREN, P. *Che Guevara, Paulo Freire, and the Pedagogy of Revolution*. Rowman & Littlefield Publisher: New York. 2000.

MUDIMBE, V.; APPIAH, K. The Impact of African Studies on Philosophy in R, Bates, Mudimbe, V and O'Barr, J (eds) *The Impact of African Studies on the Disciplines*. Chicago: Chicago University Press, 1993.

NAYYAR, D. Globalisation and Development in Chang Ha-Joon *Rethinking Development Economics*, Anthem Press: London, 2003.

PAYARIL, G. The 'Kerala Model' of development: development and sustainability in the Third World in *Third World Quarterly* 17(5):941-957, 1996.

PONNIAH, T. Autonomy and Political Strategy: Building the Other Superpower. *International Journal of Urban and Regional Research*. Vol 29, No 2, p. 441-443, 2005.

UZODIKE, N. Democracy and Economic Reforms: Developing Underdeveloped Political Economies. *The Journal of Asian and African Studies*, Vol.XXXI, 1-2, June 1996.; "Development in

the New World Order: Repositioning Africa for the Twenty-first Century” in Mbaku, 1999.

WALLERSTEIN, I. Reading Fanon in the 21<sup>st</sup> Century. *New Left Review*. Vol 57, p. 117-125., 2009.

ZELEZA, P. *Manufacturing African Studies and Crises*. Dakar: Codesria Book Series, 1997.

ZIAI, A. “The ambivalence of post-development: between reactionary populism and radical democracy” in *Third World Quarterly* 25(6):1045-1060, 2004.

## ABSTRACT

This paper discusses three crucial terrains of contestation which weave together the kaleidoscopic tapestry of Africa’s contemporary development challenges. An assessment of academic epistemologies in African Studies, development theories, and the potential of social movements who espouse alternatives for development, illustrate why Africa’s position continues to be peripheral. A twenty-first century evaluation of Africa’s relationship with the West, when paying close attention to the aspects of intellectual discourses and knowledge paradigms, at best, provides reasons for guarded optimism, and at worst, raises serious concerns for the attainment of unorthodox development in Africa. The article argues that the dominance of non-African scholars in the African intellectual space renders development in Africa to be designed according to non-African ideologies and paradigms. Whilst social movements represent a revolt against this, it is assessed that their heterogeneous nature deems them neither intrinsically nor collectively progressive. The theory of *epistemic disobedience* is applied as a framework to understand the agenda of orthodox development practices inherent within Modernisation. This narrative is branded as a sophism due to its historical and persistent failures on the African continent. Until these contestations are resolved in favour of African perspectives, development in Africa will continue to follow Western theories, which have hitherto borne limited success.

**KEYWORDS:** African Studies. World Social Forum. Development alternatives.

## RESUMO

O continente africano tem sido caracterizado por contestações fervorosas e conflitos violentos de diversas naturezas, desde tempos imemoriais. Este artigo discute três terrenos cruciais de contestação que tecem desafios contemporâneos do desenvolvimento da África. Uma avaliação das epistemologias acadêmicas em Estudos Africanos, teorias de desenvolvimento e o potencial dos movimentos sociais que defendem alternativas de desenvolvimento ilustram porquê a posição da África continua a ser periférica. Uma avaliação do século XXI sobre a relação da África com o Ocidente, quando prestando atenção aos aspectos de discursos intelectuais e aos paradigmas do conhecimento, na melhor das hipóteses, fornece razões para otimismo; e, na pior das hipóteses, levanta sérias preocupações para a conquista do desenvolvimento heterodoxo da África. O documento argumenta que o domínio dos estudiosos não africanos, no espaço intelectual africano, torna o desenvolvimento na África a ser projetado de acordo com as ideologias e paradigmas não africanas. Enquanto os movimentos sociais representam uma revolta contra isso, nota-se que a sua natureza heterogênea os considera nem intrinsecamente, nem coletivamente progressiva. A teoria da desobediência epistêmica é aplicada como um quadro para entender a agenda de práticas de desenvolvimento ortodoxo inerentes a modernização. Esta grande narrativa é marcada como um sofisma devido as suas falhas históricas e persistentes no continente africano. Até que essas contestações sejam resolvidas, em favor de perspectivas africanas, o desenvolvimento na África continuará a acompanhar as teorias ocidentais, que têm transmitido sucesso até então limitado.

**PALAVRAS-CHAVE:** Estudo africano. Forum social mundial. Alternativas de desenvolvimento.

# **RETHINKING DEVELOPMENT: The Need for Ethics in Development Theory and Practice**

Workineh Kelbessa\*

## **INTRODUCTION**

The purpose of this paper is to examine the relationship between ethics and development. It aims at examining how and why development theory and practice has failed to make a difference, and showing the interconnection between economic growth, human well-being and the natural environment. The first section deals with the aims of the paper. The second section briefly looks at the major theories of development and practice particularly in “developing” countries. The third section discusses how development ethicists have conceptualized development. The final section of this paper offers general conclusions.

For early theorists and practitioners, development is a straightforward economic problem that should be studied by economics. They have focused on technical examination of mobilizing resources forcefully and efficiently so as to promote growth. As a matter of fact, they have failed to examine critically societal value

---

\* Associate Professor at the Department of Philosophy, at Addis Ababa University, Ethiopia.



changes and environmental issues. Development as conceived by its founding fathers has not changed the living conditions of the majority of the people in the world. Instead, it has not overcome, and in some cases has even led to poverty, malnutrition, high rates of infant mortality, low life expectancy, high rates of morbidity, low rates of health care, low average productivity and environmental degradation. By contrast, development is conceived both as the process of moving away from these evils to more satisfactory levels of life-expectancy, health, literacy and productivity, and the condition of a society which has largely attained satisfactory levels. The reality on the ground is against such expectations.

The environmental consequences of destructive development has begun to show signs of massive degradation in almost all natural resource sectors with serious implications for food production, famine and increasing poverty. Moreover, the rate of environmental exploitation has been aggravated by pressure from “developed” nations of the West who, although in a minority, consume 80 percent of the world’s carrying capacity thereby rapidly depleting available resources to sustain their industrial development. Paul Hawken also explained this fact as follows:

[t]he cornucopia of resources that are being extracted, mined, and harvested is so poorly distributed that 20 percent of the earth’s people are chronically hungry or starving, while the top 20 percent of the population, largely in the north, control and consume 80 percent of the world’s wealth (HAWKEN, 2005, p. 420).

Some Northern countries have harmed the environment in the “South” through such direct acts as the dumping of hazardous wastes and the relocation of polluting industries. This suggests the

need to reexamine the concept “development”. It is worth noting that Denis Goulet advised humanity to do so twenty five years ago.

Most specialists equate development with aggregate economic growth, the creation of modern institutions modeled on those found in industrialized Western societies and the spread of consumer aspirations and professional ambitions. None of these achievements, however, is development in the real sense; at best, they may be desirable social changes capable of facilitating genuine development. A totally different way of thinking is needed – a new concept of development derived from within the diverse value systems cherished by living communities. These values, these networks of meanings, loyalties and patterns of living, themselves define what are the proper ends and the most suitable means of development (GOULET, 1987, p. 170, emphasis added).

Although some development ethicists have argued that development should involve normative and descriptive aspects, they haven’t paid attention to the environmental dimensions of development. They have correctly stated that development is ethical in character, and should aim to promote human flourishing, and reduce poverty.

In this paper, development which empowers people and involves economic well-being, environmental care and social concerns is regarded as sound. As Nigel Dower notes, “[a] form of development might be sustainable while being undemocratic, socially unjust or cruel to animals” (DOWER, 2000, p. 44). Accordingly, the term “environmentally sound development” is used to refer to environmentally, socially and economically justified development. This form of development also involves environmentally friendly indigenous knowledge and practices and promotes people-centered development.

## **DEVELOPMENT THEORY AND PRACTICE**

Different schools of development theory approached the economic problems of the so called “Third World” countries in various ways. Among others, growth theory was popular from the late 1940s to mid-1950s. Growth theorists attacked the orthodox classical theory of development for being static and ignoring the structural rigidities which prevented markets from responding to price changes in developing countries. They, therefore, favored the Keynesian interventionist school, because they believed that the structural transformation of a society is impossible without state intervention. For them, the economic growth is a nonlinear process and an identical with development. Economic growth is the central feature of the dominant paradigm of development. The proponents of this view seem to believe that all social problems are fundamentally economic.

In spite of its failure to address the socio-economic and political problems of “Third World” countries, growth theory has influenced subsequent development theories associated with the modernization approach. According to John Brohman, “[i]n many ways modernization theory represented a deepening and extension of the basic conceptual apparatus of growth theory” (BROHMAN, 1996, p. 15).

The international economic order established after the Second World War and the competition between the superpowers led to the rise of modernization theory. The US and Organization for Economic Cooperation and Development (OECD) countries had endeavored to influence countries in the South by offering “capitalist growth and modernization to counter the Soviet Union’s proposal for socialist development” (BROHMAN, 1996, p. 11). Thus, the development era began after the Second World War. It should be noted that on January 20, 1949, it was President Harry Truman who for the first

time designated countries in the South as “underdeveloped areas”. “Suddenly, a seemingly indelible concept was established cramming the immeasurable diversity of the South into one single category – the underdeveloped” (SACHS, 1995, p. 429). Truman and modernization theorists believed that all countries in the world were moving along the same track, and “Third World” countries should participate in the development race, and catch up with the lead runners by avoiding old ways of living, patterns of work and modes of knowing, webs of loyalties and rules of governance (SACHS, 1995, p. 429-30).

In spite of the drawbacks of colonialism in non-European countries, modernization theorists have considered development as the transfer of the technological fruits of science to “developing” countries. They argue that modern values will be diffused through education and technology transfer to the “elites” of the “Third world” countries. They have suggested that the backwardness of South, such as Africa was an “original” backwardness, a primeval backwardness that could be overcome through Western know-how and capital (LEYS, 1996). The dominant paradigm thus aims to reduce the gap between rich and poor countries and thereby tackle absolute poverty in the developing world.

However, rather than alleviating developing countries from the shackles of backwardness and poverty, modernization as practice has led to further subordination of these countries at the global economic level, and increased levels of poverty and deprivation. Development policies based on modernization theory have damaged the environment and people’s health.

It is worth noting that some writers stated that the dominant paradigm needed to be modified. They maintain that some kind of intervention or direction from central institutions such as governments is required to facilitate the reduction of poverty.

Modifications (within mainstream development economics/studies) of this economic growth model included ‘growth with equity’ (i.e., growth with mechanisms, generally state-directed ones, to redistribute wealth in favor of the poor), and ‘basic needs’ theories, again targeting the poor with programs designed to meet basic needs (DOWER, 1998a, p. 758).

On the other hand, dependency theory began as a radical challenge to the optimism of the old established theories. It inverted many of the assumptions of modernization theory. The dependency school arose in Latin America as a reaction to the failures of the program of the United Nations Economic Commission for Latin America, the crisis of orthodox Marxism in Latin America and modernization theory in the early 1960s. During this period, Latin America was affected by inflation, currency devaluation, declining terms of trade and unemployment.

Dependency theorists reacted against the political belief of the communist parties in Latin America, since the latter favored the view that before entering socialism, Latin American countries had to go through the stage of the bourgeois revolution. But dependency writers were attracted by the Chinese Revolution in 1949 and the Cuban Revolution in the late 1950s (BLOMSTROM and HETTNE, 1984, 990, p. 91-93; OMAN and WIGNARAJA, 1994, p. 156,179). Dependency writers also denounced modernization theory as the instrument of imperialism.

There is a good deal of theoretical difference among dependency theorists. In spite of the variety of interests, approaches, ideological orientations and political commitments among dependency theorists, most of them share some basic principles: “A common feature of most of dependency writers was their explicit attention to

the social nature and effects of capitalism in the periphery”(OMAN and WIGNARAJA, 1994, p. 156-157; BLOMSTROM and HETTNE, 1984, p. 71-76; NICHOLAS, 1987, p. 146-147). To put matters another way, though dependency theorists differ in numerous details and to some extent focus on different areas, they have a similar interest in studying the situation of the “Third World” countries in relation to advanced capitalist countries.

Many dependency writers think that dependency is applicable to all the “Third World countries”. Most of them agree that development and underdevelopment are the two aspects of the same economic process in the sense that the expansion of capitalism leads to the development of the metropolises and the underdevelopment of the satellites. Some dependency writers argue that “developed” countries took the normal path of capitalist development. But “Third World” countries were forced to be integrated into the capitalist economy on an inherently unequal basis. Consequently, “Third World” countries became the producers of primary products and raw materials. In order to explain the general pattern of dependency, some dependency writers employed the model of metropolis-satellite or the centre-periphery relationship. In this model, the “centre” represents all advanced countries whereas the “periphery” represents all poor countries. The centre exploits the periphery by extracting surplus through foreign investment, trade (unequal exchange), foreign aid and loans, and technology transfers. Also, within the peripheral regions the local elites align themselves with the centre and exploit the rural people (BLOMSTROM and HETTNE, 1984; GARDNER and LEWIS, 1996).

For some dependency writers, external factors are responsible for the underdevelopment of “Third World” countries”. They stress that the historical heritage of colonialism and the perpetuation of

the unequal international division of labor are the main causes of underdevelopment.

It is true that Theotonio dos Santos, Osvaldo Sunkel and Celso Furtado emphasize the interaction between internal and external factors of underdevelopment. Particularly Fernando Henrique Cardoso gave due attention to the role of internal factors (BLOMSTROM; HETTNE, 1984, p. 72).

Early dependency writers restrict themselves to the analysis of economic conditions. Dependency is seen as a result of the flow of economic surplus from the periphery to the centre. They underline that with the continual flow of surplus from the periphery to the centre, genuine capitalist development is unthinkable. Hence, according to them, dependency and development are incompatible. On the contrary, Cardoso and Enzo Faletto argue that dependency and development could go together. Cardoso, for instance, states: “dependent capitalist” or associated dependent capitalist is possible in the periphery.

Dependency writers have forwarded different proposals to solve the problems faced by “underdeveloped” countries. A considerable number of dependency writers suggest that radical structural change should take place so as to eradicate the structure of metropolis-satellite relation. A de-linking of ties with imperialism, they think, will enable “underdeveloped” countries to promote genuine autocentric economic development, accumulation, and prevent surplus transfer from the periphery to the metropolitan countries. They argue that without replacing the neo-colonial state by a revolutionary state, the chances for de-linking from capitalist framework will be blocked and whatever development will remain dependent development. In order to avoid the unequal relationship between “Third World” countries and advanced capitalist countries, they argue, the links between “developed” and “underdeveloped” countries should be broken. Dependency theorists

think that through socialist revolution, peripheral countries will be able to build free and independent societies. It is also the means of avoiding the old ruling elites who previously favored foreigners. Thus, subordinate classes in “underdeveloped” countries will be the leaders of the revolution. These thinkers have different views concerning the process of transition to socialism (BLOMSTROM and HETTNE, 1984). Therefore, dependency writers advised peripheral countries to disassociate themselves from the world market and capitalist countries and strive for self-reliance. In fact, self reliance does not suggest that complete isolation from other peripheral countries. They recommend cooperation with other peripheral and socialist countries.

While dependency theory appealed to many “Third World” countries, it received severe criticism at the theoretical level, and was undermined by the success of the newly industrialized countries. For instance, following Cardoso’s analysis, Palma contends that the thesis that capitalist development in Latin America is impossible and other related ideas of dependency writers are erroneous (PALMA, 1978, p. 903-904). The critics thus state that dependency and development could go together. According to So: “[c]ountries such as Canada are ‘dependent’ in the sense that their economies have been penetrated by foreign-owned subsidiaries, yet Canada exhibits a standard of living higher than that of most Third World Countries” (SO, 1990, p. 134).

Some writers have stressed that the policy recommendations of dependency theorists cannot help “Third World” countries to address the problems of development. The Tanzanian experience in the 1970s is regarded as an example of the failure of dependency theory. After independence, Tanzanian leaders and intellectuals tried to translate the recommendations of dependency theorists into practical policies. They made valiant attempts to revitalize the “traditional” African socialism. Regrettably, however, the new experiment did not generate positive



results. The country experienced economic crises during the mid-1970s. “Thus . . . we might say that the Tanzanian experience during the 1970s once again proved that the real world is far more complex than the dependency school figured it to be” (BLOMSTROM; HETTNE, 1984, p. 155).

In spite of these drawbacks, the dependency theory has had a considerable impact upon development theory and practice. Among others, the works of dependency theorists have paved the way for the serious study of development problems in “Third World” countries (BLOMSTROM and HETTNE, 1984, p. 195). They have provided a catalyst for further research into industrialization, state/society relation, class formation, ideology and the like. The influence of dependency theory is reflected in the politicization of development at international, national and grassroots levels. “Third World” countries, for instance, formed different groups such as the non-aligned movement so as to challenge the influence of “developed” countries. Dependency theory also influenced the proponents of the notion of empowerment (GARDNER; LEWIS, 1996, p. 18-19). Many anti-imperialist and anti-colonial movements employed in their struggles the theoretical and political theories of dependency writers (NICHOLAS, 1987, p. 143).

Also, the dependency writers analysis of the terms of trade and unequal exchange is sound (KAY, 1990, p. 22). Dependency theorists also challenged the doctrine of comparative advantage. They have argued that the technological and financial imbalance between “developed” and “developing” countries has harmful consequences. I think, such a view still reflects the present economic conditions of “underdeveloped” countries. The state of underdevelopment of the so-called “Third World” countries persists and becomes even more entrenched. Furthermore, the gap between advanced and “underdeveloped” countries, instead of narrowing, has been widening.

On the other hand, Marxist theory emphasizes the importance of economic planning and state intervention in the process of development. In most cases, Marxist theory approached the market private initiative as a component of exploitation. Experience, however, shown that orthodox socialism as perceived by Marxist-Leninist scholars and politicians has failed to produce economic development that is superior to capitalism.

In fact, socialism as a development model started to be challenged in the 1980s and early 1990s. By the turn of the 1990s, the wind of change destroyed the former Soviet Union and other socialist countries. Consequently, we witnessed the resurgence of neo-classical theory of development. Neo-liberals stress that market institutions, if only they are left alone, would promote economic growth (LEYS 1996, p.17-19). Some of the former socialist countries and the so-called “Third World” countries have introduced systemic reforms which involve privatization and significant liberalization.

The proponents of free trade and capitalism argue that it is poor government practice, rootless businessmen, corruption and lack of knowledge in “Third World” countries, which are mainly responsible for global environmental crises. They keep on saying that non-capitalist countries have more problems than the capitalist countries do. In particular, neo-liberals proclaim that capitalism is capable of controlling environmental problems. However, the neo-liberal development model, which has been practiced for decades in many countries, has aggravated the condition of poorer people, and has led to the concentration of power and wealth in a few unaccountable transnational corporations.

The neoliberal development model not only constricts *what* can be decided: it shifts *who* decides. Institutional and economic power is now concentrated in the hands of transnational business and remote quasi-state bodies, such as the World Bank, the IMF and

GATT, which are unchecked by any of the principles or processes of democratic government, such as elections, accountability or transparency. As these new global concentrations of power have grown in influence, the ability of nation states to manage their countries' affairs has been significantly undermined (MARTIN, 1996, p. 153).

Powerful capitalist countries have created various multilateral international trade instruments and have continued to exploit powerless "Third World" countries and the natural environment. "Third World" countries are too poor and powerless to challenge these countries. Environmental laws and principles are required to be subservient to international trade treaties. And the General Agreement on Tariffs and Trade (GATT) has challenged governmental export controls. The exponents of GATT argue: "[a] government trying to conserve scarce resources by restricting their export will violate GATT" (HAWKEN, 1993, p. 100). Also, under the GATT, national governments are required to remove foreign investment requirements, export quotas, local procurements and technology specifications. Thus, free trade has very little to contribute to environmental protection. In global free trade, what is valuable is decided by money. Big companies have been able to externalize environmental and social costs.

The economic pressures in the "Third World" countries and the desire to earn foreign exchange have forced them to export their natural resources to "First World" countries. Hence, resources have flooded up from the poor to the rich. Furthermore, some countries have allowed unaccountable transnational corporations to carry on an unregulated exploitation of natural forests. The decline in commodity prices has further aggravated the economic situation in "Third World" countries.

Many “Third World” countries were forced to borrow heavily in the late 1970s and early 1980s. The conservation strategies of the “Third World” countries have been influenced by the World Bank and IMF development policies. These institutions have suggested minimalist state intervention in the economies of “Third World” countries. As a result, the vast majority of state enterprises were sold off to private companies. The governments of these countries reduced public spending on health, education and social services. Local elites and foreign transnationals have been the main beneficiaries. But the people have not benefited from these measures. “Third World” governments are being forced by the World Bank and the IMF to redirect spending away from public services and publicly-owned enterprises into servicing debt.

The foregoing discussion reveals that contrary to the expectations of Western capitalist countries and some development theorists, sixty years of development experience indicate a yawning gap between theory and practice. The beneficiaries of development are only the global middle and upper class in the North and small elites in the South. However, the development era and foreign sponsored conservation programs have led to irreversible destruction of the regenerative powers of nature and the underdevelopment of hundreds of millions (GOULET, 1990, p. 36). Donor governments and agencies, and national governments in the global South encouraged environmentally destructive approaches to agriculture in the name of modernization.

Goulet (1992) notes that development is a two-edged sword, simultaneously a creator and destroyer of values. It brings material and technological gains and new freedoms, but also breeds injustice, destroys cultures, damages environments and generalizes *anomie*.

He adds

[b]y thrusting the rural poor into mass impersonal urban settings and competitive monetary circuits, development destroys solidarity systems—extended families, caste associations, village and ethnic networks – founded on principles of reciprocal obligations ( GOULET, 1997, p. 491).

In fact, it is also true that in the traditional “solidarity system” people were also often, poor, illiterate, suffering from different problems.

The development measures of conventional approaches are also flawed. GDP failed to measure products consumed within the family and services exchanged informally, as it only “measures that part of production sold for a price in a formal market.” Accordingly, “conventional” accounting procedures ignore or underestimate a major portion of the economic activity in many “Third World” countries (PEET and HARTWICK, 2009, p. 10). This led Peet and Hartwick to conclude, “all conventional economic theories of growth and development are hopelessly flawed because economics harbors deeply within its structure an unrealistic and biased view of the world” (PEET and HARTWICK, 2009, p. 15).

Some writers suggest that conventional development theories need to be changed. In the words of Peet and Hartwick,

[c]onventional thinking about modernity, growth, and development, so defined, is hopelessly, dangerously, and perversely blind to its structural deficiencies and devoid of real alternatives taken seriously in the centers of power. The future existence of the world’s people depends on breaking this utterly deficient style of developmental thought (PEET and HARTWICK, 2009, p. 278).

On the other hand, in the 1990s, the UNDP Human Development Report seemed to have looked at development from a different angle. It has considered human development as the end and economic development as the means (UNDP, 1994). As has been stated earlier, conventionally development has been defined as a process of change aimed at attaining economic growth (a rapid and sustained rise in real output per capita). In such definition, human and social transformation is not given sufficient attention.

But high economic growth rate does not necessarily suggest higher levels of human development. There has been a gap between income and human development (for instance, levels of life expectancy and literacy) in many countries. Economic growth has only improved the status of the already wealthy people and thereby undermined the basis of survival for the poor both in “developed” and “developing” countries. The so called “trickle down” (eventually everyone benefits from growth as income trickle down from the rich) does not work.

As a matter of fact, recently, some development theorists and the UNDP in its Human Development Reports have questioned this approach and paid attention to the role of human development (UNDP, 1990-2010; DOWER, 2000). Human development is intended to promote human well-being. The main parameters of human well-being include health, literacy, life expectancy, community, rule of law, liberty, and the exercise of choice or “control” over one’s life (DOWER, 2000, p. 40-41).

As can be judged from the discussion so far, genuine development is often to be contrasted with the policies of the IMF, World Bank and the like. Genuine development requires a restructuring of the international economic system, as Paul Ekins (1993) argues. Without an appreciation of or recognition of the reasons of previous failures of development strategies, hegemonic

forces will never be able to contribute to workable solutions for development problems.

## **ECONOMIC GROWTH, HUMAN WELL BEING AND THE ENVIRONMENT**

The theory about a good life is not new. The difference between a good life and material possession was conceptualized in ancient Greece. Some philosophers stressed that the fullness of human good and the possession of many goods are not the same. For Aristotle, “the amount of property which is needed for a good life is not unlimited” (ROSS, 1921, in GOULET, 2002, p. 11). Although he recognizes the importance of property for human beings to live temperately and liberally, he made the following observation: “it should not be thought that the man who is to be happy will need many or great possessions, merely because it is not possible to be blessed without external goods” (BAMBROUGH, 1963, p. 37, in GOULET, 2002, p. 11).

Moreover, Aristotle offers normative guidance to economists:

[t]he economist ought to possess four qualities in relation to wealth. He ought to be able to acquire it, and to guard it; otherwise there is no advantage in acquiring it, but it is a case of drawing water with a sieve, or the proverbial jar with a hole in it. Further, he ought to be able to order his possessions aright and make a proper use of them; for it is for these purposes that we require wealth (Ross, 1921, in GOULET, 2002, p. 11).

This idea might be in sharp contradiction with his belief that slaves and non-Greeks should be treated as “animals”. It was not clear whether he gave this advice to Alexander the Great.

Fifteen centuries later Thomas Aquinas cites Aristotle with approval, saying: “[i]t is better to pursue wisdom than riches, though riches are more useful when you are in need” (AQUINAS, 1992, p. 453, in GOULET, 2002, p. 11).

Also, before the emergence of development ethics, individuals who analyzed development in value terms include, the Frenchman L. J. Lebret, and Swedish economist Gunnar Myrdal (GOULET, 1997). Lebret explained the difference between “to have more” and “to be more”. “Societies are more human or more developed, not when men and women ‘have more’ but when they are enabled ‘to be more’” (GOULET, 1995, p. 6-7). So, development should be judged on the basis of qualitative human enrichment rather than on the basis of increased production or material well being only. Goulet states that the age of globalization can learn from Lebret the priority of needs over wants or preferences (expressed by effective purchasing power) (GOULET, 2004b, p. 6). It can also learn the lesson that “development is multidimensional: it embraces economic, social, political, cultural, environmental, and spiritual components of human well-being” (GOULET, 2004b, p. 7).

Similarly, Placide Tempels stresses that the manner in which the human person is treated is more important than material prowess. He raises the following questions: do the improvements of the material conditions of life “constitute ‘civilization’? Is not civilization, above all else, progress in human personality?” (TEMPELS, 1959, in KEBEDE, 2004, p. 44). Tempels states that the West did not understand man; instead it neglected him despite all its material achievements. Thus, Tempels criticizes the West for excessively immersing in material pursuits and comforts.

Moreover, Barry Lopez, a student of Native American societies, defines wealth as follows:



[s]ome native ideas could serve us well in this historical moment: that a concept of wealth should be founded in physical health and spiritual well-being, not material possessions; that to be ‘poor’ is to be without family, without a tribe—without people who care deeply for you” (LOPEZ, 1978, in GOULET, 1995, p. 129).

I also believe that friendships, family ties, and a genuine sense of community and shared responsibility for each other are important aspects of human wellbeing.

Moreover, some development ethicists have criticized the mainstream development discourse, defined wealth in a different way, and emphasized the need for development ethics in the aim of resolving the moral quandaries raised in development policies and practice. Development ethics examines normative and value questions around the analysis of competing models of the good life, the just society, theories of human need, strategies for social change and so on.

Denis Goulet (1977) is the first prominent figure in the field of development ethics. He is considered as the father and initiator of development ethics. He has been reflecting on the relationship between ethics and development since the 1960s. He has influenced various scholars, international financial institutions and practitioners. On the basis of his academic training in philosophy, political science, and social planning as well as “grassroots” or project experience in numerous countries, Goulet tries to address “the ethical and value questions posed by development theory, planning and practice” (GOULET, 1977, p. 5).

According to Goulet (1977), conventional images of development are ethically deficient in several ways. In the first place, he characterizes the image of a mass consumption paradise as a

cruel illusion for it cannot be attained by all given limited resources. Moreover, the growth paradigm of development failed to pay sufficient attention to equity in the distribution of aggregate gross national product by assigning priority to its quantitative development. Development professionals talk about development in purely descriptive terms by ignoring a normative view of development. They describe a certain quantitative level of performance, a certain gross national product, a certain investment ration, a certain level of trading activity, a certain structure of employment. The growth paradigm paves the way for the destruction of cultural values, local institutions and networks of solidarity for it favors modernity and undermines local and national self-reliance and perpetuates relationships of dependency. At the same time, growth-oriented strategies have proved both wasteful of resources and environmentally destructive, because they have concentrated on aggregate gains in industrial output, export trade and financial earnings without paying sufficient attention to environmental issues (GOULET, 1987, p. 171).

“Development is above all else a question of values and human attitudes, self-defined goals, and criteria for determining what are tolerable costs to be borne in the course of change” (GOULET, 1971). Like David Pollock, a Canadian economist, Goulet suggests that transcendental values should be one of the essential components of development. Pollock writes:

Let us assume that a country’s economic pie increases. Let us further assume that there is a heightened degree of equity in the way the fruits of that economic pie are distributed. Let us, finally, assume that decisions affecting production and consumption of the economic pie – nationally and internationally – involve the full participation of all affected parties. Is that the end of the matter? Does man live by GNP alone? Perhaps the latter has been the prevailing

line of thought throughout the postwar period since, in the short-run, policy makers must focus primarily upon the pressing issue of increased incomes for the masses; particularly for those below the poverty line. But, despite the obvious importance of such short-run objectives, we should also be asking ourselves other, more uplifting questions. Should we not take advantage of our longer-term vision and ask what kind of person Latin America may wish to evolve by the end of this century? What are the transcendental values – cultural, ethical, artistic, religious, moral – that extended beyond the current workings of the purely economic and social system? How to appeal to youth, who so often seek nourishment in dreams, as well as in bread? What, in short, should be the new face of the Latin American Society in the future, and what human values should lie behind the new countenance (GOULET, 1991, p. 604).

Pollock questions whether we can live by GNP alone. The words “transcendental values” raise the vital question: “Does man live by GNP alone?”

Goulet characterized those who reduced development to the pursuit of material well-being and ignore political and religio-cultural components as “one-eyed giants” (GOULET, 1980, p. 481-89). He laments:

they analyze, prescribe, and act as if humans could live by bread alone, as if human destiny could be stripped down to its material dimensions alone. High indices of suicide in “developed” countries hint at the truth that material abundance may be less essential — even for survival — than is the presence of *meaning*. In order to survive one must want to survive, but how can one want to survive unless one’s life has a meaning? Indeed, having a meaningful existence may well be the most basic of all human needs (GOULET, 1996, p. 221-222).

According to Goulet, qualitative human enrichment rather than growth in production or material wellbeing is the true indicator of development although quantitative increases in goods and services are needed (GOULET, 1997, p. 1168; 2002, p. 22). Good life does not necessarily mean having abundance of goods although possession of enough goods is important to be good. “Abundance of goods and fullness of good are not synonymous: one may *have* much and be mediocre or *have* little and *be* rich. Nevertheless, we need to have a certain quantity of goods in order to be fully human, and certain kinds of goods enhance our being more than others” (GOULET, 1995, p. 53). In the same way, Paul Wachtel states that having more does not necessarily yield an increase in feelings of satisfaction or well-being (WACHTEL, 1998, p. 200). For Goulet, being should come first before having. Having is not the essence of being. He defended his view by appealing to the views of the great masters of living. He writes:

Yet the great masters of Living have made the alternative between having and being a central issue of their respective systems. The Buddha teaches that in order to arrive at the highest stage of human development, we must not crave possessions. Jesus teaches: ‘For whosoever will save his life shall lose it; but whosoever will lose his life for my sake, the same shall save it. For what is a man advantaged, if he gain the whole world, and lose himself, or be cast away?’ (LUKE 9:24-25)

Master Eckhart taught that to have nothing and make oneself open and ‘empty,’ not to let one’s ego stand in one’s way, is the condition for achieving spiritual wealth and strength. Marx taught that luxury is as much a vice as poverty and that our goal should

be to be much, not to have much. (I refer here to the real Marx, the radical humanist, not to the vulgar forgery presented by Soviet communism) (GOULET, 2005a, p. 28).

What has been discussed so far suggest that we should avoid the extreme positions of materialism and antimaterialism that have different attitudes towards the acquisition and possession of commodities and human well-being. For materialism well-being is based on worldly goods especially those that bring comfort and convenience (CROCKER, 1998, p. 368). Antimaterialism on the other hand emphasizes the freedom from all attachments to material goods although some more moderate forms of antimaterialism recognize the importance of both material and nonmaterial realities (CROCKER, 1998, p. 369).

As David Crocker notes, both approaches don't enable us to promote well-being. On the one hand, commodities *by themselves* cannot give meaning to life. On the other hand, certain goods and services are important to the physical aspects of human well-being. It is true that humans need economic growth to lead a good life, to have choices, to have more control over their environment than if they remained poor, and to avoid economic depression, unemployment, human suffering, poverty and misery. But the question is: in order to become more, how much is enough? One may suggest that the goods that satisfy the basic biological needs of humans can be enough. Goulet (1995) suggests that because of the fact that human life is more than mere survival, a full stomach, or a warm body, goods that enable humans to meet the goals of development that all individuals and societies desire, namely, optimal life sustenance, esteem and freedom can be considered enough. The quality of life can be dehumanized by both the absolute insufficiency of goods and relative excess (GOULET, 1995, p. 62). Crocker also suggests:

“[w]e must seek to replace materialism and anti-materialism with a balanced and stable conception of the sources and meaning of well-being” (CROCKER, 1998, p. 371).

Wachtel also envisages alternatives that show the connections between psychological well-being and ecological balance to the consumer society. What we need is an image of an alternative that is not just a bitter necessity but holds out promise of a genuinely better life. The image of belt-tightening is one that issues from within our present set of assumptions; it equates conservation, recycling, and fewer gadgets with having less. A notion of standard of living more rooted in our actual psychological experience points in quite a different direction and challenges the idea that altering our present way of life means settling for less. It encourages us to think beyond material goods as the defining essence of the good life and to focus instead on the quality of our relations with others; on the clarity and intensity of our experiences; on intimacy, sensual and aesthetic experiences, and emotional freedom; and on the ethical, spiritual, and communal dimensions that give the entire enterprise meaning. In such a direction lies the path to a way of life that is at once more ecologically sound and more exciting and enjoyable (WACHTEL, 1998, p. 1999).

What is important to note is that most people in developing countries still derive their primary source of meaning from religious beliefs, symbols, practices, and mysteries (HAYNES, 1994, in GOULET, 1996, p. 222). According to Goulet,

[i]n rich and poor countries alike, a growing chorus of voices proclaims that full human development is not possible without regard for essential religious values. They assert that achievements in political, social, economic, technical, artistic, and scientific realms do

not exhaust the creativity, beauty, or triumphs of which human beings are capable. Development thus appears both as a grandiose historical task and as a summons – or an opening – to transcendence (GOULET, 1996, p. 229).

The psychologist Erich Fromm also stresses how religious impulses can contribute to development. For him, religious impulses

contribute the energy necessary to move men and women to accomplish drastic social change, and hence, that a new society can be brought about only if a profound change occurs in the human heart – if a new object of devotion takes the place of the present one (FROMM, 1976, in GOULET, 2005a, p. 28).

In agreement with this view, Goulet (2005a) asserts that the most important mission of religion is “to keep hope alive”. It has the role of raising the hope that new possibilities can be created for development.

Thus, development agents should not treat religious and other indigenous values in a purely instrumental fashion. A non-instrumental treatment of traditional values shows that they harbor within them a latent dynamism which, when properly respected, can serve as the springboard for modes of development that are more humane than those derived from outside paradigms. When development builds on indigenous values, it exacts lower social costs and imposes less human suffering and cultural destruction than when it copies outside models (GOULET, 1996, p. 225).

However, traditional ideas alone cannot be the basis for an action. We should also use other modern ideas. Thus, as Goulet (1987) notes, it would be wrong to romanticize mass poverty and

uncritically glorify cultures that have had negative consequences for the well being of human beings, and obtain material improvements “at the price of a general impoverishment of the spirit”. What is required is a critical re-examination of old values in the light of modern diagnoses of human needs for better life.

According to Goulet, the central task of development ethics is to provide wise normative guidance as to the direction we need to take in our life (GOULET, 1978). Development ethics is required to “diagnose value conflicts, to assess policies (actual and possible), and to validate or refute valuations placed on development performance” (GOULET, 1997, p. 1168). The instrumental treatment of values alone is not sufficient for development ethicists to discharge their function. They need to subject development critically to “the values tests of justice, human enhancement, spiritual liberation, and reciprocal relations. “It is these values that judge development, not vice versa” (GOULET, 1989, P. 94). Goulet (1997) also contends that the primary mission of development ethics is to keep hope alive.

Other Western philosophers for their part have shown the link between economic growth and human-well being. They have emphasized that human well being should be the goal of development (CROCKER, 1991; ROBERTSON, 1996; DOWER, 1998, 2000; GASPER, 2004). Dower, for instance, states that progress in human well-being/flourishing should be the central concern of development. He stresses that economic growth and industrialization are only means to certain ends, and they are not ends in themselves (DOWER, 1998, p. 758).

Streeten and Sen (1984) have also emphasized the ethical dimensions of development. According to Sen, the goal of development is not economic growth, industrialization or modernization. But it should be understood as the expansion of people’s “valuable



capabilities and functionings”: “what people can or cannot do, e.g., whether they can live long, escape avoidable morbidity, be well nourished, be able to read and write and communicate, take part in literacy and scientific pursuits, and so forth” (SEN, 1984, p. 497). Sen stresses that development is required to enhance capability (i.e. a person’s ability to do valuable acts or reach valuable states of being). So, for Sen commodities or opulence and utilitarian happiness or preference satisfaction are not the major elements that explain the standard of living. Instead, human well being should be explained in terms of certain valuable human functionings and capabilities.

If we value the capability to function, then that is what we do value, and the possession of goods with the corresponding characteristics is only instrumentally valued and that again only to the extent that it helps in the achievement of the things that we do value (namely, capabilities) (SEN, 1998, p. 294).

Accordingly, in capability approach, we are not required to value only *desire fulfillment* and happiness, as the state of being happy is one among several objects of value. Sen (1998) also recognizes the importance of material capabilities in judging the standard of living of people in poor countries. The following questions need to be answered in order to judge the standard of living of people: “[a]re they well nourished? Are they free from avoidable morbidity? Do they live long? Can they read and write? Can they count?” (SEN, 1998, p. 295).

Sen’s “capability approach” leads us to look at the range of life-options that people have (their “capabilities set”), and the actual things they do and achieve (their “functionings”), rather than just looking at their incomes or their declared state of satisfaction,

which can by themselves be missing. In this way, he urges us to consider development as an extension of the range of attainable and worthwhile life-options that people have.

Nussbaum (1998), for her part, favored what she calls the “capabilities approach”. According to her, central human functional capabilities include life; bodily health and integrity; pleasure and pain; senses, imagination, thought; emotions; practical reason; affiliation; other species; play; separateness, and strong separateness (NUSSBAUM, 1998, p. 318-321). She states that the “capabilities approach” claims that “a life that lacks any one of these capabilities, no matter what else it has, will fall short of being a good human life”.

Relying on Aristotle’s ethic of human flourishing and the works of Sen and Nussbaum, Crocker identified four kinds of valuable capabilities (and functionings): physical well-being, mental well-being, social well-being and what Nussbaum calls “separateness”. Crocker stresses that to lead a good life, we need to promote balance and harmony among the four kinds of valuable capabilities (and functionings). “Too much or too little of a good thing in one dimension may decrease our overall well-being in one or more of the others” (CROCKER, 1998, p. 374).

Since the 1987 the International Development Ethics Association (IDEA) has also questioned the mainstream development paradigm by encouraging systematic research and publication in development ethics. The major aims of IDEA are:

- to apply ethical reflection to development goals and strategies and to relations between the “North” and “South”.
- to effect ethically sound development policies, institutions, and practices.
- to promote solidarity, mutual support, and interchange among those development theorists and practitioners throughout

the world who are seeking to implement ethically better development and strategies (IDEA, 2011).

However, some development ethicists have not sufficiently shown the interlinkage between economic growth, human well-being and the natural environment. They have focused on the link between normative and descriptive aspects of development. They stress that development ethics originated as the ethics of Third World development, and development ethicists are committed to understanding and reducing human deprivation and misery in poor countries. In fact, in his later work David Crocker seems to consider all societies as “developing”. He writes: “International development ethics is moral reflection on the ends and means of societal and global change” (CROCKER, 1991b, p. 149).

Development ethicists do not agree among themselves whether development ethics’ focus should be “Third world”, international, or global. What should be stressed here is that the founding fathers of development argue that development is only the problem of the “Third World” or “developing” countries. In the same way, most Western development ethicists regard development ethics as a subject that deals with the development conditions of poor countries as if other advanced countries do not need any development.

Unlike some development ethicists who assert that international development ethics is ethical reflection on the ends and means of socioeconomic change in poor countries and regions, I would suggest that development ethics should also look at the impact of global powers on the people and the planet Earth. Development ethics should deal with development issues in all countries including rich countries. As Goulet persuasively notes:

[n]o nation is fully developed in all respects, for no nation adequately meets the real needs of all its members, and in no society are all essential relationships organised satisfactorily. Not surprisingly, therefore, many who enjoy material ease, in rich and poor countries alike, complain that their life or work does not seem fulfilling, and that they feel no sense of community around them. Their laments suggest the need for a normative, and not a purely descriptive, conception of development (GOULET, 1987, p. 170).

Unlike some development ethicists, Goulet stresses the interlinkage between development and nature. He suggests that humans should balance human freedom and nature, and consider them as relative values.

Sound development enjoins and practices ecological wisdom, just as ecological wisdom (integrally and comprehensively understood) promotes sound and harmonious human development. What is urged here is not some passive stance in which no human interventions will be made upon nature to promote some sort of economic growth. Rather, the scope and content of that growth will be redefined and renegotiated to assure just and adequate access to essential goods by all, and to protect biosystematic sustainability (GOULET, 1995, p. 126).

Although different groups give priority to either nature or freedom, Goulet suggests that different values

ought to enjoy parity of moral status because any long-term, sustainable equity-enhancing combat against poverty requires wisdom in the exploitation of resources, just as the preservation of species cannot persuasively be held out as a priority goal if the human species is threatened with degrading poverty or

extinction. Nature itself is diminished when its human members are kept ‘underdeveloped’; reciprocally, human members cannot become truly ‘developed’ if their supportive nature is violated (GOULET, 1995, p. 122).

Therefore, the achievement of authentic development requires “satisfactory conceptual, institutional, behavioral answers to the three value questions – the good life, the just society, and the sound relation to nature” (GOULET, 2004b, p. 5).

On the other hand, some organizations and writers have discussed the basic features of sustainability to show the relationship between environmental and developmental issues. The International Union for the Conservation of Nature used the concept sustainable development in its report in 1980. This concept was given more emphasis in the Brundtland Report that suggests that the international community should work towards sustainable development (WCED, 1987). It was designed to accommodate economic development and environmental concerns. It was assumed that environmental capacity can satisfy human needs. A new development path was conceived that aims to relieve poverty and sustain environmental capacity. Thus the principle of “sustainable development” is formulated as follows: “development that meets the needs of the present without compromising the ability of future generations to meet their own needs” (WCED, 1987, p. 8).

The United Nations Conference on Environment and Development held in Rio de Janeiro in 1992 embraced the idea of sustainable development, as it appears to accommodate the concerns of “developed” who favor environmental protection and “developing” countries who suspected that the former tried to limit development progress in the “South” by denying access to methods that were used

by Northern countries in their industrialization processes. Although the Brundtland Report links issues of intragenerational equity with those of intergenerational equity, it doesn't have a clear proposal for environmental protection (HOLLAND, 2001, p. 391).

Alan Holland (2001) believes that there is a connection between human well-being and states of the natural world. He writes, "there are conceptions of the human good that make a concern for nature for its own sake a contributing or even constitutive factor in human well-being. In this way human interest and ecological integrity do not just happen to coincide, but exhibit an interlocking conceptual relationship" (HOLLAND, 2001, p. 394).

Goulet for his part emphasizes the need for sustainability in various fields:

[s]ustainability is needed in five domains: economic, political, social, cultural, and environmental. Long-term economic and environmental viability requires using resources in a way which does not irreversibly deplete them. Political viability rests on creating for all members of society a stake in its survival: this cannot be achieved unless all enjoy freedom and inviolable personal rights and believe that the political system within which they live pursues some common good and not mere particular interests. Finally, if development is to be socially and culturally sustainable, the foundations of community and symbolic meaning systems must be protected. Otherwise, they will be steam-rolled into oblivion under the pretext of submitting to the requirements of scientific and technological 'rationality' (GOULET, 2005a, p. 29).

Holland, however, laments that the transition to environmental sustainability and redistributive social and economic policies has been hampered by certain characteristics of the present global

economy, for example, the mobility of labor and capital, and the centralization of knowledge and power (HOLLAND, 2001, p. 399).

Following other writers, Robin Attfield (1999) contends that without transforming the structures of international aid, trade and debt and without the cooperation of the countries in the “South” to preserve their biodiversity and to research pathways for biotechnical development, and perhaps without superseding international capitalism or subjecting it to global regulation to curtail its inherent tendencies to unsustainability, sustainable development cannot take place (ATTFIELD, 1999, p. 112). Attfield suggests that global resources can be protected through international treaties which should be complemented by global citizenship, as embodied in transnational groups and groupings, international peace groups, and federations of trade unions, minorities and ethnic groups such as the Environmental Justice Movement.

However, international organizations including the United Nations and the people have not yet forced transnational corporations and capitalism to be environmentally friendly, and respect international treaties. Powerful industrialized countries can ignore regional and global environmental and developmental treaties. Signatory states can violate a treaty and continue to destroy the environment. Although economic policy instruments may be used to compel these states to take environmental action, other countries and environmentalists have no real power to force them to abide by the law. Therefore, the fact on the ground is that power seizes knowledge for its own ends and marginalizes ethics. If one has power, one can appropriate all knowledge. What must be clear is that developmental and environmental questions are not simply ethical. Environmental and development issues involve more than moral persuasion. They cannot be addressed without taking political power into account. In

order to address global problems there have to be major changes at political and ethical levels.

Some other writers believe that the idea of sustainable growth is not feasible. Ecological economists argue that there is limit to economic growth, as it stresses the carrying capacity of the earth. For instance, economist Herman Daly argues that economic growth cannot continue indefinitely.

Even ‘green growth’ is not sustainable. There is a limit to the population of trees the earth can support, just as there is a limit to the populations of humans and of automobiles. To delude ourselves into believing that growth is still possible and desirable if only we label it ‘sustainable’ or color it ‘green’ will justly delay the inevitable transition and make it more painful (DALY, 1999, p. 424).

He suggests that the current use of the term “sustainable development” as a synonym for the oxymoronic “sustainable growth” must be changed. “Sustainable development” should be understood as “‘development without growth’ – i.e., qualitative improvement of a physical economic base that is maintained in a steady state by a throughput of matter-energy that is within the regenerative and assimilative capacities of the ecosystem” (DALY, 1999, p. 424). He further writes, “[s]ustainable development must be development without growth — but with population control and wealth redistribution — if it is to be a serious attack on poverty” (DALY, 1999, p. 425). For Daly, development refers to a qualitative improvement. This should be, he said, our goal in human life.

However, for mainstream economists such as James Tobin, Robert Solow and William B. Nordhaus, there is no limit to economic growth set by nature (SAGOFF, 1998, p. 29). They argue that human intelligence and ingenuity enable people to satisfy their preferences using different alternatives. For mainstream economists only the



limits to knowledge can be a limiting factor in economic production. The advance of knowledge can lead to the expansion of the economy.

By citing evidences that show the potential conversion of sunlight to electricity, the use of water, wind and biomass as the sources of energy, the prospects of “nonsolar alternatives, such as tidal power, which captures gravitational energy, and geothermal power, which employs heat coming from the earth’s core,” and the contingent relationship between economic growth and environmental degradation Mark Sagoff (1998) doubted the arguments of ecological economists. He notes that in some instances, absence of economic growth rather than its presence can lead to environmental degradation. In other words, destitution rather than economic development is far worse for the environment, as it can force people to overexploit their environment. He writes,

[n]o one believes that economic growth is likely to lead automatically to environmental protection. We have found no reason to agree with the contention of ecological economics, however, that growth in the sense of greater gross domestic product is unsustainable because it necessarily strains natural limits and leads automatically to resource depletion and ecological demise (SAGOFF, 1998, p. 38).

Sagoff stresses that there is no necessary relationship between economic growth and environmental stress. Some Scandinavian countries with big gross domestic products have not devastated their environments. Instead, they have been protecting nature and supporting countries with smaller economies, like Poland, to clean up the environmental mess (Sagoff, 1998, p. 38). In agreement with mainstream economists, Sagoff states: “[e]cological economists are unable to point to a single scarcity of natural capital that knowledge

and ingenuity are unlikely to alleviate” (SAGOFF, 1998, p. 45).

Although it can be true that there is no necessary connection between economic growth and environmental stress, I think that knowledge and ingenuity cannot always solve all developmental and environmental problems. Science and technology have not yet enabled human beings to address all environmental issues. It is difficult to maintain sustainable development that is compatible with a high material standard of living, as presently defined, for all human populations. The unlimited greed to exploit Earth’s resources cannot last. Accordingly, both capitalist and non-capitalist countries have to note that unlimited growth for indefinite time is not on. They cannot have economic growth, growth in consumption and pollution indefinitely in the world. If the accelerated misuse of the natural environment is unabated, it will lead to long-term negative consequences such as the decline of agriculture and of individual and community income, poverty, increased competition for scarce resources, loss of forest products and so forth which will endanger the survival of present and future generations, and non-human species. We have already faced global ecological problems including rising sea levels, the melting of the polar icecaps, shortage of fresh water, ozone layer depletion and so on. Thus, we need to reexamine our worldviews and change our attitudes towards growth and natural resources.

The ethical element must come to development because we frame our ultimate goal from the point of view of some ideals or visions of the future and of how our world *ought* to be. There are some very grave imbalances in the current global system that must be addressed, and a necessary condition for addressing them is ethical clarification and rectification. Ethical clarification is just the first step. Ethical ideas partly motivate and guide people. Accordingly, ethics can change the way people behave, because it helps individuals to be

responsible citizens that will seek constructive solutions to complex moral problems. The unfair treatment of people against the ethical principles they subscribe to can be the cause of conflict, as it can affect their motivation and cooperation (GASPER, 2012, p. 8).

As the experience in Brazil and other countries shows, ethically inspired and informed social movements can and do make a difference, as they encourage popular participation in different projects (GOULET, 2005b). Thus, fundamental values and ethical principles rather than economic or political forces should guide technical and legal processes. Environmental philosophers and development ethicists have tried to stress these points, and thereby encourage people to promote environmentally and socially sustainable development.

## CONCLUSION

The problems faced by development theories illustrated the ambiguities surrounding the whole idea of development. Mainstream development discourse is not only produced in and by industrialized countries but is enforced by same hegemonic actors. Little attention is given to what is on the ground in “developing” countries. Development is thus currently a site of contestation where many scholars question not only how development has been practiced in the “Third World”, but how the discourse of development has been deployed to inform development practice.

Many writers were preoccupied with social and economic concerns, and ignored human and environmental well-being. Development has been equated with economic growth. It has been, however, argued that development is to be distinguished from growth, as measured simply by GNP (gross national product), which

registers much economic activity not conducive to development, and which takes no account of economic activity where no money changes hands. Development is “more than the sheer accumulation of worldly goods”. The paper thus suggests that the moral dimension of development theory and practice should be given attention by the concerned parties. Besides social and economic concerns, the quality of life, cultural and environmental impact, individual rights and freedoms need to be addressed. Development conceived simply as aggregate economic growth does not seem to have a future as various environmental and social problems make it unsustainable.

Development as conceptualized by the “founding fathers” has become a vehicle of disempowerment and bondage. In the development era, the people have not been consulted enough about their environment and development issues. Modern scientists and donors have tried to impose their own theories of what constitutes development on the rural poor. Consequently, the promotion of Western development models at the expense of indigenous knowledge and practice has long term negative consequences for the former. Such models have very little to do with local realities or the wishes of the people on the land. International institutions of development assistance such as the World Bank, and the IMF along with trade regimes such as that being ‘negotiated’ within the WTO tend to promote large, in effect, monocultural projects, in agriculture, for example, that lead to a limited number of uniform varieties gaining dominance and production of such materials only through highly specialized plant breeding and seed production institutions. This will also pose serious limitations on farmers’ abilities to develop/produce their own seeds and exchange them with other farmers, including protection of farmer-bred varieties that are competitive in the market. Thus, development and the solution of development

problems should be grounded on people's cultural heritage and institutions, which enable them to live together in permanent harmony, develop agriculture and society, and utilize the natural resources of their local environment in an ecologically sustainable manner. Here it is worth stressing that we cannot apply development theory in exactly the same way in Ethiopia as in Europe. Development strategies should reflect the values, interests, concerns and worldviews of the concerned people.

This paper further suggests that in order to change the position of the poor and promote their interests in the current world order, global and multilateral institutions should be more inclusive, democratic and equitable in terms of representation and voice. Accordingly, what are needed are fundamental democratic changes in the structures of global power such that the 'weaker' countries that represent the vast majority of humanity are no longer *weak* and the 'powerful' countries that represent a tiny minority of humanity and perhaps no one's real long term interests are no longer *powerful*. What is absolutely undeniable to any rational and informed human being is that humanity as a whole must develop alternative attitudes towards the current world order. This imperative suggests that even if only within the framework of a minimal utilitarian justificatory scheme, the global community has ethical obligations to assist the "Third World" countries to get rid of oppressive and exploitative global structures. Thus, instead of searching for short-term profits or looking only for immediate gratification, TNCs and other powerful players in the current world order should be forced to respect the knowledge, need, aspiration and voice of "Third World" countries.

The foregoing discussion reveals that development ethics deals with the ethical dimension of development policy and practice. Development ethics can help guide development policy and practice

in both “developing” and “developed” countries. Development ethics should focus on ethical dimensions of development theory, planning, grassroots development projects and practice all the world over. It should examine the impact of global powers on the health of the planet Earth, [international trade, capital flows, migration, environmental pacts, military intervention, and responses to human rights violations committed by prior regimes], the moral responsibilities of transnational corporations and their host governments and should address human deprivation in both “developing” and “developed” countries.

If development ethics broadens its scope and addresses the injustice done to the majority of the people and to nonhuman species, it will have a paramount role in creating awareness within countries and globally about the actions of transnational corporations, irresponsible capitalist countries and local industries which damage the environment. The efforts of many a people may one day bring change in favour of the majority of the people, non-human species, and the planet Earth. There are some grounds for hope. But I do understand that there is still a formidable distance to travel.

## REFERENCES

ADÉSÍNÀ, J.O.; GRAHAM, Y.; OLUKOSHI, A. “Introduction”, in ADÉSÍNÀ, GRAHAM; OLUKOSHI. (eds.). *Africa and Development Challenges in the New Millennium: The NEPAD Debate*. Dakar, London, New York, and Pretoria: CODESRIA in Association with Zed Books and UNISA Press, p. 1-30, 2006.

AMIN, Samir. *Africa and the Challenge of Development: Essays by Samir Amin*. Edited by Uroh, Chris. Ibadan: Hope Publishers, 1998.

ATTFIELD, Robin. "Eco-Philosophy, Poverty and The Future", In Ogutu, Gilbert. et al. (eds.). *Futures Beyond Poverty: Ways and Means Out of the Current Stalemate*. Helsinki: World Futures Studies Federation, pp. 21-25, 1997.

ATTFIELD, Robin. *The Ethics of Global Environment*. Edinburgh: Edinburgh University Press, 1999.

BLOMSTROM, M.; HETTNE, B. *Development Theory in Transition: The Dependency Debate and Beyond: Third World Responses*. London: Zed, 1984.

BROHMAN, John. *Popular Development: Rethinking the Theory and Practice of Development*. Oxford: Blackwell Publishers, 1996.

CROCKER, David. "Toward Development Ethics", *World Development* 19(5):457-83, 1991.

CROCKER, David. "Insiders and Outsiders in International Development", *Ethics and International Affairs*, 1991

CROCKER, David. *International Development Ethics*, in 20<sup>th</sup> WCP: International Development Ethics. Disponible in: <<http://www.bu.edu/wcp/papers/Oapp/OappCroc.htm>>.

CROCKER, David. "Consumption, Well-Being, and Capability", in Crocker, David A. and Linden, Toby (eds.). *Ethics of Consumption: The Good Life, Justice, and Global Stewardship*. Lanham, Maryland: Roman & Littlefield Publishers, p. 366-390, 1998.

DALY, Herman E. "Sustainable Growth: An Impossibility Theorem", in Desjardins; Joseph, *Environmental Ethics: Concepts, Policy, and Theory*. Mountain View, Calif.: Mayfield Publishing Company, p. 423-427, 1999.

Development-Ethics.org. Disponible in: <<http://www.development-ethics.org>>

DOWER, Nigel. "Development Ethics", in Chadwick, Ruth (ed.). *Encyclopedia of Applied Ethics*. Vol. I. London: Academic press, p. 755-766, 1998.

DOWER, Nigel. *World Ethics: The New Agenda*. Edinburgh: Edinburgh University Press, 1998.

DOWER, Nigel. "Human Development – Friend or Foe to Environmental Ethics?", *Environmental Values*, 9(1): 39-54, 1998.

EKINS, Paul. "Making Development Sustainable", in Sachs, Wolfgang (ed.). *Global Ecology*. London: and Atlantic Highlands, NJ: Zed Books, p. 91-103, 1993.

ESTEVA, Gustavo. "Development", in Sachs, Wolfgang (ed.). *The Development Dictionary*. London and Atlantic Highlands, NJ: Zed Books, p. 6-25, 1992.

GARDNER, K.; LEWIS, D. *Anthropology, Development and the Post-modern Challenge*. London: Pluto Press, 1996.

GASPER, Des. "Development Ethics: An Emergent Field?: A Look at Scope and Structure with Special Reference to the Ethics of Aid", in Hamelink, Cees J. (ed.). *Ethics and Development: On Making Moral Choices in Development Co-operation*. Kampen: Uitgeverij Kok, p. 25-43, 1997.

GASPER, Des. *The Ethics of Development: From Economism to Human Development*. Edinburgh: Edinburgh University Press, 2004.

GASPER, Des. "Development Ethics – Why? What? How? A



Formulation of the Field”, *Journal of Global Ethics*, p. 1-19. 2012.  
GOULET, Denis. *The Cruel Choice*. New York: Athenaeum, 1971.

GOULET, Denis. *The Uncertain Promise: Value Conflicts in Technology Transfer*. New York: IDOC/North America, 1977.

\_\_\_\_\_. “The Challenge of Development Economics”, *Communications and Development Review* 2(1):18-23, 1978.

\_\_\_\_\_. “Development Experts: The One-Eyed Giants”, *World Development* 8:7/8, July/August, p. 481-489, 1980.

\_\_\_\_\_. “Culture and Traditional Values in Development”, in Stratigos, Susan & Hughes, Philip J. (eds.). *The Ethics of Development: The Pacific in the 21<sup>st</sup> Century*. Port Moresby: University of New Guinea Press, 1987.

\_\_\_\_\_. *Incentives for Development: the Key to Equity*. New York: New Horizon Press, 1989.

\_\_\_\_\_. “Development Ethics and Ecological Wisdom”, in Engel, J. Ronald and Engel, Joan Gibb (eds.). *Ethics of Environment and Development: Global Challenge, International Response*. London: Belhaven Press, p. 36-49, 1990.

\_\_\_\_\_. “Doing Ethics in Development Arenas”, *Journal of Regional Policy*, 1991.

\_\_\_\_\_. “Development: Creator and Destroyer of Values”, *World Development*, 1992.

\_\_\_\_\_. *Development Ethics: A Guide to Theory and Practice*. New York: The Apex Press, 1995.

\_\_\_\_\_. “Development: Historical Task or Opening to Transcendence?” *Cross Currents*, 1996.

\_\_\_\_\_. “Development Ethics: A New Discipline”, *International Journal of Social Economics*, 1997.

\_\_\_\_\_. “Ethical Analysis in Development Economics”, in Dutt, Amitava K & Jameson, Kenneth p. (eds.). *Crossing the Mainstream: Ethical and Methodological Issues in Economics*. Notre Dam: University of Notre Dame Press, p. 29-51, 2001.

\_\_\_\_\_. “What is a Just Economy in a Globalized World?”, *International Journal of Social Economics*, 2002.

\_\_\_\_\_. “Is Sustainable Development Possible in a Globalized World?” *Humanomics*, 2004a.

\_\_\_\_\_. “Ethical Perspective: Changing Development Debates under Globalization: The Evolving Nature of Development in the Light of Globalization” *Journal of Laws and Social Challenges*, 2004b.

\_\_\_\_\_. “On Culture, Religion, and Development”, in Mendell, Marguerite (ed.). *Reclaiming Democracy: The Social Justice and Political Economy of Gregory Baum and Kari Polanyi Levitt*. Montreal & Kingston, London: McGill-Queen’s University Press, p. 21-32, 2005a.

\_\_\_\_\_. “Global Governance, Dam Conflicts, and Participation” *Human Rights Quarterly*, 2005b.

HAWKEN, Paul. *The Ecology of Commerce*. New York: Harper Business, 1993.

\_\_\_\_\_. “A Declaration of Sustainability”, in Zimmerman, Michael

E. et al (eds.). *Environmental Philosophy from Animal Rights to Radical Ecology*. Fourth ed. Upper Saddle River, NJ.: Prentice Hall, p. 419-429. 2005.

HOLLAND, Alan. "Sustainability", in Jamieson, Dale (ed.). *A Companion to Environmental Philosophy*. Malden, MA: Blackwell Publishing, p. 390-401. 2001.

IUCN. *The World Conservation Strategy*, International Union for Conservation of Nature and Natural Resources, United Nations Environment Programme. Geneva: World Wildlife Fund, 1980.

KAY, C. "The Latin American Contribution to Development Theory", ISS Working Paper Series No. 82. 1990.

KEBEDE, Messay. *Africa's Quest for the Philosophy of Decolonization*. Amsterdam and New York: Rodopi. 2004.

LEYS, Colin . *The Rise and Fall of Development Theory*. Nairobi: EAEP. 1996.

MARTIN, Brendan. "From the Many to the Few: Privatization and Globalization", *The Ecologist*, 1996.

NICHOLAS, Howard. "Dependency: A Critical Assessment" *Upanathi*. 1987.

NUSSBAUM, Martha C. "The Good As Discipline, the Good As Freedom", in CROCKER, David A. and LINDEN, Toby (eds.). *Ethics of Consumption: The Good Life, Justice, and Global Stewardship*. Lanham, Maryland: Roman & Littlefield Publishers, p. 312-341. 1998.

ODERA Oruka, Henry. *Practical Philosophy. In Search of an Ethical Minimum*. Nairobi: East African Educational Publishers. 1997.

OGUEJIOFOR, J. Obi. *Philosophy and the African Predicament*. Ibadan: Hope Publications. 2001.

OMAN, C. P.; WIGNARAJA, G. *The Postwar Evolution of Development Thinking*. London: The Macmillan Press Ltd. 1994.

OMARI, C. K. "Traditional African Land Ethics", in ENGEL, J. R. and ENGEL, J.G. (eds.). *Ethics of Environment and Development*. London: Belhaven Press, p.167-175. 1990.

PALMA, G. "Dependency: A Formal Theory of Underdevelopment or A Methodology for the Analysis of Concrete Situations of Underdevelopment", *World Development*. 1978.

PEET, Richard; HARTWICK, Elaine. *Theories of Development: Contentions, Arguments, Alternatives*. Second ed. New York and London: The Guilford Press. 2009.

PLETSCH, Carl E. "The Three Worlds, or the Division of Social Scientific Labour, circa 1950-75", *Society for Comparative Study of Society and History*, p. 565-90. 1981.

ROBERTSON, Glenda. "Development Ethics", *Françis No. 2*. Disponible in: < <http://www.acdi-cida.gc.ca/xpress/dex/DEX9602.htm>>. 1996.

SACHS, Wolfgang. "Global Ecology and the Shadow of 'Development'", in SESSIONS, George (ed.). *Deep Ecology for the Twenty-First Century*. Boston and London: Shambhala, p. 428-444. 1995.

SAGOFF, Mark. "Carrying Capacity and Ecological Economics", in CROCKER, David A. and LINDEN, Toby (eds.). *Ethics of Consumption: The Good Life, Justice, and Global Stewardship*. Lanham, Maryland: Roman & Littlefield Publishers, p. 28-52. 1998.

SEN, Amartya. *Poverty and Famines: An Essay on Entitlement and Deprivation*. Oxford: Clarendon Press. 1981

\_\_\_\_\_. *Resources, Values and Development*. Oxford: Basil Blackwell. 1984.

\_\_\_\_\_. “The Living Standard”, in Crocker, D. A. and Linden, T. (eds.). *Ethics of Consumption: The Good Life, Justice, and Global Stewardship*. Lanham, Maryland: Roman & Littlefield Publishers, p. 287-311. 1998.

\_\_\_\_\_. *Development as Freedom*. New York: Oxford University Press. 1999.

SO, A. Y. *Social Change and Development: Modernization, Dependency and World System Theories*. London: Sage. 1990.

UNITED Nations Development Programme (UNDP). *Human Development Reports*. New York: United Nations. 1990-2010.

UNITED Nations World Commission on Environment and Development. *Our Common Future*. New York: Oxford University Press. 1987.

UNITED Nations Conference on Environment and Development 1992. *Convention on Biological Diversity*. New York: UNCED Document no.DPI/1307.

WACHTEL, Paul L. “Alternatives to the Consumer Society”, in: Crocker, David A. and Linden, Toby (eds.). *Ethics of Consumption: The Good Life, Justice, and Global Stewardship*. 1998.

LANHAM, Maryland: Roman & Littlefield Publishers, p. 198-217.

## **ABSTRACT**

This paper examines the role of ethics in development theory and practice. It critically evaluates competing ethical positions concerning development. It will consider the ethical dimensions and implications of dominant modes of development including the policies and practices of major international institutions, national governments and independent NGOs. The major findings of this paper are that the ethical dimensions of development have been neglected in mainstream development studies. Development theorists have been preoccupied with social and economic concerns, and ignored human and environmental well-being. As a result, development as conceived by its “founding fathers” has not changed the living conditions of the majority of the people in the world. It has not overcome, and in some cases has even led to poverty, malnutrition, high rates of infant mortality, low life expectancy, high rates of morbidity, low rates of health care, low average productivity and environmental degradation. Full human development requires regard for essential religious values and, although development ethicists have examined the moral consequences of development and emphasized that the aim of development should be human well-being, and that economic growth can be the means of human enrichment, many of them have not paid attention to the impact of the environment on development. The paper thus suggests that besides social and economic concerns, the quality of life, cultural impact, individual rights and freedoms, and environmental well-being need to be addressed.

**KEYWORDS:** Development. Development ethics. Ethics. Economic justice. Environmental wisdom. Human well-being.

## **RESUMO**

Este trabalho examina o papel da ética na teoria do desenvolvimento e da prática. Há a avaliação crítica das posições éticas concorrentes relativas ao desenvolvimento e são consideradas as dimensões éticas e as implicações de modos dominantes de desenvolvimento, incluindo as políticas e práticas das principais instituições internacionais, governos nacionais e organizações não governamentais independentes. As principais conclusões deste trabalho são que as dimensões éticas do desenvolvimento têm sido negligenciadas em certos estudos de desenvolvimento. Teóricos do desenvolvimento têm se preocupado com as questões sociais e econômicas, e ignorado as questões humanas e de bem-estar ambiental. Como resultado, o desenvolvimento concebido pelos seu “país fundador” não mudou as condições de vida da maioria das pessoas no mundo, chegando, em alguns casos, a levar à pobreza, à desnutrição, às altas taxas de mortalidade infantil, à baixa expectativa de vida, às altas taxas de morbidade, às baixas taxas de cuidados de saúde, à baixa produtividade média e à degradação

ambiental. O integral desenvolvimento humano exige respeito por valores religiosos essenciais e, embora os especialistas em ética de desenvolvimento tenham examinado as consequências morais de desenvolvimento e enfatizado que o objetivo do desenvolvimento deve ser o bem-estar, e que o crescimento econômico pode ser o meio de enriquecimento humano, muitos deles não têm dado atenção para o impacto do ambiente no desenvolvimento. Este trabalho, portanto, sugere que, além das preocupações sociais e econômicas, a qualidade de vida, o impacto cultural, os direitos e liberdades individuais e o bem-estar ambiental precisam ser abordados.

**PALAVRAS-CHAVE:** Desenvolvimento. Ética de desenvolvimento. Ética. Justiça econômica. Sabedoria ambiental. Bem-estar humano.

# **SPACE AND DEVELOPMENT: a non-hegemonic view**

Rogério Gimenes Giugliano\*

## **INTRODUCTION**

### **Development and time: the moment for a new approach?**

Global economic relations have witnessed during the last decade many decisive events: failures of the neoliberal economic policies in promoting development and redistribution, the financial crises in the developed world and a consistent growth of some peripheral nations. This context has also been the scenario of increasing relations between southern nations setting a new range of possibilities and questions to the debate about global development.

The growing commercial, economic and cultural exchanges between southern nations have open paths for new political alliances on the world stage and for a growing flow of information, experiences and knowledge. These new dialogs impose challenges to the traditional understanding of development as a process.

---

\* Graduação em Sociologia pela Universidade de Brasília, mestrado em Sociologia pela Universidade de Brasília, atualmente desenvolvendo tese de doutorado na Universidade de Brasília sobre desenvolvimento e cooperação sul-sul no âmbito do IBAS - Diálogo Trilateral (Brasil, Índia e África do Sul). Professor do Instituto de Educação Superior de Brasília, IESB, Brasil.



There are many cases of south-south exchanges that have been transformed in formal institutions by governments. The IBSA trilateral dialog is one of these examples. Created in 2003 India, Brazil and South Africa established with the signing of the *Carta de Brasília*<sup>1</sup> a permanent dialog forum as a channel of exchange between the three regional powers.

This relation continues until the present date and addresses a variety of subjects through 16 thematic work groups<sup>2</sup>. Up to 2012 there has been seven IBSA summits<sup>3</sup>.

The IBSA dialog is within the boundaries of south-south cooperation, defined by the UNDP's Special Unit for South-south Cooperation in the following way:

The 2009 Nairobi outcome document sets forth the rationale, principles and key actors of South-South cooperation as follows: [...]South-South cooperation is a common endeavour of peoples and countries of the South, born out of shared experiences and sympathies, based on their common objectives and solidarity, and guided by, inter alia, the principles of respect for national sovereignty and ownership, free from any conditionalities. South-South cooperation should not be seen as official development assistance. It is a partnership among equals based on solidarity .... South-South cooperation embraces a multi-stakeholder approach, including non-governmental organizations,

---

<sup>1</sup> The Declaration of Brasilia was signed into a letter of intent in June 2003

<sup>2</sup> The work groups are: Administração Pública; Administração Tributária e Aduaneira; Agricultura; Assentamentos Humanos; Ciência e Tecnologia (e Pesquisa Antártica); Comércio e Investimentos; Cultura; Defesa; Desenvolvimento Social; Educação; Energia; Meio Ambiente e Mudança Climática; Saúde; Sociedade da Informação; Transporte; e Turismo.

<sup>3</sup> The IBSA summits occurred on the following occasions 1st: March 5th, 2004, in New Delhi; 2nd: March 3rd, 2005, in Cape Town; 3rd: March 30th, 2006, in Rio de Janeiro; 4th: July 16th and 17th, 2007, in New Delhi; 5th: May 11th, 2008, in Somerset West; 6th: August 31st to September 1st, 2009, in Brasília and the 7th: March 8th, 2011, in New Delhi.

the private sector, civil society, academia and other actors that contribute to meeting development challenges and objectives in line with national development strategies and plans (resolution 64/222, annex, paras. 18- 19).’ (SSC – UNDP, 2012)<sup>4</sup>.

The enormous and imprecise definition used by the United Nations is an indicator of the diversity of these relations. Emergency of regional and international blocs, regional development banks, growing south-south commerce, are all contained under the idea of south-south cooperation even though these actions are individually very different in nature and purpose. Each of these particular relations has an individual narrative that could be analyzed in its internal specificity, history, context, relations and results.

What appears to unify these diverse initiatives is the nature of the actors involved. In other words, the presence and connections between those who are categorized as south constitute the most important aspect of the definition itself and is intricately related to development discourse.

(...) for two-thirds of the people on earth, this positive meaning of the word ‘development’ – profoundly rooted after two centuries of its social construction – is a reminder of what they are not (ESTEVA, 2010, p. 6).

Esteva points out the classificatory aspect of the idea of development. There are many other divisions that express the same will of classification related with the ideas of progress and development (center/periphery, Industrialized/non-industrialized nations etc). The changes in the global scenario posed by the

---

<sup>4</sup> [http://ssc.undp.org/content/dam/ssc/documents/HLC%20Reports/Framework%20of%20Operational%20Guidelines\\_all%20languages/SSC%2017\\_3E.pdf](http://ssc.undp.org/content/dam/ssc/documents/HLC%20Reports/Framework%20of%20Operational%20Guidelines_all%20languages/SSC%2017_3E.pdf)

intensification of south-south relations leads to the necessity of discussing the epistemic basis these classifications.

El desarrollo es linealmente dialéctico: es una categoría ontológica primordial, particularmente en el caso de la Historia Mundial. Tiene, por otra parte, una dirección en el espacio: 'El movimiento de la Historia Universal va desde el este hasta el oeste. A Europa es el fin absoluto de la historia universal' (DUSSEL, 2001, p. 61).

Enrique Dussel's quote expresses two contradictions of the development discourse that are structural to the way mainstream hegemonic actors portray development: one opposes time and space and the other brings to light the dilemma between universality and coloniality.

Based on this context together with a critical theoretical approach this paper is divided in three parts. First it will focus on the contradictions expressed by Dussel as a path to present and criticize some epistemic aspects of mainstream development discourse. It will also present the growing importance of spatialization in the development thought in Latin America as an alternative to the mainstream analysis and finally reveal some preliminary results of the research that is being conducted under this perception.

## **APPROACHING DEVELOPMENT**

It is important to differentiate two levels of analysis that are present in Dussel's quote. First a broad view of development originated from the perception that society undergoes constant transformation. In this sense the idea of development is close to the concept of progress and describes history as a narrative of accumulation and change. The

approach gives to this constant movement an ontological character, a natural phenomenon that results from social relations themselves. In social sciences the ideas of progress and development are founded in the possibility of reading the sense, directions and characteristics of this movement.

A more strict view of development relates to plan interventions by international and national actors to change spaces and forms of economic organization. The main but not soul actor of this process has been national States whose material conditions and relations lead to actual development projects.

In this restrict sense, development cannot be seen as an action of any isolated State. Its logic is entirely based on comparative analysis influenced by power and economic relations between different national actors<sup>5</sup>. Social sciences or institutional knowledge is also an important factor to the development project once mainstream production of knowledge contributes to the modernization process and the belief in its goals.

At the same time development, in this frame, does not apply to all spaces. It's a term that describes a process that some actors have already accomplished and others are still in the path to achieve. As implied by Esteva, it's a debate about what some spaces are not.

Development, in this more restrict sense, when described by its hegemonic actors<sup>6</sup> seems to project an image of a linear,

---

<sup>5</sup> Florestan Fernandes has already perceived this aspect of the development debate in the 1960ies. "tende-se a pensar o desenvolvimento como problema isolado, como se ele desse respeito a uma sociedade dada, considerada em um momento histórico particular. No entanto, em termos sociológicos, ele deve ser encarado através de um grupo de sociedades, que compartilhe um mesmo padrão de civilização, e as diferentes possibilidades que este oferece às sociedades que o compartilham para realizar um destino historicamente comum." (FERNANDES, 1968:166).

<sup>6</sup> "Mainstream development here refers to everyday development talk in developing countries, international institutions and development cooperation."(PIETERSE, 1998, p. 358)

progressive and predictable process that should be applied to non-developed spaces. This time based analysis submits different places to universal time or process of change.

This discourse constructed upon a universal timeline classifies spaces, determines the course of changes and points to a future represented by an idealized image of the western capitalist societies or in Dussel's words a path from east to west.

The division between north and south, based on the material conditions of the actors involved, has made the development dialog vertical. Developed countries (industrialized, center, first world, advanced) 'sharing/imposing' paths to other nations and regions (sub-developed, underdeveloped, periphery, third world) based on economic, military and knowledge hegemony.

To understand the epistemic basis for the development discourse and comparing nations it is important to highlight the importance of what Walter Mignolo calls *ethnic center* (MIGNOLO, 2003).

The Argentinian theorist arguments that although scientific knowledge presents itself as a universal language it has to be understood through its cultural history and power. He exemplifies that by showing the contact between Chinese and western cartographies in the XVI century. Under the veil of a universal and objective reading of space the concentric Chinese maps were overcome together with its explicit ethnic center.

Ricci's territorial representation was more powerful than the Chinese on two accounts: first, because it went together with an economic and religious expansion that allowed Ricci to promote the European conception of the world in china while the Chinese were not in the position to promote their own territorial view to the Europeans; and second, because it produced the effect that the ethnic center was transcended and replaced by

a geometric one when, indeed, geometric projections during the sixteenth century became a new model of a Eurocentric conception of the world (MIGNOLO, 2003, p. 226).

A possible parallel can be made here: mainstream development is a cartographic discourse that classifies and maps actors in time and progress according to a group of supposedly universal values. Concurrently it points towards a given future based on a linear universal concept of history.

There have been many challenges to these ideas in social sciences originating debates about alternative development or even post-development thought. Samir Amin, from his Marxist post-colonial perspective, affirms that Universalist claims have a cultural origin or an ethnic centre. This contradicts the appearance of scientific objectivity that goes along with the development mainstream discourse.

Universalist claims are systematically combined with culturalist arguments, in this case Eurocentric ones, which invalidate the possible significance of the former (AMIN, 2009, p. 8).

Eurocentrism is a culturalist phenomenon in the sense that it assumes the existence of a irreducible distinct invariants that shapes the historical paths of different peoples. Eurocentrism is therefore anti-universalist, since its not interested in seeking possible general laws of human evolution. But it does present its self as universalist, fore it claims that imitation of the Western model by all peoples is the only solution to the challenges of our time (AMIN, 1989, p. VII).

Mapping spaces in a progressive time line is a colonial aspect of the development debate. As a discourse it preaches the possibility of universalizing the western development model. The biggest absence of this discourse is the importance of relations between actors, their agency and history to the construction of the developed world as it is configured today. The west is the ethnic center in the map of development because it is the source that emanates the parameters and images of future that constitute this discourse.

This way of conceptualizing development seems to present its historical process of making without some of the relations that actually allowed the developed world to accumulate so much wealth.

No one can miss the fact that in every instance – there is no exception – the direction of change found by the evolutionist was toward the specific set of qualities possessed by Western Europe alone’ (NISBET apud PIETERSE, 2010, p. 40).

It has been a long-standing post-colonial criticism of social thought that development of western nations is due to the material and symbolic interaction of the west with the rest of the world.

Through this lens western development is not an endogenous achievement. It is based in historical connections between the current developed and underdeveloped. The industrialized west does not represent a possible universal path but a particular history based on material and economic specificities and relations that have been historically unbalanced and hegemonized by the most powerful nations and characterized, among other names, colonialism and imperialism.

The mainstream development discourse reflects its ethnic center and its ethnocentrism but also gives the impression that

development is a path that all spaces can achieve when submitted to a set of formulas originated from the western development history. This line of thought ignores again the importance that western primitive accumulation is based on colonial exploitative relations and hegemony established with the rest of the world.

In resume, the attachment of development theory, specially the mainstream development theory, with this universalist timeline, a unified path to development through formulas that search for a fetishized model of western societies, constructs a image of common and possible future that is disconnected from a specific historical path. This approach is not the ideal theoretical framework to address properly the issues of diversity, democratization and alternative developments.

Criticism of this logic has come from many sides. In the South American development debate there has been an effort to diverge from this path of understanding. In epistemic terms this means the growing importance of spatialization metaphors and a focus on understanding the nature of the relations between development actors.

This can be already noticed in the passage from the industrialization/imperialist theories of the 1930s to the 1950s to the dependence theory of the 1960s and 70ies. Influenced by nationalist ideologies and governments in Latin America the imperialist school or the industrialist theories from the 1930, 1940 and 1950 represented by ISEB in Brazilian case and by the CEPAL in the wider Latin America context have advocated industrialization as a path for development (PEREIRA, 2012).

In broad terms they expressed the understanding that the colonial powers were the greatest barrier for development and advocated strong protectionist measures for peripheral countries.



These theories were still within the boundaries of a universalist time frame. Development was seen as linear and dependent on the replication of industrialization course that happened in the western societies. Although spatialization was still not a clear issue, the biggest challenge to development was seen as the hegemonized relations between industrialized and non-industrialized nations resulted from a colonialist past.

Breaking the path of underdevelopment was equivalent to escape domination and no longer have an economy based on non-manufactured exports.

In the 1960s and 1970s these ideas were challenged by the dependence theory. Writing in a bipolar power struggle between American capitalism and Soviet socialism they saw the local elites and its profitable connections with developed centers as a major challenge to change underdeveloped nations. Also the repetition of the European or western countries path was not perceived as possible.

To this Marxist perception the periphery of the developed world is seen as fundamental factor for the existence of capitalism itself. Development is announced as a process that under-developed nations could only join through a dependent relation.

The idea of a periphery attached to a developed and hegemonic center gives development a spatialized image where actors and relations between ex-colonies and wealthy capitalist countries is clearly represented. It's a map that exposes the ethnic center of its discourse through a cartography that opens hand of the timeline and a idealized future to expose hegemonies and the position of actors according to their distance to the ethnic center of development as a project, a process of change and knowledge.

Although dependence theory advances in the spatial metaphor of center and periphery in opposition to a universal path

of development and retains importance of the relation between actors as fundamental to understand development that was already present in imperialist theories it is limited to the comprehension of the vertical and hegemonized attachment between developed and underdeveloped nations. Also the main goals of development continued to be reproduction of life in the industrialized world.

### **How does south-south relations fit in this kind of map-making?**

To understand the growing south-south cooperation and its impacts for the development discourse it is necessary to go a step forward in the spatialization as an epistemic strategy.

Milton Santos in his works about global space offers the following quote:

considerado como uma todo o espaço é um teatro de fluxos com diferentes níveis, intensidades e orientações. Ha fluxos hegemônicos e hegemonzados, fluxos mais rápidos e eficazes e fluxos mais lentos. O espaço global é formado de todos os objetos e fluxos (SANTOS, 2008, p. 49).

We propose that mainstream development, agency and thought, is better represented as a hegemonic flux. It's a movement of change, that includes conception and actions, that has an ethnic origin and is sustained both by external and internal, institutionalized and non-institutionalized forces that impose a specific kind of change and objectives to development. The objects related to hegemonic nations and institutions are affected by this flux in different degrees according to their material conditions.

Development is not a linear movement in the universal history and can be more than a relation of dependence between center and periphery. It can be described as multiple hegemonic and non-hegemonic movements in space.

In this sense north-south dialog is a northern hegemonized relation and south-south development cooperation's a possible origin of non-hegemonic or, in some cases, counter-hegemonic movements or fluxes of change. That means fluxes of knowledge and change that are originated, performed and sustained by the relations between non-hegemonic actors and can point to different directions than mainstream movements.

The intensification of South-south relations and dialog present profound differences with other alternative development discourses, like the debate about sustainable development. This happens mainly because of the nature of the actors involved. Direct relations and knowledge exchange between peripheral actors create the possibility of diversity of sources and directions of change.

The idea of development as living-well (*Bem viver*) theory originated in Bolivia, Venezuela and Ecuador is an example of a movement originated from non-hegemonic south-south relations presents itself as an alternative experience of change. The possibility of multiple and diverse dialogs ultimately challenges the foundations of the hierarchical mainstream development discourse and its pretention of universality.

## **QUESTIONS TO THE IBSA TRILATERAL DIALOG**

What characteristics of development can be identified from south-south dialog? In what way this dialog actually differs from the hegemonic north-south flux of knowledge and change?

It would be contradictory to this epistemic path to express broad conclusions and characteristics about south-south dialog, exchanges and effects because the strength of these relations resides on the possibility of diversity that can originate from non-hegemonic dialog.

Although it is possible to characterize south-south relations as a general phenomenon based on the actors involved, each exchange between southern actors has to be understood in its specificity. Approaching development includes not only comprehending the actors involved but also understanding the way their dialog occurs, the flux of information, the effects generated and how this dialog connects or disconnects itself from the hegemonic paths to development.

This ongoing research about the IBSA trilateral dialog between India, Brazil and South Africa attempts to understand the way knowledge and policies for development are exchanged in a specific ongoing south-south relation.

Although multiple aspects compose the history of this dialog some are fundamental to comprehend IBSA dialog in a broad manner. First the actors that compose it retain some important similarities. Together with the fact that they are all ex-colonies and southern actors it is important to notice them as the major economies and leading democracy nations in their regional context.

These aspects permit certain equilibrium in their relations reinforced by the fact that the three nations are in deferent continents, condition that provides an absence of regional rivalry. This makes the IBSA dialog a different kind of south-south relation from many other southern exchange once it lacks a clear hegemonic partner.

Asymmetric south-south relations are common and could be exemplified by energy talks between Brazil and the smaller South

American countries like Paraguay and Bolivia – described by some authors as sub-imperialist, as well as the land grabbing by China in Africa (MARINI, 1977; PATNAIK, MOYO, 2011).

Another important aspect of this dialog is that the countries have similar development challenges especially on issues related to social development and inequality. That makes the exchanges about social policies one of the major points of debate together with the commerce.

Some questions have already arisen from the early stages of this research. Data gathered from interviews with participants of the IBSA dialog together with the analysis of the documents from the social development work group and general meetings point up till now to two research questions that connect with ongoing sociological debates.

a) The presence of mediators?

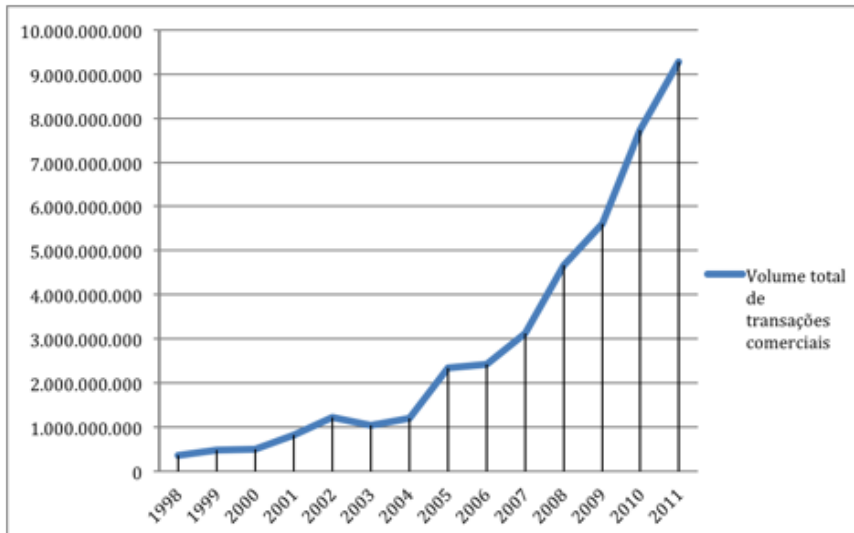
Mediators transform, translate, distort, and modify the meaning or the elements they are supposed to carry. No matter how complicated an intermediary is, it may, for all practical purposes, count for just one— or even for nothing at all because it can be easily forgotten (LATOUR, 2005, p. 39).

The dialog between southern actors has been historically mediated by central hegemonic states and development agencies. In the case of India and Brazil relations have been mediated by England until 1991, but only in 2003 with IBSA that these talks grew in substance and importance (VIEIRA, 2007).

The consequences of the close dialog between the three nations since the signing of the *Carta de Brasilia* can be approached

through many paths. An example that can demonstrate such growth is the commerce exchange between India and Brazil countries. The graph below shows intense growth since 2003 and can be interpreted here as an indicator of the practical results of increasing of this south-south relation.

b) Sum of the total value of transactions between Brazil and India:



Source: Câmara do Comércio exterior do Brasil

The participants of the IBSA dialog interviewed for this research declare that one of the characteristics of this dialog is an absence of a hegemonic figure that mediates the talks between southern actors and makes it a focus point of this research.

Here we are not referring to simple arbitration of talks but the absence of a hegemonic actor that participate according to own interests. As Bruno Latour puts it the translator is more than a carrier of information it can diverge, resist, direct an interaction:

A mediator is not some sycophantic eunuch fanning its masters with palm-leaves, but always does new work of its own to shape the translation of forces from one point of reality to the next. Here as elsewhere, Latour's guiding maxim is to grant dignity even to the least grain of reality. Nothing is mere rubble to be used up or trampled by mightier actors. Nothing is a mere intermediary. Mediators speak, and other mediators resist (HERMAN, 2009, p. 15).

It is important in the context of this research to discuss profoundly this issue. Although the participants interviewed describe as one of the fundamental characteristics of the IBSA talks the absence of a hegemonic development mediator a great measure of influence of northern actors over the participants still remains. Understanding mediation or absence of it has become one of the key elements of this research.

c) Are south-south relations more horizontal?

Another recurrence in the interviews is that IBSA participants describe the dialogs as peer talks contrasting with the donor/receiver structure of north-south relations.

Boaventura de Souza Santos (2003) identifies what he calls ecology of knowledge as the possibility of exchange between peers without a hegemonic partner. The author is referring in his work to a possibility of exchange between traditional and modern knowledge as well as respect.

His concept of an epistemology from the south (SANTOS, 2009a) affirms that knowledge exchanges between the north and the south have been traditionally placing some kinds of knowledge in a higher hierarquical position according to the power of the origin of

the knowledge itself.

As there is no hegemonic partner and the exchanges are described as peer talks by the participants this has become another focus of this research that now aims to comprehend what kind of equality and horizontality can be perceived in the history of this dialog.

At this point an example can be pointed out: the case of the Zero Hunger program. This hunger alleviation program was designed and adopted in Brazil at the beginning of 2003 and subsequently watered down by the Brazilian government in 2005 in order to develop the current flagship public policy, the Bolsa Familia conditional Cash Transfer Program.

In 2011, the South African government decided to implement the zero hunger program indicating that the dialog between countries has been able to be a channel of public policy experiences. If Brazil represented a dominant partner the Zero Hunger program that was practically abandoned at its origin wouldn't be target of exchange.

## **CONCLUSION**

To conclude this paper presents two basic points. First it arguments that spatialization is a valid strategy to approach development. It's an analysis that tries to map and understand the actors and the relations between them as central to understanding development when seen as multiple fluxes of change. Through this approach mainstream development can be seen as the hegemonic flux that has its origin in the northern actors but progress and change can also be the result of non-hegemonic relations and fluxes.

South-south relations can originate non-hegemonic fluxes of change and as these relations grow in intensity the more likely that these exchanges will challenge universal paths and models of



development.

Development can be no longer seen exclusively through the mainstream cartography of change once the intensification of south-south relations imposes more complex and diverse maps of development.

The second part tries to use this approach to begin to understand and present some preliminary results from an ongoing research about the IBSA trilateral Dialog that is being developed since 2010.

Two research questions have been identified through interviews and documental analysis and will be subject to further investigation: a) the absence of hegemonic partner and mediator and b) the idea of a more horizontal or peer talk kind of relation between the participants.

Understanding both points can contribute to the characterization of part of southern relations and development talks as they are being currently drawn.

## **REFERENCES**

AMIN, S. *Eurocentrism*. Ney York: Monthly Review Press, 1989.

AMIN, S. *Eurocentrism*. Ney York: Monthly Review Press, 2009

ARBIX, G. Da liberalização cega dos anos 90 à construção estratégica do desenvolvimento. *Tempo Social; Rev. Sociol. USP*, S. Paulo, 2002.

BERMAN, M. *Aventuras no Marxismo*. São Paulo: Companhia das Letras, 2001

BERMAN, M. *Tudo que é Sólido desmancha no ar*” São Paulo: Companhia das Letras. 1986

BIELSCHOWSKY, R.(org.) *Cinquenta anos de Pensamento na CEPAL*. Rio de Janeiro: Record, 2000.

BRESSER Pereira, L. C. Do ISEB e a CEPAL à Teoria da Dependência in: TOLEDO, C. N., org. *Intelectuais e Política no Brasil: A Experiência do ISEB*. São Paulo: Editora Revan: p. 201-232, 2005.

CARNEIRO, R. *Desenvolvimento em Crise: A Economia Brasileira no Último Quarto do Século XX*. São Paulo: Editora Unesp, 2002.

CHATTERJEE, P. *La nación en tiempo heterogéneo y otros estudios subalternos*. Buenos Aires: Siglo XXI (CLACSO), 2008.

DOMINGUES, J. M. *Sociologia e Modernidade: para entender a sociedade contemporânea*. Rio de Janeiro: Civilização Brasileira, 1999.

DUSSEL, E. Eurocentrismo e Modernidad. In: MIGNOLO, W. (org) *Capitalismo e Geopolítica do Conhecimento*. Buenos Aires, Ediciones del Signo, 2001.

EDELMAN, M; HAUGERUD A. (Eds.). *Anthopology of Development and Globalization*. Blackwell Publishing, Maldin, 2005.

ESCOBAR, A. “*Imagining a Post-Development Era? Critical Thought, Development and Social Movements.*” Social Text 31–32, 1992.

ESTEVA, G. “Development.” In: SACHS, W. *The Development Dictionary: A Guide to Knowledge as Power*. Zed Books, New York, 2010.

FERNANDES, F. *Sociedade de Classes e Subdesenvolvimento*. Rio de Janeiro: Zahar Editores, 1968.

FOUCAULT, M. "Of other spaces". Conferencia dictada en el Cercle des études architecturales el 14 de marzo de 1967. Versión traducida al inglés por Jay Miskowiec Disponible en: <http://foucault.info/documents/heteroTopia/foucault.heteroTopia.en.html>. 1967.

GEORGE, S. E Sabelli, F. (1994) *Faith and Credit: The World Bank's Secular Empire*. London: Penguin Books.

GRAMSCI, A. *Os Intelectuais e a Organização da cultura*. Rio de Janeiro: Civilização Brasileira. 1995.

HAGEN, E. *O Processo de Mudança*. Rio de Janeiro, Zahar: 1967. In: DURAND, José. *Sociologia do Desenvolvimento*. Rio de Janeiro, Zahar Editores: 1967.

HARVEY, D. *A Condição Pós-Moderna*. São Paulo: Edições Loyola, 1992.

HOLLANDA, S. B. *Raízes do Brasil*. São Paulo: Companhia das Letras. 1995.

HOPPER, D. *Technology, Teology and the Idea of Progress*. Louisville: Westminster and John Knox press, 1991.

LATOUR, B.; LÉPINAY, L. *The Science of Passionate Interests: an introduction to Gabriel Tarde's Economic Anthorpopology*. Prickly Pardigm Press, Chicago, 2009.

LATOUR, B. *Reassembling the Social*. Oxford University Press, Oxford, 2005.

LAYES, C. "The Rise and Fall of Development Theory". Indiana University Press, Bloomington, 1996.

MARINI, R. *La acumulación capitalista mundial y el subimperialismo*. 1977.

MIGNOLO, W. (org) *Capitalismo e Geopolítica do Conhecimento*. Buenos Aires, Ediciones del Signo: 2001.

MIGNOLO, W. *Historias locales/diseños globales. Colonialidad, conocimientos subalternos y pensamiento fronterizo*. Madrid: Akal 2003.

MIGNOLO, W. *The Darker Side of the Renaissance: literacy, territoriality ando colonization*. Michigan: University of Michigan Press, 2003.

PATNAIK, U. and MOYO, S. *The Agrarian Question in Neoliberal Era: Primitive Accumulation and the Peasentry*. London, Pambazuka Press, 2011.

PEET, R. e Hartwick, E. *Theories of Development*. New York: Guilford Press, 2009.

PEET, R. *Theories of Development*. New York, The Guilford Press, 1999.

PENHA, A. *Relações Brasil-África e a Geopolítica do Altântico Sul*. Salvador: EDUFBA, 2011.

PIAZZINI, C.E. “El tiempo situado: las temporalidades después del giro espacial”, en GÓMEZ y PIAZZINI S. (edits.), *(Des) territorialidades y (No)lugares. Procesos de configuración y transformación social del espacio*. Medellín: Universidad de Antioquia, 2003.

PIETERSE, J. *Development Theories*. London: Sage, 2010.

PIETERSE, J. N. “My paradigm or yours? Alternative development,

post-development, and reflexive development". *Development and Change*, 1998.

PORTES, A. *Neoliberalism and the sociology of development*. Population and Development Review, Vol. 23, No. 2 (June 1997), 229-259.

PRADO JÚNIOR, C. *Formação econômica do Brasil*. São Paulo: Brasiliense. 1995.

QUIJANO, A. Dom Quixote e os Moínhos de Vento na América Latina. Dossiê América Latina. *Revista Estudos Avançados da USP*. vol. 19 no. 55. São Paulo, 2006.

SACHS, W. *The Development Dictionary: A Guide to Knowledge as Power*. Zed Books, New York, 2010.

SANTOS, B. S. *Pela Mão de Alice* São Paulo: Cortez. 1997.

SANTOS, Boaventura de Sousa. Conocer desde el Sur. Para una cultura política emancipadora. Parte Primera: En busca de un nuevo paradigma crítico. Lima: CIDES, 2006.

SANTOS, Boaventura de Sousa. Una Epistemología del Sur: La reinención del conocimiento y la emancipación social. México: Siglo XXI Editores/ Clacso, 2009a.

SANTOS, B. de S. e MENESES, M. P. (Org.). *Epistemologia do Sul*. Coimbra: Edições Almedina, 2009b.

SANTOS, Boaventura de Sousa e Meneses, Maria Paula (Org.). *Epistemologia do Sul*. Coimbra: Edições Almedina, 2009b.

SANTOS, Milton. *Técnica, Espaço, tempo*. São Paulo: Editora Usp, 2008.

SCHLESENER, A. H. *Hegemonia e Cultura: Gramsci*. Curitiba: Editora UFPR, 1992.

SKLAIR, L. *Sociology of Progress*. London: Routledge, 1970.

SPICKER, P et alli. *Pobreza: Un Glosario Internacional*. Buenos Aires: Clacso, 2009.

SSC-UNDP. *Framework of operational guidelines on United Nations support to South-South and triangular cooperation*. 2012.

THOMPSON, J. B. *Ideologia e Cultura Moderna*. Petropolis : Vozes. 1995.

VIEIRA, M. *Relações Brasil – Índia*. Porto Alegre, Editora UFRGS: 2009.

WALLERSTEIN, I. *The Politics of the World-Economy: The states, the movements, and the civilizations*. Cambridge: University Press, 1984.

## **ABSTRACT**

The intensification of south-south cooperation imposes new challenges to the understanding of development. In contrast with hegemonic discourse and based on the on-going research about the IBSA Trilateral Dialog this text presents and discusses spatialized approach to development.

**KEYWORDS:** Development. South-South. Hegemony. IBSA.

## **RESUMO**

A intensificação da cooperação Sul-Sul impõe novos desafios para a compreensão do desenvolvimento. Em contraste com o discurso hegemônico e com base na investigação em curso sobre o Diálogo Trilateral do IBAS, este trabalho apresenta e discute uma abordagem espacializadas ao desenvolvimento.

**PALAVRAS-CHAVE:** Desenvolvimento. Sul-Sul. Hegemonia. IBAS.

# **CHINA-AFRICA ECONOMIC PARTNERSHIP: a win-win game?**

Assem Abu Hatab\*

## **INTRODUCTION**

### **Development in China-Africa economic relations**

China's rapidly expanding engagement in Africa in the fields of trade, investment and development cooperation has become a hotly-debated topic in recent years and attracted great attention at international level. Historically, Sino-African relations date back to ancient times, but formally it wasn't until the founding of modern China, that inter-governmental relations between China and African countries were inaugurated. A deeper look at the bilateral relations between the two counterparts shows that, over the subsequent half-century, the trajectory of Sino-African relations went through several fundamental shifts. During the earlier decades, China's African presence benefited from a shared history as an object of European imperialism and its ideological commitment to anti-imperialism and national liberation, and it provided moral, financial and political

---

\* Assistant Professor at the Department of Agricultural Economics & Rural Development, at Suez Canal University, and Assistant researcher at the Department of Economics at Swedish University of Agricultural Sciences (assem\_hatab@hotmail.com and assem.abouhatab@slu.se).



support to African countries for their liberation struggles and fights for independence.

However, a reorientation in China's policy towards Africa has taken place in recent years by shifting from Cold War ideology to giving a priority to economic cooperation, markets and spheres of influence through investment, trade and military assistance. This new orientation has found institutional expression in the forum on China-Africa cooperation (FOCAC) in 2000, housed within the ministry of foreign affairs to coordinate Chinese foreign policy objective toward Africa. Also, in January 2006, China released its first major policy document on its relations with the continent. It lists 30 initiatives in the political field; in the economic field; in education, science, culture, health and social aspects, in peace and security.

Reviewing trade and investment figures on CAEC indicates that China is moving rapidly ahead forging ties with African countries. Since carrying out the Reform and Open-Up policy in the 1980s, China has attached great importance to trade cooperation with African countries and so trade has grown at an annual average of 3,6 percent. Bilateral total export and import volume grew throughout the 1990s, when, for a number of years, it was not unusual to see increases of more than 40 percent. More recently, the value of trade between China and Africa has increased by 45 percent from 2007 to the end of 2008. China has also become Africa's third largest trade partner. Imports from Africa to China increased by 54 percent between 2007 and 2008, with exports from China to Africa increasing by some 36 percent. In absolute values, between 2006 and 2010, trade surged from US\$55 billion to roughly more than US\$106 billion. Furthermore, by the end of 2005, China had entered into 62 intergovernmental agreements on trade, investment, cultural exchanges and cooperation with 45 African countries.

Parallel to economic relations, the developmental aspects have also progressed rapidly. Steps are taken by the Chinese government to encourage the view of China's development contributions to Africa. By December 2006, China had given over US\$ 5,5 billion in aid to African countries. At the 2006 Summit FOCAC, China pledged to double aid to Africa by 2009, and to give Africa US\$2 billion in preferential buyers' credits over the next three years. China's Export and Import Bank, established in 1994, extended its export buyers credit market to Africa in 2005 and by the end of that year, had committed US\$800 millions concessional loans to cover 55 projects in 22 African countries. Moreover, at the November 2009 FOCAC meeting in Sharm-el-Sheikh (Egypt), China made a number of further promises to the African continent, among them: in the next three years provide \$ 10 billion of preferential loans to African countries, which will be used mainly to support infrastructure and social development projects, and increase size of china- Africa development Fund to US\$ 3 billion to support the expansion of investment from Chinese businesses to Africa.

## **ONGOING DEBATE ON CHINA-AFRICA PARTNERSHIP**

CAEC is evolving debate on what this new partnership means for Africa. Questions are being raised by a range of different stakeholders on what opportunities and challenges China's increased engagement brings for a number of issues including democracy, good governance, the management of natural resources and human rights in Africa. Reactions range from being naïvely positive to fierce criticism. It is at times difficult to separate what is based on facts, driven by a genuine concern for development, from what seems to be part of a general tendency to see China as a threat. The following are some major issues of the discussion:

## **Western suspicions and the Neo-colonialism**

In much of the debate in a western context on China's role in Africa, China is often viewed as a competitor to industrialized countries for access to Africa's natural resources. Some analysts have already begun to accuse it of "neo-colonialism". Its search for energy and minerals in Africa is often equated to the "scramble for resources" that led to western colonialism during the second half of the 19th century. Another dimension is that as a legacy of the western colonial era, the Western countries used to consider Africa in terms of their spheres of influence. So, with the Chinese presence in Africa that spreads and deepens, it is increasingly claimed by western scholars and analysts that China's interest in Africa is fueled by its economic growth and development that require more energy and raw materials which Africa can provide. A cursory look at China's energy and oil imports shows that it imports between 25 per cent and 30 per cent of its oil from sub-Saharan Africa. In addition to sourcing oil supplies from Africa, it has also pursued long-term energy supply agreements with a number of African States. Moreover, oil, gas and other mineral resources although appear to dominate trade between China and Africa, Chinese businessmen are now increasingly looking at Africa as a new export market for other products. As this business and trade relationship has become more prominent, it has generated interest among and commentary from the Western colonialists. In a report to the US congress in 2005, the secretary of defense observed that "China has used economic aid, diplomatic favors and, in some cases, the sale of military technology to secure energy deals". However, some African leaders and many African scholars perceive China's activities as a welcome trend. Scholars have observed that, in recent years, such activities have

added value to hitherto undervalued Africa resources, especially in agriculture. According to a United Nations Economic and Social Report of 2006, entitled “Overview of the Economic Report on Africa 2006: Recent Economic Trends in Africa and Prospects for 2006”, African economies grew by up to 5,3 per cent. This growth rate has been consistent in recent years and may in part be fuelled by the renewed engagement with China.

Also, while China imports oil from Africa, it exports electromechanical and high-tech products that satisfy critical needs in Africa, creating a rough equilibrium in the economic and trade relations. The oil drilling and exploration rights that China has obtained in Africa have been obtained through international bidding mechanisms in accordance with international market practices, posing no threat to any particular country. Rights to oilfields in Sudan and Nigeria were purchased by Chinese companies after the withdrawal of competitors.

### **For China... it is all about “Mutual Benefits”**

The language that China uses in negotiations and agreements with Africa mostly underlined the two sides: agreed, welcomed, reaffirmed, recognized, decided, etc. This is clearly different from the donor language that normally forms part of bilateral and multilateral agreements between Africa and its traditional Western allies and development institutions.

The idea of mutual benefits was always emphasized in these new Chinese policies, while it argued that the rich natural resources of Africa help satisfy China’s increasing demand for raw materials and energy. Conversely, Chinese energy investment in Africa is often accompanied by aid for infrastructure, which helps to attract

more foreign investment in Africa. Also, China has become one of the major exporters of cheap Chinese-made products to Africa's domestic market. Moreover, China has become a more attractive partner, enjoyed larger profits and invested in infrastructure (hydro-electric plants, pipelines, factories, hospitals), especially in potential markets where western firms are deterred by political considerations such as sanctions or political instability.

An example of that is the Chinese companies that have been involved in the oil production industry in Sudan for roughly a decade; China not only now imports a great percentage of Sudan's total oil exports, but these companies also help Sudan to establish a complete and viable oil export industry from exploration, production and refining to sales of crude oil, gasoline and petrochemical products. So, some African scholars acknowledge China's role in helping African economies to achieve long-term growth through the principle of mutual benefit. One particularly poignant analysis explains, that, unlike Belgium, which built roads solely for the extraction of resources in the Democratic Republic of Congo, China is constructing or improving roads that are suitable not only for the transport of resources but which citizens can also use to travel.

China's demand for raw materials and energy enables the rich resources of Africa to be fully utilized, benefiting both Chinese purchasers and African suppliers. Also, Chinese demand has stimulated raw material prices, increasing the income of resource-rich African countries and accelerating African development. The investment of over 800 Chinese enterprises has promoted African industries and is breaking the longstanding hold that the West has had over trade in commodities between Africa and the rest of the world. Such investment is also enhancing the autonomy of African countries in production, sales and investment, which offers Africa

more opportunities in terms of market options, investment partners, product prices, etc.

Mutual benefit is also reflected in such areas as fair trade and debt reduction. China continues to further open its market to Africa by lifting tariffs on the number of items (from 190 to over 440, in 2009) exported by countries in Africa that are least developed and have diplomatic relations with China. In addition, when China benefits economically from Africa's emerging markets, it reduces and relieves African countries' debts. At Beijing Summit of the China-Africa Cooperation Forum in 2006, China waived all debt from governmental interest-free loans due at the end of 2005 for 31 heavily-indebted African countries.

If the Chinese growth is sustained, the impacts on the economy and for development of Africa can be substantial. According to President Kufuor of Ghana, "with rich resources, huge market potential, technological know-how and accessible capital, Africa and China can achieve a win-win cooperation; thus giving impetus to the drive towards a sustainable development of the global economy". And while China has become a major player in the global economic structure and there is increasing modernization and globalization, it can be a role model for African communities seeking to establish development frameworks for economic prosperity, growth and overall development. Such cooperation, in addition to opening up markets, can be mutually beneficial. Through the institutions frameworks of China-Africa cooperation, represented a platform for further understanding of the opportunities and challenges, understanding that can turn in help to articulate development frameworks for a coordinated sustainable development of the global economy.

## **Political Drivers**

There are also more politically motivated drivers. Africa is important for China's foreign policy agenda and the building of alliances. China has always regarded Africa as its most reliable ally. The strengthening of Sino-African relations can help China to realize the "one China policy". Furthermore, the cooperation is seen as important for China's objective of a multi-polar world order and to promote China's and Africa's interest therein.

China-African cooperation is also seen as beneficial to the unity and cooperation between developing countries. It is China's goal to raise the international status of the developing world and "establish a new international order" by promoting South-South cooperation. China is, for instance, on the positive side seen as a healthy competitor which could give Africa leverage towards traditional donors and address to the structural imbalances of the international economic system within which many African countries are facing marginalization. Therefore, it has been clear that China's interest and activities in Africa are already resulting in a major development in global politics and giving rise to an evolving new geography of trade and cooperation outside traditional North-South linkages.

## **Democracy, good governance, promoting human rights and environment**

Although China has increased its aid to Africa, it does so without explicit conditionalities. A fundamental principle, enshrined in China's 2006 African Policy, is to provide assistance with "no political strings attached". On the contrary, the West and its financial

and development institutions have inundated Africa with aid. Where such aid has been made available, it has mostly been tied. For instance, about 80 per cent of US grants and contracts to developing countries must be used to buy goods and services from US firms and non-governmental organizations (SOGGE, 2002). About 90 per cent of Italy's aid benefits its own companies and experts and 60-65 per cent of Canada's aid. Much of the aid from Germany, Japan and France is tied to purchases from those states. A United Nations study found such ties cut the value of aid to Africans by up to 25-40 per cent, since Africans are required to buy non-competitively priced imports from supplies in donor countries.

The key question is whether China's political strings attached policy will benefit African people and the environment. It is clear that the notion of sovereignty of the nation state is valued very highly by China. Therefore, whether the no political strings attached policy will be beneficial or not is left in the hands of the governments in place. For instance; to some researchers, China's role in Africa, which has based purely on securing oil supplies and other natural resources, led to claims that China supports authoritarian regimes at the expense of democracy and human rights. Moreover, it is also claimed that much of China's aid money and investments may be going to official pockets in graft and not reaching its targets. One more example is that of good governance and promoting human rights in connection with development aid; the European Union, the International Monetary Fund, and other international institutions link development aid to the promotion of political transparency and good governance in African countries; but Chinese aid comes with no strings attached. The question is what happens in cases where governments either lack the will or capacity to protect and work for the benefit of people and the environment. This is where the non



interference policy will leave poor people and the environment short. There are also concerns, albeit by very small numbers of African environmentalists, about China's generally dismissive approach to good environmental practices. China is the world's largest importer of forest products. Many of its purchases in Africa are from unlicensed loggers or from companies that do not engage in environmentally sound logging practices. There are other relatively small interest groups in most African countries that tend to be wary of China. They include activists, outspoken advocates and those concerned about China's export of arms to the continent. However, some analysts suggest that as China's presence in Africa expands it will be more difficult to stay out of domestic policies. The non interference is more and more difficult to reconcile with China's other objective of being a responsible international stakeholder.

### **Negative Impacts on domestic economies**

Another issue, possibly the most written about is the negative impacts of China's involvement on African labor market. The major issues are the employment of mostly Chinese workers, thus contributing only marginally to the local employment situation, and the flooding of African markets with cheap consumer goods, which poses risks to local producers. Several analyses support this argument and indicate that imports from China have displaced African producers, which has resulted in job losses. China is also to some extent competing with African countries in third-country markets with cheap manufactured goods. This has been the case for example in the textile sector where quota limits on Chinese exports were lifted in 2005. By the end of 2008, China's textile exports to South Africa grew from 40% of clothing exports to more than 80%.

This led to the local industries suffering from competition of cheap Chinese products and led to massive job losses following closures of some industries. Chinese exports to the United States soared and African exporters found they could not compete. More than 10 clothing factories in Lesotho closed in 2005, throwing at least 10.000 employees out of work. South Africa's clothing exports to the United States dropped from \$26 million, in the first quarter of 2004, to \$12 million, for the first quarter of 2005.

Moreover, there has been a sharp increase in recent years in the registry of Chinese companies in Namibia, Botswana and other African countries have also similar experiences. This will surely have implications for the ability of local companies to compete. Criticism has also been directed at China for illegal commercial practices in crude oil extraction and the logging trade. Moreover, China's heavy investments in extractive industries may also give way to the "Dutch disease" in African countries and lead them to develop resource dependent economies that impede sustainable economic development.

## **RESEARCH PROBLEM**

Reactions to China's increased engagement in Africa are "Covering the whole range from excitement to panic, disappointment and uncertainty; and not just from Africans but from the whole international community" (CHIDAUSHE apud MANJI; MARKS, 2007).

There are several dimensions to this need for knowledge. On the one hand, there is a need to learn more about the concrete impacts of China's engagement in African countries: how China's presence affects different sectors and different parts of the population and what

the impact is on poor and vulnerable people and the environment. On the other hand there is also a genuine interest in understanding better how China sees its role in the increased cooperation with Africa – which is not so often heard in western media and debates – in order to be able to engage constructively in development policy processes involving African, Chinese and western governments.

One analysis commissioned by the Norwegian government (with the purpose of looking at implications of China's role in Africa for Norwegian Foreign and Development Policies), states that there is no conclusive evidence, based on the available data, on what China's new Africa engagement implies for African development. It states that, at this stage, we can identify trends and challenges and pose critical questions which can help to identify possible threats and opportunities which in turn will make it easier to develop appropriate responses (TJONNELAND et al., 2006). Another report, consisting of various case studies of the emerging cooperation states that what is clear is "the need to avoid sweeping generalizations about China's impact. The question is less *does* Africa gain or lose from China, but rather, *which* Africans might gain or lose, in which countries or sectors, and in which circumstances?"(WILD; MEPHAM, 2006). Further analysis is needed, not least among those sectors of the population who are most vulnerable and marginalized, to be able to assess policies and attune them for their benefit.

An OECD study on the rise of China and India draws some "early conclusions", stating that the demand for Africa's natural resources has contributed to raise the price of raw materials and improve Africa's terms of trade. However, the report states this is "no reason to remain complacent and the future of labor-rich and skill-friendly activities in Africa may be compromised, inequalities may deepen and rent seeking activities get more pervasive. A report on

China's engagement in Central Africa portrays these risks and states it is doubtful whether the Central African population will profit much from China's presence. The new global division of labor with China as factory of the world does not automatically mean that peripheral regions like the Central African will benefit, rather that their main utility will be the supply of commodities. Complementarily, it is argued, becomes a synonym for hierarchy.

In sum, as expressed by the South African Finance Minister, "China knows what it wants from Africa, but Africa is not clear on what it wants from China". Third, the question also has implications for traditional donors who need to attune their policies towards Africa and China and find a new role as the Sino-African cooperation grows stronger. For example, donor countries need to develop strategies for supporting African countries in seizing the opportunities, as well as for engaging with China on poverty and development issues.

From academic point of view; nevertheless, the dramatically increase in involvement of China in Africa, existing literature gives a fair amount of information about the magnitude and effects of this partnership. Available databases can be mined to tell us what is traded and by whom. Most recent studies on Africa and China have concentrated on disaggregating trade flows and understanding its determinants. However, very few studies to this date have examined such impact. In other words, the literature is less clear about how the Chinese growing involvement in Africa actually affects the continent. What countries benefit and in what sectors? Who is losing out, and why? One of the central questions is whether China is effectively contributing to sustainable development in Africa or, rather, is China's primary concern to gain access to Africa's raw materials and to open up new markets? One more important question is that whether or not partnership with China has actually helped to induce

the growth of the robust economic growth in Africa, particularly in Sub-Saharan African countries that has accompanied the trade boom.

## **OVERALL OBJECTIVE**

As enthusiasm for the enhanced relationship is exuded on both sides, the aim of the present work is fill the gap in the literature by investigating CEAEC in order to develop better understanding of its dynamics, potential socioeconomic impacts on Africa, and how to make best use of the positive spillover effects that Chinese investments are having on the continent. The findings of the work may help African policy makers to configure a strategic agenda for cooperation with China and promote business relations that enhance the long-term sustainable development of Africa.

## **MAJOR RESEARCH QUESTIONS**

Based on the issues that have risen in the previous sections, in particular, the following questions need to be answered:

1. How the emerging pattern of trade, investments and development cooperation in China-Africa relations looks like?
2. Are China-African trade and investment relations following a path of South-South cooperation?
3. Are they guided by the development needs of both parties? Or are they just replications of the classical North-South model, indeed, is this relationship a replica of what it used to be with the West?
4. What is the likely impact of China's further partnership with Africa? Or what are the impacts of more economic integration

between China and Africa on African countries' GDPs, levels of employment, other macroeconomic aggregates, and development?

5. What will constitute the best trading relationship between China and Africa?

How can African countries develop a strategy that response to that impact and help Africa's to benefit from this emerging relationship?

## **RESEARCH METHOD**

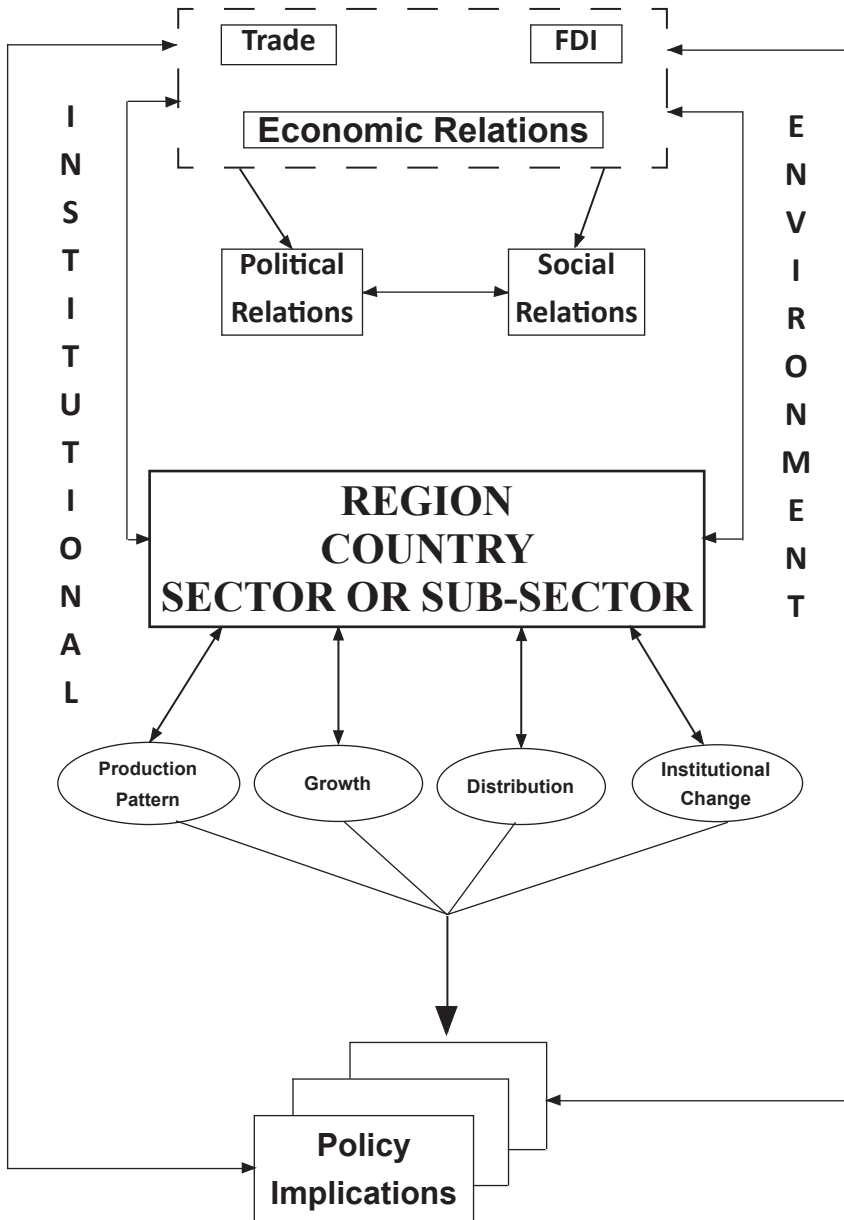
Because the current proposal is primary one and will be refined later, it is quite hard to specifically determine the methods to be used in conducting the study. However, I basically am planning to relay on qualitative and quantitative statistical methods to explore the relationship between China and Africa and its economic and social impacts on African countries. The gravity model approach may be utilized to quantify the bilateral trade between the two sides and the same model can also be used to measure the impact of China on the development in Africa.

While general equilibrium methodology presented itself as the most appropriate analytical framework that would allow the inter- and intra-sectoral changes in output mix and, by extension, the demand for different factors of production to be captured, this study may utilize the Global Trade Analysis Project (GTAP) model and database to analyze policies and investigate the potential implications of the China-Africa partnership. But, this model could only allow the assessment at the continental level due to data limitation with respect to representation of African countries in the GTAP database

as stand-alone regions. The study may also conduct a field study through designing a questionnaire to be applied in certain number of African countries to get more in-depth understanding of the mental image and social attitude towards the cooperation with China. Figure 1 outlines a conceptual framework for analyzing the impact of China – Africa cooperation.

## **DATA SOURCE**

The study will mainly rely on the following data sources: WITS database, World Development Indicators database, UN COMTRADE, COMESA, GTAP database, National Bureau of Statistics of China, World Governance Indicators (WORLD BANK), IMF, and other reports published by related agencies and organizations. Besides, a field study through a designed questionnaire will be utilized.





## REFERENCES

BUSSE, M.; BORRMANN, A.; GROBMANN, H. *The Impact of ACP/EU Economic Partnership Agreements on ECOWAS Countries: An Empirical Analysis of the Trade and Budget Effects*. Hamburg: Hamburg Institute of International Economics, 2004.

COMESA. *Discussion Paper on Trade Policy Compatibility and Impact Assessment of Economic Partnership Agreements and Preliminary Adjustment Scenarios*. Zambia: Lusaka, 2002.

ECA. *Trade Liberalization under the Doha Development Agenda: Options and Consequences for Africa*. Trade and Regional Integration Division, Economic Commission for Africa, Addis Ababa.

FRENCH; HOWARD; AUGUST. *China in Africa: All Trade, With no Political Baggage*. New York Times, 2004. Accessed: 21 February 2007. Disponible in: <<http://www.nytimes.com>>.

GREENAWAY, David.; WYN, Morgan.; WRIGHT, Peter. *Trade Liberalization and Growth in Developing Countries*. Journal of Development Economics, 2002. vol. 67, p. 229-44.

HERTEL, T.W. *Global Trade Analysis: Modelling and Applications*. Cambridge University Press, New York and Cambridge, 1997.

JENKINS, Rhys; EDWARDS, Chris. *The Asian Drivers and Sub-Saharan Africa*. IDS Bulletin, 2006. vol.37, n.1.

\_\_\_\_\_. *The Economic Impacts of China and India on Sub-Saharan Africa: Trends and Prospects*. Journal of Asian Economics, 2006. vol. 17, p. 207-225.

LAIRD, S.; YEATS, A. *The UNCTAD Trade Policy Simulation Model: A Note on the Methodology, Data and Uses*. Geneva: UNCTAD Discussion Paper n. 19, 1986.

MEYN, M. *Are Economic Partnership Agreements likely to Promote or Constrain Regional Integration in Southern Africa? Options, Limits and Challenges Botswana, Mauritius, and Mozambique are Facing*. Namibia: NEPRU Working Paper n. 96, The Namibian Economic Policy Research Unit, Windhoek, 2004.

MILNER, C.; MORRISSEY, O.; MCKAY, A. *Some Simple Analytics of the Trade and Welfare Effects of Economic Partnership Agreements: The Case of the EU-EAC*, 2002.

PANAGARIYA, A. *Rethinking the New Regionalism*. Paper Presented at the UNDP-World Bank Trade Expansion Conference. Washington D.C.: World Bank, 1995.

SACHS, Jeffrey; WARNER, Andrew. *Sources of Slow Growth in African Economies*. *Journal of African Studies*, 1997. vol. 6, n. 3.

TEKERE, M.; NDLELA, D. *Impact Assessment of Economic Partnership Agreements on Southern African Development Community and Preliminary Adjustment Scenarios*. Zimbabwe: Final Report, Trade and Development Studies Centre, 2003.

UKPOLO, V. *Export Composition and Growth of Selected Low-Income African Countries: Evidence from Time Series Data*. *Applied Economics*, 1994. vol. 26. p. 445-449.

*Defining China-African Relations, a special issue of XiyaFeizhou*. *West Asia and Africa*, 2006, n. 8.

KLARE, Michael; VOLMAN, Daniel. *America, China and the Scramble for Africa's oil*. *Review of African Political Economy*. n. 108, p. 297-309.

LI, Anshan. *Transformation of China's Policy towards Africa*. Center on China's Transnational Relations, Working Paper, n.20, The Hong Kong University of Science and Technology.

## **ABSTRACT**

The dramatic new trend in South-South economic relations is transforming traditional patterns of economic development, and this is nowhere more evident than in China-Africa economic cooperation CAEC. As indicated by several researchers, these new South-South economic relations present real opportunities, as well as challenges to African countries. As regard to CEAC, while the expansion of trade and investment between Africa and China has been generally welcomed, concerns have been expressed about how China's growing presence might affect African development. But what roles exactly has China played? What drives China's trade and financial involvement in Africa? What are the implications of the relationship for other development partners of Africa? This proposal aims to shed light on the ongoing debate on CEAC and develop a framework for the analysis of the socio-economic impacts of CEAC on African countries.

**KEYWORDS:** China. Africa. CEAC. Financial involvement.

## **RESUMO**

A nova e dramática tendência nas relações econômicas Sul-Sul está transformando os padrões tradicionais de desenvolvimento econômico, e isso é mais evidente do que na China-África de Cooperação Econômica, CAEC. Como indicado por diversos pesquisadores, essas novas relações econômicas Sul-Sul apresentam oportunidades reais, assim como os desafios para os países africanos. No que diz respeito ao CEAC, enquanto a expansão do comércio e do investimento entre a África e a China tem sido geralmente bem-vinda, as preocupações foram expressas sobre como a crescente presença da China pode afetar o desenvolvimento africano. Mas quais papéis a China realmente teve? O que impulsiona o comércio da China e seu envolvimento financeiro na África? Quais são as implicações da relação para outros parceiros de desenvolvimento na África? Esta proposta tem como objetivo lançar luz sobre o debate em curso sobre a CEAC e desenvolver um quadro para a análise dos impactos socioeconômicos da CEAC nos países africanos.

**PALAVRAS-CHAVE:** China. Países africanos. Relações econômicas. CAEC.

# **AFRICAN PERSPECTIVE ON THE CRISIS OF GLOBAL CAPITALISM**

Demba Moussa Dembele\*

## **INTRODUCTION**

The current crisis of global capitalism is a systemic crisis. In fact, several crises are occurring at the same time. The financial crisis, triggered by the collapse of market fundamentalism in 2008, transmitted to the real economy and contributed to a worsening economic crisis whose manifestations include a crippling public debt in Europe and the United States; a deep recession in the same countries; high unemployment rate and rising social problems.

In addition to these twin crises, the world is experiencing an energy crisis and is in the grip of environmental crisis and feeling the impact of climate change. The current systemic crisis of capitalism is mainly the crisis of Western economic, political and ideological hegemony, which ruled much of the world for more than 500 years. This hegemony is coming to an end as a result of people's resistance and struggles against capitalist oppression and imperialist domination. The decline of Western domination is illustrated by the rise of new powers and blocs in the South (BRICS, ALBA, CELAC);

---

\* Economist and Researcher from Dakar, Senegal.

the end of the unipolar world order that followed the collapse of the former Soviet bloc and the gradual shift of the center of gravity of the world economy to the Global South (BRICS, Latin America, Asia).

These radical changes lead some scholars to speak of “a crisis of civilization” (COHEN-SOLAL, 2011; TOSSEL, 2011). It is indeed a crisis of the civilization associated with the rise and expansion of capitalism. It is an ideological crisis, a crisis of values: democracy is now an empty word; the markets choose governments, not the people (Greece, Italy, Portugal, Spain).

This crisis of civilization is also reflected in the growing crisis of legitimacy of capitalism, which has exhausted its usefulness as a system of production and exchange. Capitalism has become a parasitic system as illustrated by the supremacy of finance over the real economy and the huge social and ecological costs associated with it, like the increasing number of poor worldwide and the impact of climate change. Even though its agony may last for a few more decades, its demise is certain and its downfall inexorable (AMIN, 2010; DEMBELE, 2011b; HOUTART, 2011).

This is why I fully concur with the Brazilian philosopher Leonardo Boff when he made the following observation:

I believe the present crisis of capitalism is more than cyclical and structural. It is terminal. I am aware that only few other people maintain this thesis. Two things, however, bring me to this conclusion. The first is the following: the crisis is terminal because we all, but in particular capitalism, have exceeded the limits of the Earth. We have occupied and depredated the whole planet, destroying her subtle equilibrium and exhausting her goods and services, to the point that she alone can no longer replenish all that has been removed. Already by mid XIX century, Karl Marx prophetically wrote that this tendency of capital would destroy the twin sources

of its wealth and reproduction: nature and labor. That is what is happening now.... The second reason is linked to the humanitarian crisis that capitalism is creating. Before, it was limited to the peripheral countries. Now it is global, and it has reached the central countries (BOFF, 2012).

Leonardo Boff was echoed by Samir Amin who, in his book on the crisis, forcefully argued that the issue is not finding solution to the crisis of capitalism – because the solutions will only be temporary - but ending capitalism which has become an obsolete system working against the interests of the entire Humanity, except for a very tiny minority (AMIN, 2010).

But what is even more startling is the admission made by the former president of the World Bank, Robert B. Zoellick, who, in a speech at George Town University, Washington, DC, said the following: “Even before the crisis [the financial crisis, DMD] there was a questioning of prevailing paradigms and a sense that development economics needed rethinking. The crisis has only made that more compelling” (ZOELLICK, 2010).

What Mister Zoellick calls “development economics” is the neoclassical interpretation of what is “development”, an interpretation which was imposed on the rest of the world as a result of the unequal power relations between the West and the rest of the world and the dominant position of neoclassical economic thinking in academic circles and multilateral institutions as well as its influence on mainstream policy making.

But the financial crisis of September 2008 has shattered the myth and exposed the deep flaws of neoclassical economics. The Emperor has no clothes anymore. This has intensified the challenge to the dominant paradigm in Africa and in other regions of the Global

South and even at the Center of the system, as the struggles of the “Indignants” in Europe and of “Occupy Wall Street” in the United States show (DEMBELE, 2011b).

## **AFRICA’S CONTRIBUTION TO CHALLENGING MAINSTREAM THINKING**

African intellectuals, social movements and even governmental institutions have been challenging the dominant paradigm since the early 1980s, when the International Monetary Fund (IMF) and the World Bank came to impose their now discredited structural adjustment programs (SAPs) which literally destroyed African economies and tore apart their social fabrics.

### **Contribution of Research Institutions and Intellectuals**

The Council for the Development of Social Research in Africa (CODESRIA) has been among the leading research institutions to challenge neoclassical economics. In fact, the mission of the institution is to “decolonize social research in Africa” by freeing African researchers’ mind from colonial domination and alienation so that they can have an autonomous thinking and analyze their reality through their own lenses. Through Codesria’s flagship magazine, *Africa Development*, brochures and books, leading critical African economists and intellectuals have exposed the fraud behind SAPs and questioned the legitimacy of the IMF and World Bank to design development policies in Africa.

Two important books were published on SAPs and the policies of the international financial institutions (IFIs) under the leadership of its former Executive Secretaries, Thandika

Mkandawire (MKANDAWIRE; SOLUDO, 1999) Adebayo Olukoshi (MKANDAWIRE; OLUKOSHI, 1996).

On the other hand, Codesria has endeavored to promote the ideas of critical African and other Southern thinkers through the publication of books, annual lectures and tributes, among others. The Guy Mhone Lectures offer young economists and scholars the opportunity to meet and learn about the legacy of one of Africa's leading critical thinkers who passed away a few years ago. In addition to all of that, Codesria has published and continues to publish books to pay tribute to some of Africa's foremost thinkers. They include Samir Amin, the founder and first Executive Secretary of Codesria, the late Joseph Ki-Zerbo, the most original thinker of endogenous development and many others.

In September 2011, Codesria initiated a new economic research program (ERP) with three main objectives: 1) deepening the challenge to the mainstream discourse on development; 2) promoting alternative development thinking and policies; 3) training young critical thinkers.

The contribution of Codesria to discredit mainstream thinking on development cannot be separated from the work of intellectuals associated with the Institution. Its founder, Samir Amin, one of the leading critical thinkers of the South over the last half century, has ever since been closely associated with Codesria. Its membership includes leading intellectuals in major universities, research institutions and social movements.

Other research institutions that contributed to discrediting mainstream thinking on development in Africa include the Third World Forum (TWF) headed by Professor Samir Amin are the Accra-based Third World Network-Africa Office (TWN-A), which is closely associated with Third World Forum headquartered in Penang



– Malaysia; the Southern & Eastern Africa Trade Negotiations Initiative (SEATINI), based in Uganda and whose founder is Prof. Yash Tandon, former Executive Director of the South Centre; and the Dakar-based Association of African Women for Research and Development (AAWORD), which was founded with the assistance of Codesria.

These institutions work closely with Codesria on key issues relating to Africa’s development challenges. All these institutions and think tanks have made major contributions to the struggle against SAPs and the neoliberal paradigm in general. They and Codesria share the fundamental goal of promoting an autonomous thinking and ending the domination of external institutions, especially the IMF, World Bank and the WTO, on the design and implementation of development policies in Africa.

Other African research associations and social movements with similar goals include Action and International Development Center (AIDC), in South Africa; Afrodad, in Zimbabwe, and Africa Jubilee South, among others. These associations and movements have specifically discredited the IFIs’ discourse on Africa’s illegitimate external debt and contributed to some of the gains made on this issue, like full debt cancellation granted to some countries through the Multilateral Debt Relief Initiative (MDRI) and other “debt relief” initiatives. Their work has discredited the mainstream discourse on Africa’s debt and exposed the disastrous policies of the IMF and World Bank in Africa.

### **Contributions of Social Movements**

The birth of the African Social Forum (ASF), in 2002, following the launch of the World Social Forum (WSF), in 2001,

in Porto Alegre – Brazil, gave a new impetus to the struggles of African social movements against mainstream thinking and policies on the continent. The ASF offered a space where all African social movements, research institutions, grassroots associations and non governmental organizations (NGOs) could meet and share their experiences and sometimes decide on joint actions. This was the case for the campaign against the Economic Partnership Agreements (EPAs), launched in Lusaka (Zambia), in 2004, by all African social movements and research institutions during the third edition of the ASF.

The ASF space gave a new momentum to the struggle against policies associated with the IFIs, the WTO and the neoliberal paradigm in general. It gave a greater exposure to labor unions, farmers, women's associations, and so forth in their resistance to neoliberal policies. Labor unions led the fight against privatization of public companies which is resulted in huge job losses and the degradation of working conditions. They were joined by women's associations, small-scale farmers and other social movements all of which took issue with the neoliberal policies of the IMF, World Bank and WTO.

Small farmers and agricultural producers contributed to discrediting the “free trade” ideology on agriculture. In West Africa, groups like ROPPA, affiliated with the international network La Via Campesina, have led the fight for food sovereignty. They have made the case for the necessity for Africa to feed itself and put an end to food dependency. In that regard, these movements have called on policymakers to protect local food markets against subsidized agricultural imports from Europe, the United States and other big food exporters. They have called for giving priority to food production over cash crops and for the protection and support for

small-scale family agriculture, which is the key to food sovereignty and poverty eradication in rural areas.

In general, the ASF space has enabled African social movements to strengthen their solidarity and deepen their critique of trade liberalization; export-led growth strategy; privatization of public assets; labor market “flexibility”, free flow of capital, and so on. All these policies are at the heart of the worsening economic and social crisis in many African countries.

### **Contribution of Governmental Institutions**

During the dark days of structural adjustment programs (SAPs), some African governmental institutions had raised their voice against the IMF and World Bank pretention to dictate economic policies in Africa. The African Development Bank (AfDB) contributed to some extent to that critique. But the most powerful and coherent challenge to the IFIs in the 1980s and 1990s came from the Economic Commission for Africa (ECA).

### **Economic Commission for Africa (ECA)**

Actually, before the advent of SAPs, the ECA, under the leadership of its Executive Secretary, Professor Adedeji Adebayo, had produced the Lagos Plan of Action (LPA) in 1980, which was the outcome of several years of a comprehensive process of consultations and discussions by African intellectuals, researchers and policymakers to chart Africa’s own vision of development. But when the World Bank published its “Berg Report”, a few months later, in 1981, African leaders threw away the LPA recommendations and embraced those contained in the Berg Report, thus opening the

way to some of the most brutal and devastating neoliberal policies for decades, with the disastrous economic and social consequences many African countries are still going through.

Then, a few years after the implementation of SAPs, the ECA published in 1989 a stinging report on the impact of these policies (ECA, 1989). That report was among the most damning assessments of the devastating impact of IMF and World Bank policies. Unfortunately, once again, African leaders and policymakers didn't listen, mostly out of fear of losing financial "assistance" from the IFIs and Western countries.

However, after Professor Adedeji left, the ECA "lost its soul". For a decade or so it became a "clone" of the IFIs and espoused the neoliberal ideology. But since the break of the financial crisis, in 2008, which amplified the discredit of neoliberal policies, the ECA has begun to distance itself from the IFIs. It has contributed to the critique of the EPAs, with the symposium co-organized with CODESRIA, in June 2008, in Addis Ababa. Its 2011 Economic Report on Africa (ERA, 2011) gave a further indication of the shift taken by the ECA. In that Report, it developed a sharp critique of SAPs and of foreign influence on the design and implementation of economic policies since the 1960s. In this regard, the Report indicated that nine overlapping strategies had been imposed on African countries from the 1960s to 2008:

The basic design and mode of implementation of all these paradigms come from outside Africa, even though each paradigm undoubtedly has had genuine African adherents. It is hard to think of other significant regions of the world in modern times where outside influences on basic development strategy issues have been so pervasive (ERA, 2011, 82).

This external influence is one of the factors behind Africa's dismal economic and social record. The other one is the lack of States capable of promoting genuine development policies. In light of this observation, the Report urged African countries to put in place developmental States with the mission to conduct economic and social transformation.

What is even more remarkable is that the Report is jointly published with the African Union (AU) Commission, which may have been somewhat instrumental in the shift noticed in recent years in the ECA.

### **African Union Commission**

Over the last few years, the AU Commission has been taking some very principled progressive positions. In 2005, in the lead up to the G8 Summit in Scotland, the AU Commission had organized and sponsored several meetings aimed at crafting a common African position on the continent's external debt. In that process, the Commission had convened a meeting of Eminent Persons in May 2005. The outcome of that Meeting went beyond African debt campaigners' expectations. Indeed, the communiqué of the Eminent Persons claimed that "much of the debt is illegitimate and has been already paid". It called on African countries to join forces with other countries of the South to call for the cancellation of their debt (Eminent Persons, 2005). This meeting had a major influence not only on the AU Commission's position but also on several African leaders' position regarding the necessity to call for the cancellation of the continent's illegitimate debt.

The AU Commission is also played a positive role in the negotiations with the European Union on EPAs. In a position paper,

the AU Commission has made it clear to the EU Commission that the choices are the following: 1) defer and sequence EPAs to regional integration processes; 2) postpone EPAs negotiations until after the conclusion of WTO negotiations on GATT Article XXIV. If not, the AU Commission would urge African countries to discontinue EPAs negotiations and focus on regional integration and South-South cooperation (ERA, 2011, p. 54).

These positions articulated by the AU Commission helped strengthen the resistance against the “free trade” ideology and policies involved in the EPAs and contributed to derailing the European Union’s hidden agenda.

## **TOWARD ALTERNATIVE DEVELOPMENT PARADIGMS**

In fact, the resistance to EPAs is a reflection of a wider rejection of the neoliberal policies associated with the dominant paradigm whose crisis of legitimacy worsened with the collapse of market fundamentalism. This collapse and its consequences vindicated the critiques leveled by African intellectuals and social movements against the IFIs and the WTO and strengthened the resolve to promote alternative development paradigms.

### **Challenge from the United Nations**

In early 1990s, the United Nations agencies, notably the United Nations Development Program (UNDP), had challenged the mainstream conception of development. According to the UNDP, development should be viewed as a combination of economic and non economic variables, of monetary and non monetary variables. For instance, household work by women is an important aspect of

development but it is ignored by traditional measurement of economic growth. This prompted the UNDP to propose the concept of human development which brings into the picture the impact of growth on education; health and gender relations. This conception raises the issue of income distribution and challenges the neoclassical faith in the ability of the market to fairly allocate resources. Later on, the UNDP came up with the concept of sustainable human development by taking into account the impact of growth on the environment.

The challenge from the UNDP brought a fresh air to the conception of development, freed from the neoliberal shackles. This challenge and the dismal record of the neoclassical conception of “development” for the overwhelming majority of the world population emboldened economists, researchers and policymakers to look for more original notions of development.

### **New Concepts of Development**

Two emerging notions of development, away from the neoclassical conception, are the concept of “Buen Vivir” (Living Well) in Bolivia and other Latin American countries and the concept of Gross National Happiness (GNH) in Bhutan, challenging the concept of Gross Domestic Production (GDP). These two concepts share the view that the ultimate goal of development should be to satisfy the basic needs of the majority of the people not wealth accumulation at any cost. And this satisfaction should be compatible with the preservation of the environment and respect for the Earth.

In these paradigms, the emphasis is on the quality of life, not on growth, the accumulation of wealth. These notions mean that development cannot be measured by a single aggregate which takes into account only products or services with a monetary value.

On the contrary, development is a holistic conception that involves physical and non physical elements, monetary and non monetary elements and whose ultimate goal should be to bring satisfaction to the majority of the people. In these conceptions are the implicit the notions of equality, social justice and sharing (HOUTART, 2011).

These conceptions emphasize the quality of life, the factors that can bring happiness. “Buen Vivir”, “living well”, rather than “living better”, which is associated with the mindless accumulation of wealth at any cost which brought Humanity to the brink of disaster.

These conceptions are in line with radical Southern thinkers’ conception and with some elements of the UNDP conception. In these conceptions, individualism and the sacrosanct private ownership are challenged. Why should they be applied to societies with different cultures, different visions of life and different social structures? Indeed, there are cultures, societies where private ownership does not exist. Or if it does, it has a limited impact on social relations. In these cultures, collectivity takes precedence over individualism, thus, collective achievement is more important than individual “success”.

Then, one should bear in mind that economics is not an exact science, like mathematics or physics. At best, economics is a social science. This is why classical economists, such as Adam Smith and David Ricardo, and Marx used the concept of political economy. In fact, there are always several choices when one formulates economic policies because each choice has different implications for the various social groups, the various classes in society. What is in the interest of the bourgeoisie is not necessarily in the interest of the working classes and other dominated social groups. What is in the interest of the dominant social group is not necessarily in the interest of others groups, of minorities in particular.



When there is gender and social discrimination, some economic choices may be against the interests of the majority of women and marginalized groups. This is why there are permanent struggles to influence or shift the choices in the design and implementation of economic policies.

These conceptions tend to promote alternative production and consumption systems. They give priority to use value over exchange value. They emphasize the importance of collective/public goods over private goods, public and collective ownership over private ownership. Treating the Earth as source of life (the Bolivian concept of “Pacha Mama”) not as a means for more accumulation of profit, should be at the heart of the new development paradigm.

In these conceptions are implicit the notions of equality, social justice, equitable distribution of wealth; a balanced life; respect for Nature and the environment. These conceptions emphasize the quality of life by giving more importance to factors that can bring happiness, joy rather than the mindless accumulation of wealth that brought Humanity to the brink

## **Socialism in the 21th Century**

This notion is promoted by radical political and social forces and even by some States in South America. Its proponents claim that the best alternative to capitalism remains socialism, despite the disappointing experiences of the 20th century. This is why they call it socialism in the 21st century, to distinguish it from past experiences of socialism, notably in the former Soviet Union. Socialism in the 21th century should take into account what was missing from these experiences, such as the relationship between collective and

individual freedom; the issue of democracy; the relationship between collective and private ownership, among others

This conception is shared by Marxist organizations, anti-capitalist radical groups and progressive political leaders. They are of the opinion that, despite the disappointing experiences of the past century, socialism is among the best alternatives to capitalism, even the most humane alternative.

However, one important lesson learned from the past is that there is no one brand of socialism applicable to all countries. Socialism will depend on the characteristics of each country, of its culture, history and social structure. So, the Socialism of the 21th Century should preserve what was positive in past socialist experiences; correct their mistakes while respecting the specificity of each country.

### **Resurgence of development economists' original conception**

The current challenges to the mainstream conception of development have vindicated the critiques and struggles waged by radical development economists. In fact, in the early 1960s, Samir Amin and others had squarely rejected the neoclassical approach to development in Southern countries. They claimed that development is a combination of structural economic, social, cultural and political transformations. In addition, they argued that these complex development issues cannot be solved without a strong State intervention and public ownership of key sectors, with the establishment of a strong public sector; income redistribution through fiscal and monetary policies (MARTINUSSEN, 1997).

The State intervention is necessary for several other reasons. It is necessary to overcome the colonial legacy; to correct structural

economic imbalances; to respond to social needs: education; health; housing; sanitation; transportation. It is necessary for nation-building; for fighting social inequalities and gender discrimination.

But the neoliberal policies imposed by the IFIs endeavored to discredit the State-led development experience and destroy the public sector. The economic and social disaster that resulted from this have convinced that State intervention is indispensable to effect true sustainable human development through structural transformations. This is why the ideology of “minimal State intervention” is discredited and rejected by a growing number of countries and institutions. The United Nations, policymakers, leading economists in the South, multilateral and regional institutions have joined social movements in calling for building Developmental States (ECA, 2011; UNCTAD, 2007)

In leading countries of the South, notably the BRICS (China, India, Brazil, South Africa), the State plays a key role in economic and social policies. Indeed, the key feature of these countries is the strong involvement of the State in all aspects of economic, social and scientific development. In Latin America, in the most progressive countries (Venezuela, Bolivia, Brazil, Nicaragua, Ecuador, Cuba, among others) the State is the leading instrument of economic and social transformation.

In this regard, the new development paradigm raises the issue of ownership of the means of production and the corresponding distribution of income. Public and collective ownership is resuscitated. Privatization of key sectors is being reversed

## **CONCLUSION**

This paper has argued that African intellectuals, research and public institutions as well as social movements have made significant contributions to challenging the dominant paradigm and its conception of development. The collapse of market fundamentalism, illustrated by the 2008 financial crisis, vindicated their critiques and strengthened calls for a shift in paradigm.

In this regard, new conceptions of development are being promoted, such as the concept of “Buen Vivir”, in South America; the notion of Gross National Happiness, in Bhutan. The reference to “Socialism in the 21th Century” by radical political and social movements and progressive States and the resurgence of ideas promoted by early development economists of the Global South are also part of the challenges to the dominant paradigm.

Indeed, the crisis of global capitalism has unleashed a series of challenges to mainstream economic thinking on development. And these challenges will only expand as the crisis of legitimacy of global capitalism continues to deepen.

## REFERENCES

AMIN, Samir. *On the Crisis: Ending Capitalism or Ending the Crisis of Capitalism?* Fahamu Books, 2010.

BOFF, Leonardo. Terminal Crisis of Capitalism. In: *Rio + 20, For Another Possible World: A New Model of Development is Necessary*. Rio de Janeiro: UGT, 2012. p. 28-29.

COHEN-SÉAT, Patrice. At the Heart of the ‘Crisis of Civilization’: The Issue of Living Well In: *Transform! European Journal for Alternative Thinking and Political Dialogue*. Challenges & Disasters: 2011. p. 56-62.

DEMBELE, D. M.; AMIN, S. *CODESRIA Book Series*, Dakar, February 2011.

\_\_\_\_\_. The Case for System Change Addressing the fundamental roots of the multiple crises: rethinking economics, politics and ecology for sustainable development. In: *International Festival for Peoples’ Rights and Struggles. A Reportage*. Philippines: Manila, 2011b. July 2-6, p. 204-218

\_\_\_\_\_. *Financial Crisis: Lessons and Responses from Africa*. Pambazuka News, 2009.

ECONOMIC COMMISSION FOR AFRICA (ECA). *Economic Report on Africa 2011: The Role of the State in Economic Transformation*. Ethiopia: Addis Ababa, 2011.

ECA. *African Alternative Framework to Structural Adjustment Programs*. Ethiopia: Addis Ababa, 1989.

HOUTART, François. The Common Origin of the Multiple Crises: The Logic of Capitalism and the People’s Response. In: *International Festival for Peoples’ Rights and Struggles. A Reportage*. Philippines: Manila, 2011. p.25-44.

MARTINUSSEN, John. *Society, State & Market: A Guide to Competing Theories of Development*. London: Zed Books Ltd., 1997.

MKANDAWIRE; THANDIKA; SOLUDO. *Our Continent, our Future: African Perspectives on Structural Adjustments*. 1999.

\_\_\_\_\_. ADEBAYO, Olukoshi (editors). *Between Liberalization and Oppression: the Politics of Structural Adjustment in Africa*, 1995.

TANDON, Yash. *Daring to Think Different: Challenges and Foresights*. South Centre & Pambazuka Press, 2011.

\_\_\_\_\_. *Ending Aid Dependency*. South Centre & Pambazuka Press, 2008.

TOSEL, André. The Conflict between Conflicts in the Crisis of Globalised Capitalist Civilization. In: *Transform! European Journal for Alternative Thinking and Political Dialogue*. Challenges & Disasters, 2011. p. 64-73.

THE WORLD BANK. *Accelerated Development in Sub-Saharan Africa: An Agenda for Action*. Washington, DC, 1981.

ZOELLICK, Robert B. *Democratizing Development Economics*. Speech delivered at Georgetown University, Washington, DC, on September 29, 2010.

## ABSTRACT

This paper argues that the collapse of market fundamentalism with the financial crisis of 2008 is a further sign of the systemic crisis of global capitalism whose legitimacy is being questioned in even western countries. This is why some are calling it a “crisis of civilization”, the civilization associated with the birth and rise of capitalism. One aspect of the crisis is the weakening of western economic and political hegemony in the world, with challenges from emerging blocs in the South, such as the BRICS and CELAC, among others. Another important aspect of

the crisis of legitimacy of global capitalism is the discredit of mainstream thinking on development, which is in large part the work of intellectuals, researchers and social movements from the Global South. In this regard, the paper underlines the contribution of African intellectuals, research institutions and social movements by analyzing the role of some leading African research institutions, like CODESRIA, Third World Forum, and intellectuals, like Samir Amin and others. The paper concludes by showing that challenges to the mainstream thinking on development are giving way to new conceptions of development, such as “Buen Vivir” Latin America and “Gross National Happiness” in Asia. *Socialism in the 21st Century*.

**KEYWORDS:** Capitalism. Fundamentalism. Crisis. Development. Legitimacy. BRICS. CELAC.

## RESUMO

Este artigo argumenta que o colapso do fundamentalismo de mercado com a crise financeira de 2008 é mais um sinal da crise sistêmica do capitalismo global, cuja legitimidade é questionada até mesmo em países ocidentais. É por isso que alguns estão chamando de uma «crise de civilização», a civilização associada com o nascimento e ascensão do capitalismo. Um aspecto da crise é o enfraquecimento da hegemonia econômica e política ocidental no mundo, com desafios de blocos emergentes do Sul, como os BRICS, CELAC, entre outros. Outro aspecto importante da crise de legitimidade do capitalismo global é o descrédito do pensamento dominante sobre o desenvolvimento, que é, em grande parte o trabalho, de intelectuais, pesquisadores e movimentos sociais do Sul Global. A esse respeito, o documento sublinha a contribuição dos intelectuais africanos, instituições de pesquisa e movimentos sociais, analisando o papel das instituições africanas líderes de pesquisa, como CODESRIA, Fórum do Terceiro Mundo, e dos intelectuais, como Samir Amin e outros. O artigo conclui mostrando que os desafios para o pensamento dominante sobre o desenvolvimento estão dando lugar a novas concepções de desenvolvimento, tais como “Buen Vivir” América Latina e “Felicidade Nacional Bruta”, na Ásia.

**PALAVRAS-CHAVE:** Capitalismo. Fundamentalismo. Crise. Desenvolvimento. Legitimidade. BRICS. CELAC.

**ECONOMIC AND SOCIAL POLICY  
IN POST-NEOLIBERAL LATIN AMERICA:  
Analyzing Impact on Poverty, Inequality and Social Wellbeing**

Tara Ruttenberg\*

**INTRODUCTION**

**The Neoliberal Legacy**

The implications of policies created in Washington and implemented in the South have now been exposed for their detrimental impact on widening income inequalities and deepening poverty throughout the developing world, most notably as a result of neoliberalization in the last two decades of the 20<sup>th</sup> century. Neoliberal policy packages designed by the Washington Consensus, implemented in countries throughout the South, and enforced by the IMF, World Bank and World Trade Organization included market-based approaches targeting improved economic growth through structural adjustment programs, privatization of state-owned enterprise, natural resources and services, marginal state involvement in the economy, and an emphasis on export-led growth through trade liberalization. In many cases, this framework also implied a weakening of social safety nets for the poor. At the start

\* MA degree in International Peace Studies, at University for Peace. Worked in Latin American policy advocacy, in Washington, in global peace building for international NGOs, and in grassroots community development, in rural Costa Rica.



of the new millennium, neoliberalism's devastating implications for poverty and inequality were clear, as wealth accumulated at the top of the social pyramid to the detriment of middle classes and particularly the poorest echelons of society. Washington's "trickle-down" theory, whereby gains in growth would inevitably improve the lot of all social sectors, proved a fallacy; a rising tide does not, in fact, lift all boats.

Poverty and inequality now pose the gravest threats to social stability and human security across the globe. More than one billion people – a sixth of the Earth's population - live in conditions of extreme poverty (COLLIER, 2007), facing subhuman living conditions characterized by disease, hunger, lack of access to drinking water and sanitation, and dismal opportunities for employment, access to healthcare or education. Furthermore, income inequality has grown to unprecedented levels and is increasingly correlated with violent crime and conflict (CASAS-ZAMORA; DAMMERT, 2012; CENTRO INTERNACIONAL DE INFORMACION E INVESTIGACIONES PARA LA PAZ, 2000; BOURGUIGNON, 2001; FAJNZYLBER, LEDERMAN & LOAYZA, 2002). The Gini coefficient, used as an indicator measuring inequality in the distribution of family income (0 representing perfect equality and 1 representing perfect inequality), shows that global inequality ranges from .23 in Sweden (2005) to .707 in Namibia (2003), according to the CIA World Factbook (updated in January 2010), with extreme concentration of wealth in the hands of the powerful few contrasting markedly with the realities of those in extreme poverty. Stemming from such inequality, the worldwide perils of intrastate conflict, organized crime, terrorism, and the threat of global war are on the rise, particularly relevant in the countries of the South, but also affecting the North in distinct, albeit more distant, ways.

Exemplifying these stark trends of poverty, social inequality and rising violence in their most extreme expression, the region of Latin America and the Caribbean (LAC) is known as the most unequal and one of the most violent regions in the world, with over a third of its population living in poverty. LAC income inequality peaked in the early 2000s at a Gini coefficient of 0,53 (LOPEZ-CALVA; LUSTIG, 2010), and of the top 20 countries with the highest homicide rates in the world, 10 of the 20 are located in LAC (UNODC, 2011). The region has “long exhibited the highest income concentration in the world” (CASAS-ZAMORA; DAMMERT, 2012), and in 2003, the richest income decile in LAC earned 48% of total income, whereas the poorest ten percent of the population earned only 1.6% (FERREIRA ET AL., 2004). Poverty statistics a decade ago were equally staggering, with 36 percent of the population of LAC living below the poverty line in 2001 (LEIPZIGER, 2001). While the statistics have shown improvement over the past decade, poverty and inequality, as well as the associated violence to which they contribute, present a most serious concern for the region.

Many, including the World Bank (based on Michael Walton’s findings), the IMF, and other creators and advocates of neoliberalism unwilling to admit its social shortcomings, seek to maintain a neutral stance in judging its role in deepening poverty and social inequality, instead opting to conservatively concede that neoliberalism did not succeed in reducing poverty or inequality as it had hoped to (KINGSTONE, 2011). However, a number of studies show that neoliberalism is consistent with “worsening inequality and higher poverty” (HUBER & SOLT, In KINGSTONE, 2011, p. 76), and disprove the claim that inequality did not rise during the neoliberal period, as presented by Jaramillo and Saavedra (2010) and by looking at income deciles rather than quintile inequality data, which

highlight the growing income share of the wealthiest ten percent as that of the poorest ten percent diminished (PALMA, 2011). Critics of neoliberalism, including Petras, Veltmeyer and Vieux (1997), Green (2003) and Grugel and Riggirozzi (2009, 2012) all “separately report the increasing levels of poverty and indigence over the [neoliberal] period from 1980 to 1999” (KINGSTONE, 2011, P.76).

In a similar vein, Regadas (2005) recognizes the indirect nature of the impact of neoliberalism on exacerbating inequality, referring to “inequality by expropriation and inequality by disconnectedness” as a result of unregulated trade liberalization favoring large corporations over small producers, corrupt elite plundering of public wealth under the guise of privatization, and the centrifugal income effects of the already wealthy getting wealthier and those “disconnected” social sectors lacking financial, technological and educational resources increasingly unable to access the means necessary to improve their economic situation (REGARDAS, 2005, p.139). Vilas (2005) lists the principal social sectors most negatively affected by neoliberalism’s prioritization of macroeconomic concerns and resulting neglect of social wellbeing as including “wage workers, *campesinos* and small farmers, small and medium entrepreneurs oriented to the domestic market, women and young people” (VILAS, 2005, p.237). Kingstone (2011, p.76) emphasizes that “employment is one of the weakest areas of performance for the Washington Consensus”.

Lustig (1999) offers further support to the connection between neoliberal policies and rising inequalities in the late twentieth century:

The unequalizing effect of the [debt] crisis was compounded because safety nets for the poor and vulnerable were conspicuously absent (or poorly

designed and inadequate) in the Washington-led structural adjustment programs in the 1980s (LUSTIG, 1999, in Lopez-Calva & Lustig, 2012, p.6).

Jaramillo and Saavedra (2010) further this claim by demonstrating that income inequality rose during the neoliberal reform period of the early 1990s. Finally, Grugel and Riggirozzi (2012) draw attention to the region's excessive unemployment as a result of economic restructuring in the 1990s, noting also that poverty incidence was higher at the end of the nineties than in 1980. As a result of neoliberalism's exacerbation of social challenges, leftist leaders in Latin America, aware of growing popular discontent associated with rising poverty and social inequality, put forward strongly anti-neoliberal policy platforms emphasizing wealth redistribution and improving opportunities for employment, housing, education and healthcare.

### **The New Left and Post-Neoliberalism**

Frustrated with unresponsive governments and increasingly hostile toward the economic policies of neoliberalism which exacerbated the social ills of poverty and inequality, Latin America has become the epicenter for revolutionary change and resistance to social and economic exploitation, calling for systemic solutions that seek social justice and equitable income redistribution. Beginning in 1998 with the election of Hugo Chavez in Venezuela, leftist leaders have been democratically elected in the majority of Latin American countries, reflecting a turn toward participatory, constituent styles of democracy and implementing new socioeconomic policies that serve to correct the social disparities that need not exist in a region abundant

in natural resources and extreme material wealth (RUTTENBERG, 2009). These policies respond to the foremost challenge of putting forth “a development model – or models – conducive to sustaining economic growth while distributing resources and opportunities widely to segments of the population that had long been deprived of both” (HERSHBERG; ROSEN, 2005, p.20).

Now more than a decade into the 21st Century, Latin America’s leftist governments have implemented progressive socioeconomic policies geared toward addressing their countries’ devastatingly high levels of poverty and inequality, representing a new post-neoliberal policy agenda with powerful implications for the region. While it is important to recognize the heterogenous, non-uniform nature of the varying post-neoliberal policy platforms among the Latin American left, authors like Vilas (2005), Grugel and Riggiozzi (2012) highlight some of their cross-cutting similarities, including government stimulus for investment, production and employment to satisfy social demands; democratic participation; and a revival of the state as responsible in areas of market failure such as poverty alleviation, infrastructure and job creation (VILAS, 2005). As such, “in addition to being a project of growth based on exports and expanded social spending, post-neoliberalism has a distinctive political character”, marked by aroused citizenship claims, social inclusion and more participatory styles of democratic governance (GRUGEL & RIGGIROZZI, 2012).

Generally speaking, post-neoliberal policies seek to abandon free-market-only principles espoused previously by the North, reversing the strictly neoliberal policy package imposed upon the region in the 1980s and 1990s while still focusing strongly on export-led growth promoted by the state. Interestingly, Kingstone (2011) notes that the shift toward enhancing social policies was put

forward not only by critics of neoliberalism from the left, but also by many of its advocates: “By the late 1990s into the early 2000s, neoliberalism’s advocates were noting that market-oriented policies needed to be complemented with good social policies to address poverty, inequality and labor market concerns” (KINGSTONE, 2001, p. 83). Specifically, the region’s post-neoliberal frameworks include macroeconomic and social policy measures to broaden government revenue and increase public expenditure toward poverty alleviation and income redistribution. These policies can be identified to include:

- de-prioritizing debt repayment and increasing the state’s share of natural resource wealth to increase government revenues;
- counter-cyclical economic policies including investment in infrastructure, emergency employment plans, and stimulus for business and social programs;
- social public expenditure on health, education, housing, agriculture and pro-poor cash transfers, social protection and services;
- prioritization of domestic production and labor demand seeking market complementarity through new regional integration mechanisms.

Post-neoliberalism in Latin America is a reflection of what is often referred to as the region’s “new left”, characterized by “a willingness to work within many existing global and national structures at the same time that it challenges those structures to change in ways that increase popular participation and redistribute income downward” (VILAS, In HERSHBERG & ROSEN, 2005, p. 23). This moderate pragmatism, as many are apt to point out, is not a complete rejection of neoliberal principles (KINGSTONE, 2011; VILAS,

2005; GRUGEL & RIGGIROZZI, 2012; DAMIAN & BOLTVINIK, 2005; HERSHBERG & ROSEN, 2005), but rather a widening of the state to increase social spending and redistribute the gains realized from a market-driven economy, particularly the windfall generated from export-led growth. Robinson (2010) determines redistribution to include pure transfers or the enhancement of public goods, both general and local.

While acknowledging this political pragmatism, let us also recognize the powerful role of the Latin American left in challenging existing power structures in the region (BEASLEY-MURRAY et al., 2010), particularly those associated with liberal representative forms of democracy, which have received criticism as serving the interests of the wealthy and powerful few while ignoring the needs of the majority. Authors have referred to this style of representative democratic government as polyarchy (DAHL, 1956, 1989, 1972; RASKIN, 2003); and plutocracy (PHILLIPS, 2002; DOWD, 2011; KRUGMAN, 2012) – political rule by and for the wealthy and powerful, excluding many sectors, particularly the poor, from participation through lack of power and access – and have pointed out its neglect of the public interest in order to preserve ‘market democracy’ at all costs (CHOMSKY, 1997).

Latin America’s new left, on the other hand, while still pragmatic in working within the (post)neoliberal economic framework, constitutes an affront to that very same framework by challenging historical elite-dominated power relations through revamped citizen constitutions, expanding political participation, and prioritizing popular participation over liberal representative styles of government that favor the wealthy and exclude the poor. Beasley-Murray describe this phenomenon as follows:

[S]uperficial continuities mask underlying departures from orthodox conceptions of citizenship, which were premised on the incorporation of individuals, as producers and consumers, into markets. What are emerging instead are openings to agendas that privilege collective rights and solidarities to achieve universal social citizenship. In so doing, they signal a fundamental rethinking of state-society relations. (BEASLEY-MURRAY et al., 2010, p.4).

And as Robinson (2010) reminds us, the political economy of redistribution cannot overlook the relations of power that influence how much wealth is redistributed, how it is redistributed and to whom. As the new left in Latin America challenges the power relations associated with conceptions of citizenship and redistribution, the trend toward more participatory forms of social democracy help explain why government spending has grown more progressive (LOPEZ-CALVA; LUSTIG, 2010), perhaps reflecting a more dynamic and responsive relationship between the people's incentive to demand redistribution and political actors' incentives to adopt it (ROBINSON, 2010).

### **Post-Neoliberalism: Critiques from the Left**

While the pragmatic post-neoliberal paradigm may represent a shift toward social inclusion, more equitable wealth distribution, and greater state attention to the needs of the poor, it has been criticized by the left for its practical moderation as an outgrowth of the former neoliberal era rather than representing a fundamental transformation in the social politics of power or the exploitative structures of production that generate inequalities and deepen poverty in the first place. Structurally, neoliberalism is criticized from the left as a



class project to restore the economic and political power of the wealthiest segments of society at the expense of the poor and working classes of the advanced industrial countries and the developing world generally (KINGSTONE, 2011).

Instead of seeking structural alternatives, the new Latin American left “ends up absorbing some of the worst habits of politics-as-usual, thus diluting its own proposals for transformation into a short-run pragmatism” (VILAS, 2005, p. 241). This reflects the reality that while the leaders of the new left have been elected on strongly anti-neoliberal political platforms, even promising a “citizen revolution” in some cases through participatory democratic means, their anti-system rhetoric has fallen quite short of the true structural transformation needed to overcome the “redistributive effects and increasing social inequality [which] have in fact been such a persistent feature of neoliberalization as to be regarded as structural to the whole project” (HARVEY, 2005, p. 16). Instead, the new left exemplifies a policy pragmatism that favors the short-term and continues to promote the same unsustainable, neoliberal means and relations of production that have exacerbated the social ailments that their new socioeconomic policies seek to relieve. In sum, the post-neoliberal left may be getting better at bandaging the wounds of the neoliberal system, but for the most part (arguably with the exceptions of the “contestatory left”, defined by Lustig (2009) to include Argentina, Nicaragua, Venezuela, Bolivia and Ecuador to varying degrees), it has not dismantled the socially exploitative neoliberal machine it so vociferously claims and promises to oppose.

## CONTRIBUTING TO THE LITERATURE

### Rationale

While quite comprehensive in delineating what post-neoliberalism looks like in the Latin American context as described above, the existing body of research and literature has yet to exhaustively analyze the impact of these and other post-neoliberal socioeconomic policies on poverty, inequality and social wellbeing. Some authors have opened the debate by recognizing that increased social spending in the region has contributed to declining poverty and inequality. Kingstone (2011) contends that “the most striking trend of the 2000s is the increase in social spending throughout the region accompanied by (and at least causing) marked decreases in poverty and inequality” (KINGSTONE, 2011, p.113). Lustig (2009) strengthens this argument by highlighting that poverty and inequality dropped markedly throughout Latin America after 2002, and that leftist governments, especially those representing the more “contestatory left” (Argentina, Bolivia, Ecuador, Nicaragua and Venezuela), have been most successful in reducing poverty and inequality as a result of both social spending and the favorable commodity boom<sup>1</sup>. Birdsall and Szekely (2003) emphasize that social policies that strengthen human capital, particularly in

---

<sup>1</sup> Nora Lustig (2010), in her paper “Declining Inequality in Latin America: Market Forces, Enlightened States or the New Left?”, presents the distinction between the results of descriptive analysis and regression analysis within her study, both of which find that leftist Latin American governments have been more successful in reducing poverty and inequality than their counterparts on the right. However, the descriptive analysis finds that the contestatory regimes have reduced inequality faster than the social democratic regimes, whereas results from the regression analysis, which controls for unobserved effects and the commodity price boom of 2002-2008, show that the social democratic regimes proved more effective. These findings show that contestatory regimes’ social spending, while successful in reducing poverty and inequality, is highly dependent on wealth generated by commodities.

education and healthcare, contribute most to reducing poverty and inequality. Lopez-Calva and Lustig (2010) point out that the greatest contributors to declining poverty and inequality in the region are two-fold: a decrease in the earnings gap between skilled and low-skilled labor and an increase in transfers to the poor, including both government transfers and foreign remittances. Generally speaking, the consensus in the field is that increased social spending and social policy in the post-neoliberal area, particularly in countries with leftist leaders, has made progress in reducing poverty and inequality (KINGSTONE, 2011).

This paper is part of an ongoing study that seeks to contribute to the existing body of research by offering case study examples and drawing relevant conclusions on the post-neoliberal policy framework as a development model to improve social wellbeing. This contribution will have powerful implications for development in Latin America, and great potential for broader social impact in the countries of the South through enhanced South-South cooperation. Countries in the South have much to learn from the Latin American socio-economic experience as it relates to development. Toward that end, this study analyzes and shares findings on the Latin American post-neoliberal policy experience in order to help influence policy and strengthen social movements toward cooperative approaches to development in the South.

### **Justification for Case Studies**

The broader research project of which this paper is a part examines the case studies of Ecuador's economic policy platform under President Correa and Brazil's exemplary *Bolsa Família* conditional cash transfer program in order to analyze the ways in

which progressive post-neoliberal policies have contributed to reducing income inequality and alleviating poverty, while still achieving enviable levels of economic growth *vis-à-vis* other countries in the South, not to mention many in the North given today's global crisis of capitalism. In addition, the study seeks to evaluate these policies' impact on social wellbeing, calling for a subjective and nuanced understanding above and beyond income-based indicators measuring poverty and inequality.

The macroeconomic and social policy framework under Ecuador's Correa is presented as a case study for its relevance as a test-case for post-neoliberal policies resulting in strong export and public investment-led growth, with indicators demonstrating reduced poverty and inequality. In addition, Ecuador provides an example of what has been called the "contestatory left" (LUSTIG, 2009; WEYLAND, HUNTER & MADRID, 2010; KINGSTONE, 2011), classified as such for presenting itself as more antagonistic to neoliberalism and its associated political systems while still relying on neoliberal market and financial elements, such as foreign investment in natural resources and traditional markets for exports. In this way, the case of Ecuador can be considered as representative of a more contestatory form of post-neoliberalism, characterized by anti-neoliberal rhetoric and a number of unconventional economic practices combined with policy pragmatism, reliance on export-led growth, tax reform, commodity-funded social spending, and an increased role for the state in development.

Brazil's *Bolsa Família* program was selected as the second case study given its documented success as a conditional cash transfer program cited widely as the country's most influential poverty and inequality reduction strategy, providing service to 11 million low-income families, improving school attendance and

ensuring health coverage for vulnerable populations. Other countries in Latin America and across the South have sought to emulate the *Bolsa Família* program and have implemented similar projects as a result. This paper presents the case of *Bolsa Família* as a telling example of post-neoliberal social policy in practice, and its powerful impact on lessening poverty and inequality.

## **Methodology and Limitations**

The research presented here stems from development literature focusing on Latin America in the post-neoliberal era as its theoretical framework and offers preliminary statistical evidence on poverty and inequality variance, analyzing regional trends while focusing on the experiences in Ecuador and Brazil in particular. The section on the *Bolsa Família* program also incorporates primary research conducted through a personal interview with a local service provider in *Casarão do Cordeiro*, Recife, Brazil, in May 2012. The author recognizes that income-based statistics and indicators provide an inadequate evaluation of poverty, inequality and individual/community wellbeing: “Measurements of poverty based only on income, being one-dimensional measurements that omit fundamental factors that affect living standards, are insufficient for an evaluation of how a country is progressing toward social development” (DAMIAN; BOLTVINIK, 2005, p. 168). However, given constraints associated with available data and the need for further field research to evaluate wellbeing on a community level, the statistics presented in this paper rely on Gini coefficient data for inequality, as well as ECLAC, World Bank, UNDP and official government numbers for measuring poverty, which are all predominantly income-based. Recognizing this shortcoming, the author acknowledges that a more

nuanced approach must be pursued for further analysis and suggests that readers also recognize the conservative nature of many of the data sources presented, understanding that the actual incidence of poverty and social inequality, as well as the subhuman life conditions they entail, may be much greater than the statistics reveal.

Damian and Boltvinik (2005) share this concern for income-based poverty indicators and present the Integrated Poverty Measurement Method (IPMM), which combines ECLAC's poverty line method, the Unsatisfied Basic Needs method, and the index of working time, which is used to identify time poverty. This approach may be useful in the future for more in-depth statistical analysis on poverty for the purposes of the study at hand.

Regarding a more qualitative understanding of poverty, Max-Neef, Elizalde and Hopenhayn (1991) reject the income-based approach and instead contend that "any human need that is not adequately satisfied reveals a human poverty", suggesting that the development discourse speak of "poverties" as opposed to a general "poverty" (p.18). They therefore extend this needs-based argument to offer a platform for "human scale development", defining quality of life as dependent on "the possibilities people have to adequately satisfy their human needs" (MAX-NEEF, ELIZALDE & HOPENHAYN, 1991, p. 16). Their approach acknowledges the subjective nature of wellbeing and offers human-based indicators for development based on the satisfaction of human needs, which they organize into existential and axiological needs, the former including the needs of Being, Having, Doing and Interacting, and the latter including Subsistence, Protection, Affection, Understanding, Participation, Idleness, Creation, Identity and Freedom. Comparing this framework with that of income-based approaches to wellbeing and quality of life, we move closer to a more human-centered perspective on development.

Similarly, in an effort to design alternative indicators of social wellbeing, the new economics foundation (NEF, 2009) has made the case for the creation of National Accounts of Wellbeing in order to measure people's subjective experiences, feelings and perceptions on their lives, with a view toward shedding more accurate light on the "relative success or failure of countries in supporting a good life for their citizens". Their framework seeks to measure both personal and social wellbeing, taking into account the emotional aspects of positive (and absence of negative) feelings, optimism, resilience and self-esteem, as well as perceptions on life satisfaction, vitality, and "positive functioning" related to autonomy, competence, engagement, meaning and purpose, along with social aspects of supportive relationships, trust and belonging, and wellbeing at work (nef, 2009, p.21). As this study progresses, the IPMM, human scale development, and nef models may deepen our ability to evaluate the lived realities of people and their quality of life as part of a more nuanced approach to understanding the impacts of post-neoliberal policy reforms on poverty, inequality and social wellbeing.

### **'Buen Vivir': Toward a New Approach in Development Research**

While these more complex models presented above may offer nuanced ways of evaluating poverty and wellbeing from an external perspective, it is still important to recognize that the concept of wellbeing is so subjective in nature that it is quite problematic to assume as an outside entity that what constitutes wellbeing in one community or society will be the same for others across the globe. This differs from the perspectives of the authors mentioned, including Max-Neef, Elizalde and Hopenhayn (1991) and Nef (2009), who present a set of specific needs and quality of life indicators assuming

that all people have the same needs and thus similarly experience wellbeing when those needs are satisfied. Recognizing that each human experience of wellbeing is distinct and that human needs and the ways in which we prioritize the satisfaction of those needs differ across cultures and even within communities, this reality presents significant challenges for development studies in general given the desire to connect on-the-ground case studies with the larger framework and apply a universal one-size-fits-all mentality to development strategies. As conversations continue on creating new means of evaluating wellbeing in the development field, let us consider that subjective indicators of wellbeing must be developed from the community level up as an internal representation of quality of life rather than being determined as a top-down expression of outsider opinion on what constitutes social wellbeing. In this way, we might begin to reveal what wellbeing really looks and feels like in each community and within each society so that local and national policies can be more responsive in supporting the full realization of such wellbeing and satisfying the needs related to its achievement. Perhaps then we will discover policy applications toward truly sustainable development based on what people really need as opposed to what outsiders think they need.

To that end, it seems that many Latin American nations have begun putting forward their own definitions of wellbeing, and out of that progression has emerged the concept of “*buen vivir*”, which can be translated to mean ‘living well’. In countries such as Bolivia and Ecuador, new constitutions incorporate *buen vivir* as a social paradigm to

better the quality of life of the population, develop their capacities and potential; rely on an economic



system that promotes equality through social and territorial redistribution of the benefits of development; ....establish a harmonious coexistence with nature... promote Latin American integration; and protect and promote cultural diversity.<sup>2</sup>

As part of the post-neoliberal experience in Latin America, *buen vivir* as a development goal has become institutionalized, with social policies geared toward helping individuals and communities realize their potential for living well. It is the ultimate goal of the larger study of which this paper is a part to determine whether this post-neoliberal policy framework in Latin America is making progress toward improving citizen wellbeing at the community level based on the paradigm of *buen vivir*. This will require greater understanding of what *buen vivir* means within communities themselves, acknowledging the subjective reality that it will mean different things to different individuals within each community, as well as among different neighborhoods, communities, cultures and peoples. This presents the challenge for in-depth field research to define *buen vivir* at the community level and then evaluate whether or not post-neoliberal policies are addressing and/or contributing to the satisfiers necessary to realize *buen vivir* among those communities. While difficult, it is not impossible, and the value of a study of this nature will offer a comprehensive bottom-up understanding of sustainable development in practice, with the hope that it will inspire and motivate similar development studies and subsequent policy responses across the Global South.

With further statistical analysis and empirical field research into local communities affected by post-neoliberal policies in the

---

<sup>2</sup> Article 276 of the Constitution of the Republic of Ecuador

case-study countries, the South-South development discourse as a whole will benefit from a broader understanding of the impact of post-neoliberal socioeconomic policy on reducing poverty and inequality and improving quality of life at the community level. Lessons from the research and case studies can help inform alternative policies geared toward greater social justice in Latin America and throughout the world, reflecting the South's homegrown contributions to the field of international development. Toward these ends, this paper presents findings from mainly secondary sources, draws relevant conclusions, offers a trajectory for new areas of related study, and serves as the justification for further field research into the two case studies presented.

## **PRELIMINARY THEORETICAL AND STATISTICAL RESEARCH FINDINGS**

### **The Rise of the Post-Neoliberal Paradigm**

In the late 1990s and into the 2000s, social unrest and extreme popular discontent led to the election of leftist leaders on platforms of anti-neoliberalism, anti-imperialism, and anti-elitism, particularly through mobilizing formerly marginalized voters in participatory approaches to democracy and promises of greater distribution of wealth and social inclusion. Following the election of Hugo Chavez in Venezuela in 1998, leftists were elected to the presidency of Brazil, in 2002; Argentina, in 2003; Uruguay, in 2004; Bolivia, in 2005; Ecuador, Honduras and Nicaragua, in 2006; Paraguay, in 2008; El Salvador, in 2009; and, most recently, Peru, in 2010. Kingstone (2010, p. 91) writes, "by 2009, more than half of Latin America's nations had voted in leftist presidents and more than 60 percent of Latin Americans were governed by them". These numbers have risen since then, demonstrating a strongly leftward trend in

Latin American politics and political economy. Latin America's new left has embarked upon an ambitious program of increasing social spending to address the shortcomings of the neoliberal era. In many countries, economic growth has risen substantially, providing extra government revenue to address social challenges, propelled by windfall rents of natural resources newly nationalized in some cases or under very profitable terms for governments in others.

As presented above, the existing body of literature and research shows that twenty-first century social and economic policies in leftist-led Latin America have demonstrated progress in achieving substantial economic growth while reducing poverty and inequality at the same time. Even mainstream analysts are now apt to recognize the "Good tidings from the south" (*The Economist*, December 2011) and the role social policy has played in their realization. In addition to pointing out Latin America's strong GDP growth of 5.9% in 2011, *The Economist* (December 2011) cites recent ECLAC statistics showing that 30.4% of Latin Americans live below the poverty line, which represents a steady drop from its peak of 48.4% in 1990, "the lowest figure since more or less reliable statistics began to be collected in the 1970s – and probably ever". In the same piece, *The Economist* acknowledges as a factor in the region's declining income inequality "better-targeted social policies, especially cash-transfer schemes for the poor".

In addition to consolidating social policies targeting poverty and inequality reduction, the new left has sought to solidify the post-neoliberal framework on a regional scale, designing regional integration schemes exclusive of the United States for the first time in generations. The Bolivarian Alliance for the Peoples of the Americas (ALBA), the Union of South American Nations (UNASUR), and the Community of Latin American and Caribbean States (CELAC),

to mention a few, represent new political and economic fora based on complementarity, cooperation and South-South collaboration (RUTTENBERG; FUCHS, 2011). Now over a decade into the process of regional post-neoliberalization in Latin America, we can identify what this framework looks like from a macroeconomic and social policy perspective, as well as begin analyzing its impact on poverty, inequality and social wellbeing.

### **Post-Neoliberal Economic and Social Policies in Latin America**

Grugel and Ruggirozzi (2012) have compiled a thorough presentation of the post-neoliberal project in Latin America, understanding it as “the construction of a social consensus that is respectful of the demands of growth and business interests *and* sensitive to challenges of poverty and citizenship” (GRUGEL; RIGGIROZZI, 2012, p.4). Regarding policy, they highlight post-neoliberalism’s attempted shift in the purpose and direction of the economy through increased government spending, tax reform and management of commodity-dependent, export-led growth, which itself is contingent upon favorable export markets operating within the framework of the global economy (GRUGEL; RIGGIROZZI, 2007, 2009, 2012). This supports and summarizes much of the literature on post-neoliberalism explored above, recognizing the pragmatic nature of government policies seeking to respond to social needs exacerbated by the repercussions of neoliberalism, while still working within the same market-oriented economy characteristic of the neoliberal era.

As discussed previously, specific policy priorities identified in the post-neoliberal project include:

- Nationalizing natural resources and/or negotiating highly favorable resource ownership/tax agreements to increase government revenue;
- Tax reform to close loopholes and ensure proper collection;
- Repaying or de-prioritizing foreign debt repayment;
- Social policies targeting income redistribution and poverty reduction: cash transfers, social protection and services;
- Counter-cyclical economic policies: investment in infrastructure, emergency employment plans, stimulus for business and social programs;
- Social public expenditure on health, education, housing, agriculture, employment, poverty reduction, etc. funded by export-led growth, particularly dependent on commodities;
- Prioritizing domestic production and labor demand;
- Regional integration based on cooperation and solidarity to solidify the post-neoliberal economic and political framework;

It is important to note here that these policies form part of the larger post-neoliberal political project to expand citizenship and increase formerly marginalized social sectors' access to the political and decision-making arenas. In many cases this has taken the form of new constitutions, greater democratic participation and mobilization, as well as new electoral processes including the use of popular referenda in addition to periodic elections of representatives. We must also recognize that while many leftist governments have begun implementing the policies listed above, they have done so in distinct ways, reflecting the non-uniform, heterogeneous nature of post-neoliberalism across the region, as discussed in previous sections. In the case study country of Ecuador, these policies have, for the most part, all been adopted to a certain extent, providing

further justification for Ecuador's policy platform as a relevant representation of the post-neoliberal framework.

### **Current Regional Indicators in Latin America and the Caribbean**

This section presents current and relevant statistics related to poverty and inequality in the region.

According to ECLAC's Social Panorama of Latin America for 2011, between 1990 and 2011, the LAC poverty rate dropped 18 percentage points (48,4% to 30,4%), and the indigence (or extreme poverty) rate fell by 10.3 percentage points (from 22,6% to 12,3%). In 1999, at the beginning of the end of the neoliberal policy era, poverty hovered at 43,8%, with extreme poverty at 18,5% (ECLAC, 2004). ECLAC (2011) mentions that Peru, Ecuador, Argentina, and Uruguay lead poverty reduction, all of which have invested in progressive social spending, as well as poverty reduction strategies and/or targeted social policies. Regarding inequality indicators, ECLAC (2011) shows that the region hosts countries with Gini coefficients ranging from 0.578 (Colombia) to 0.394 (Venezuela), in 2011. These two extremes are notable given that Colombia remains one of the few governments in South America to maintain a center-right regime and has not initiated a policy platform of high government spending on social welfare. Contrastingly, Venezuela represents the first and most long-standing post-neoliberal regime, as well as the most well-known example of heightened public spending on social programs and policies for the poor funded by lucrative returns from the country's oil wealth. As such, Venezuela has succeeded in reducing income inequality significantly as demonstrated in its lower Gini coefficient, whereas inequality in Colombia is the highest in the region by the same standard.

Regarding employment indicators, noteworthy is that urban unemployment is down to 7% in 2011 from 11% in 2002, with improvements in job quality, and the region has experienced an increase in urban employment by 0.8 percent, now reaching an historical record at 55,2 percent (ECLAC; ILO, 2011). LAC growth in GDP averaged a strong 5,9% in 2011, with 2012 growth projected to be between 3,3% (IMF projection) and 4,5% (*The Economist* projection). These quantitative indicators reflect significant progress in the region in terms of economic growth as well as successful poverty and inequality reduction strategies, representing gains attributed to the post-neoliberal policy agenda and its positive impact on social wellbeing, at least in material (income) terms. While the region has experienced gains in poverty reduction, employment, greater income equality and economic growth, we must also recognize that the challenge of achieving widespread social wellbeing for all is far from complete, and in 2011, 174 million Latin Americans remain in poverty, with 73 million in extreme poverty or indigence (ECLAC, 2011). In addition, improvements in income indicators do not present a comprehensive understanding of the human face of poverty or social wellbeing, and to draw related conclusions based on the quantitative income-based data would be both oversimplified and premature. Evaluating the qualitative side of social wellbeing as a result of post-neoliberal policy thus requires deeper study.

### **ECUADOR: Economic Growth with Poverty Reduction**

Ecuadoran economic and social indicators have received much attention in recent years, particularly since the election of leftist President Rafael Correa, in December 2006, whose confident macroeconomic and social policy platform is both progressive

and unconventional; successful in achieving significant economic growth with improvement in inequality and poverty reduction. The following list of indicators shows both economic and social progress (all numbers are official Government of Ecuador statistics unless otherwise noted):

- The national poverty rate dropped 9 percentage points in one year from 2010 to 2011: 32,8% poverty in 2010 down to 28,6% in 2011 (GOVERNMENT OF ECUADOR, 2011). The number of Ecuadorans living in poverty fell nearly 10 percent since 2005 (GRUGEL; RIGGIROZZI, 2012). Since 2010, poverty has fallen by about one-third, to 17.4 percent in 2012, and by about one-fourth over the last five years (RAY; KOZAMEH, 2012). Rural poverty remains at 50,9 percent down from a peak of 61,3 percent in 2007 (RAY; KOZAMEH, 2012). Urban poverty has dropped from 26.3 percent in early 2006 to 17.4 in late 2011 (CENTRAL BANK OF ECUADOR).
- The country's Gini coefficient (measuring income inequality) dropped from 0,54 to 0,47 from 2006 to 2011. In 2004, the bottom two income deciles in Ecuador earned 1,3% and 2,4% of GDP, while the top two deciles earned 16.3% and 39.9%; in 2010, the numbers were 1,5% and 2,7% vs. 16,1% and 38,7% respectively, demonstrating mild improvements in income redistribution (ECLAC, 2011);
- Ecuador's GDP growth reached 7,8% in 2011, with per capita GDP at \$7,776<sup>3</sup> for the same year and inflation hovering around 5,5 percent in January 2012 (Central Bank of Ecuador);
- Foreign Direct Investment inflows totaled \$164 million in 2011 (HERITAGE FOUNDATION, 2012), and Grugel and Riggiorozzi

---

<sup>3</sup> It is important to note here that when adjusted for Purchasing Power Parity (PPP), Ray and Kozameh (2012) estimate Ecuador's per capita GDP to be significantly lower, at \$4000.



(2012) highlight China's increased investment presence in the country, particularly in infrastructure and energy, including hydroelectricity, an example of the Asian economic giant's growing economic influence throughout Latin America;

- Currently, unemployment is at 4,9 percent, its lowest point since 2007, while there has been a 40 per cent rise in the minimum wage over the last five years (RAY; KOZAMEH, 2012). Moreover, unemployment dropped an entire percentage point over the one-year period from 2010 to 2011, down from 6,1% in 2010 to 5,1% in 2011. Ray and Kozameh (2012). The real minimum wage increase is further supported by the implementation of the *salario digno*, which requires business profits to first be distributed among employees until their earnings reach the level of a "living wage" (MINISTERIO DE RELACIONES LABORALES DEL ECUADOR, 2012, in Ray & Kozameh, 2012). Underemployment has dropped 52,6 percent in 2007 to 43.5 percent in 2012, its lowest level since 2007 (RAY; KOZAMEH, 2012). Social security coverage has jumped from 30 percent of workers to 40 percent from late 2007 to late 2011 (RAY; KOZAMEH, 2012). These indicators imply that employment numbers and quality of employment have both improved markedly since 2007.

The above list is a reflection of the post-neoliberal policy project underway in Ecuador since the election of Correa, with notable improvements in employment, economic growth and poverty reduction, as well as some improvement in income equality. Let us now turn to what those policies look like and the ways in which they have been successful in raising government revenue while targeting poverty reduction and greater income equality. Madrid et al. (2012) note the "highly contestatory" nature of Correa's economic and

political strategy, emphasizing increased state intervention in the oil industry and stronger government spending on social programs, as well as strong-arm foreign debt renegotiations. The following sections detail the post-neoliberal macroeconomic and social policies as well as the political project of the Correa government. First, the macroeconomic policies attributed to strength in positive economic and social indicators include the following:

**Debt Re-structuring:** In November 2011, Ecuador stated that it would default on billions in what the government referred to as “illegitimate” foreign debt leftover from the 20th century, which totaled \$15.03 billion, equal to 23% of the country’s GDP (ALVARO, 2012). While legal proceedings are still underway and there is an alternative settlement option that would result in a 70% devaluation of foreign debt while still requiring the rest to be repaid, the sheer numbers show how costly debt repayment would be, and how lower interest payments resulting from a default or significant devaluation have helped free up government funds for social and other public expenditures<sup>4-5</sup>.

---

<sup>4</sup> Ray and Kozameh (2012) explain the public debt audit process and its impact on freeing up public-sector revenue for social spending as follows: “In mid-2007 Ecuador established a public debt audit commission, the CAIC, with a mandate to review current debt arrangements. The commission’s December 2008 final report recommended that two major bonds be declared illegal: the Global 2012 and Global 2030. These bonds were the product of restructuring prior debt, which included debt assumed under military dictatorship as well as debt transferred from the private sector under the “sucretización” bailout process. The commission found both of these arrangements to have been illegal, and also cited irregularities in the restructuring process such as the absence of a competitive bid process when Solomon Smith Barney was chosen to direct the process.... the debt default had a moderate impact on the already low level of public debt. However, it had a larger impact on the amount spent on interest payments, due to the comparatively high interest rates on the Global 2012 and 2030 bonds. This has freed up public-sector revenues for social spending...” (p. 6-7).

<sup>5</sup> Ecuador’s recent debt restructuring process follows a successful earlier default and buyback scheme, as Weisbrot and Sandoval (2009, p.3) note:

**Increased state revenues:** The Ecuadoran government has set out on an ambitious and successful program to increase public revenue for spending on social welfare (CLEMENTS et al., 2007). This has been done in a number of ways, including increasing the government's share of profits from natural resources and commodities along with fiscal reform to strengthen tax collection:

- Highly favorable oil contracts and taxes on oil production negotiated through the implementation of new legislation in July 2010 mandating a much wider share of oil revenues for the government to maximize income for the state without disrupting oil production (TOCKMAN, 2012; GRUGEL & RIGGIROZZI, 2012). Following the implementation of the law, the government's share of oil windfalls jumped from 13% to 87% of gross oil (GHOSH, 2012). Mining royalties have also been negotiated to increase the government's share of profits, and projections expect these royalties to yield \$3 billion annually from gold and copper, as well as other metals (SOLANO, 2012). Grugel & Riggiorozzi (2012) emphasize that given the goal of Ecuador's natural resource policy to increase government revenue rather than nationalize large sections of those industries, the objective has been to encourage production. They also note the long-term development risks associated with an export-dependent

---

“The government defaulted on \$3.2 billion of foreign public debt, and then completed a buyback of 91 percent of the defaulted bonds, at about 35 cents on the dollar. The default has apparently been very successful for the government's finances. In addition to clearing off a third of the country's foreign debt and much of its debt service at a huge discount, the debt reduction appears to have convinced foreign investors that Ecuador's ability to repay its non-defaulted debt has increased”.

economy, including resource depletion and environmental degradation, lack of incentives for economic diversification away from the export sector and labor exploitation.

- Stronger income tax collection has resulted in nearly doubling what was collected previously – jumping from \$4.9 billion in 2007 to \$8.4 billion in 2011 (SOLANO, 2012).

**Economic growth**, while derived almost entirely from primary commodity exports and the current boom in natural resources (GRUGEL; RIGIROZZI, 2012), has also been driven by an increase in household consumption, along with high levels of public investment and a construction boom (ALVARO, 2012). Ray and Kozameh (2012) highlight that the construction industry grew nearly 7 percent in 2010 and 21 percent in 2011, largely due to improved access to housing financing for the poor as a result of the government's *bono vivienda* program, as well as concessional mortgage loans offered by the Social Security Institute, which now account for more than half of the country's housing credit.

As shown here, the policies listed above have resulted in a significant increase in government revenue through natural resource wealth and improved tax collection, as well as freeing up a significant chunk of the budget that would have been spent on debt repayment. With access to a larger amount and a wider array of government funds, Ecuador's public spending on social policies and programs has largely increased:

- Since 2006, the Ecuadoran government has nearly doubled public spending as a percent of GDP to 9,5% of GDP in 2010 and 9,3% of GDP in 2011 (RAY; KOZAMEH, 2012), which

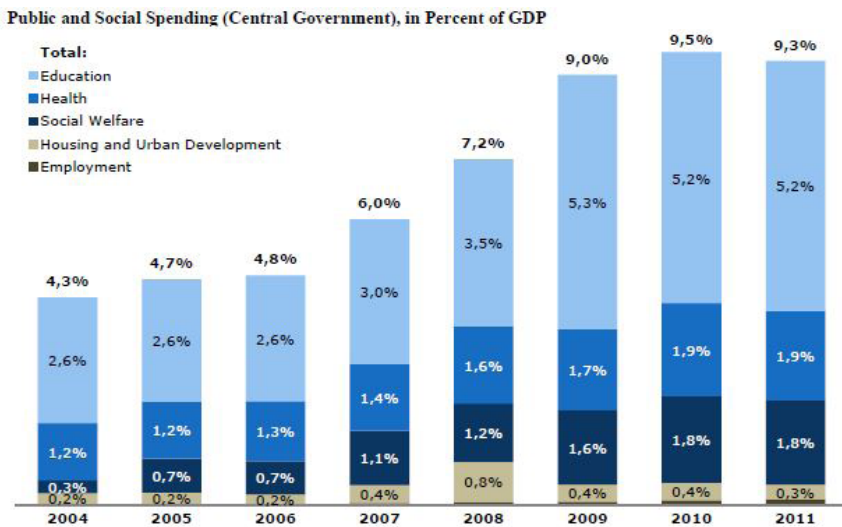
according to Ghosh (2012), represents the highest proportion of public investment to GDP in the LAC region. Madrid et al. (2010) show government expenditures increasing from \$9.8 billion to \$13.2 billion in the one-year period from 2007 to 2008. Also important to note is that government spending on health care rose to 3,5 percent of GDP (about \$1.8 billion) in 2009, with an expansion of free health care programs for children and pregnant women (WEISBROT; SANDOVAL, 2009). Ray and Kozameh (2012) point out that public spending on education doubled from 2,6 to 5,2 percent of GDP from 2006 to 2009, and spending on social welfare grew from 0,7 to 1,8 percent of GDP in the same period, funding social programs including cash transfer schemes like *Bono de Desarrollo Humano*<sup>6</sup>, supporting children and families through the *Instituto para la Niñez y la Familia*, as well as providing funding for the *Alimentate Ecuador* food security program and the construction of local community centers. *See public and social spending breakdown in the figure below.*

- In addition to the social welfare programs mentioned above, social policies in Ecuador reflect a wide range of reforms, safety nets for the poor, support for small businesses, government transfers and social services, including: stipends for the disabled, public housing projects, expanding public employment, increasing the minimum wage, enforcing social security provision for all workers, supporting public banking

---

6 Ray and Kozameh (2012, p.15-16) highlight the *bono de desarrollo humano* (BDH) program as an “important factor in improving income, public health, and education”. BDH is a cash transfer scheme for families in the lower 40 percent of income distribution with children under 16, family members over age 65, or disabled family members. In 2009, the BDH expanded its service provision dramatically, increasing beneficiaries by 25 percent.

to reach small and medium sized enterprises (SMEs), programs toward achieving constitutional goals of free education at all levels and free healthcare for all citizens, as well as land and agricultural reform. While this list provides a general overview, it is important to note that further study would benefit from a broader understanding of the specific projects underway as part of the wider social policy agenda described briefly here.



Source: Ministerio de Finanzas del Ecuador (n.d., as cited in Ray & Kozameh, 2012)

Regarding environmental policy, Ecuador has recently embarked on a unique campaign to protect the Yasuní-ITT biosphere reserve from drilling in the known oil reserves there, instead raising funds through international payments to promote conservation and eco-tourism in the area (GHOSH, 2012). This campaign may be a reflection of the country’s new constitution and its particular attention to the rights of the environment as part of the institutionalization of the socio-cultural values of “*buen vivir*”.

Accompanying the macroeconomic and social policies detailed above, Ecuador's progressive political framework has put forth an agenda promoting direct social democracy through what has been called a 'Citizen's Revolution', seeking to transform power structures and expand political participation. This political shift was institutionalized by the creation of a new constitution "mandated by a popular referendum. A hallmark of the changes that have occurred since then is that major policies have first been put through the referendum process. This has given the government the political ability to take on major vested interests and powerful lobbies" (GHOSH, 2012). Through this more participatory form of social democracy, many of the political decisions traditionally controlled by powerful elite interests now reflect the more horizontal, inclusive and representative nature of Ecuadoran politics. A second noteworthy change is the limiting by law of bank ownership of media to 25%, a policy implemented to curb elite control of the media, which has long been a challenge to the provision of objective news in the country, with a range of distorting social and political effects beyond the scope of this study. Currently, most likely as a result of Ecuador's progressive post-neoliberal policy agenda and institutionalized citizen revolution, President Correa's approval ratings are over 70% (GHOSH, 2012).

Resulting from Ecuador's post-neoliberal macroeconomic and social policies, along with broadened political participation, the process of the redistribution of wealth and its associated power seems to be underway; as the project progresses and further studies are conducted into the qualitative aspects of poverty and inequality, we might gather greater insight into the ways in which post-neoliberal policies have impacted social wellbeing. As demonstrated in this section, the Ecuadoran experience is illustrative of the

economic, social and political framework of the post-neoliberal era in Latin America, highlighting the ways in which export-led growth, increased government revenue through natural resource windfalls and strengthening tax collection, progressive public social expenditure and political transitions toward social democracy are redefining government priorities, as well as contributing to greater income equality and poverty reduction. The case study of Ecuador thus supports the conclusion presented by Grugel and Riggiozzi (2012) that post-neoliberalism reflects “an attempt to deliver a democratic and inclusive social contract in Latin America within the confines of market-oriented, export-led growth” (p. 16).

The following section explores Brazil’s conditional cash transfer program, *Bolsa Família*.

### **BRAZIL – Impacts of *Bolsa Família* on Poverty and Inequality\_**

A recent publication on combating poverty and inequality by the UN Research Institute for Sustainable Development (UNRISD) (2010) presents the case of Brazil as a model for inclusive social welfare. The report highlights that the country has enjoyed the right to basic minimum income for all by law since 2004 in the form of partial basic income grants; social transfers have been successful in reducing old age poverty by 75% (67,8 % of age 65+ lived in poverty before the program down to 16,9% after); and public insurance and pension reforms have also been included in the welfare policy agenda. Of Brazil’s progressive social policies, perhaps the most well-known is that of *Bolsa Família*, a conditional cash transfer (CCT) program “for simultaneous poverty alleviation and human capital formation” (MADRID et al., 2010) in place at the national level since 2001, the impact of which has been awarded



internationally, cited widely in the post-neoliberalism literature, and emulated in countries including Chile, Bolivia and Mexico as one of the most successful and innovative poverty reduction programs in the world (KINGSTONE, 2011; MADRID et al., 2010; KINGSTONE & PONCE, 2010).

*Bolsa Família* directs public social expenditure to the poor through monthly cash transfers to poor households (determined as earning below two times the minimum wage) who meet the following criteria: those with children under 16, pregnant women, and/or the extremely poor regardless of household composition. The ongoing conditions for households to receive funds include: 85% school attendance for children, updated immunization cards for children under 6, regular visits to health centers for pregnant or breast-feeding women, and participation in training programs for the extremely poor (UNRISD, 2010). Funds are administered to the mothers of each household, and transfers are made digitally whereby recipients withdraw the cash from an automatic cash machine at a participating local bank. *Bolsa Família* is one of 24 social programs available at the community level in Brazil and all are managed through Social Assistance Reference Centers (CRAs for the Portuguese acronym) responsible for administering funds, inscribing new program recipients into the system and providing assistance and support. Emmanuel Arruda, CRA service provider since December 2001 in *Casarão do Cordeiro*, located in Brazil's northwest province of Recife, explained that the digital database called *Cadastro Único* has been essential in expanding service provision and improving program quality. The database consolidates household information and systematizes the administration of funds to monitor that all recipient conditions are met in order for households to continue receiving services. If school attendance is

not at 85% for all children, or if all members of the household have not visited a health center each two-month cycle, funds are blocked for the following two months. *Bolsa Família* employs a ‘three strikes you’re out’ policy such that if a household’s funds are blocked three times as a result of not fulfilling program conditions, that household is no longer eligible for funding.

Barros et al. (2010) point out that “45 percent of all Brazilians live in households that receive some sort of public transfer” and that in 2007, 17 percent lived in households benefiting specifically from the *Bolsa Família* program (p.150). Although there are other factors contributing to improved social indicators in Brazil, such as higher minimum wages and labor market influences, Barros et al. (2010) find that nonlabor income has been central to reducing inequality, emphasizing the powerful role of *Bolsa Família* in poverty reduction and greater income equality. Lopez-Calva and Lustig (2010) confirm this assertion and acknowledge the “equalizing contribution of public transfers in the 2000s”, as well as the “remarkable power of well-targeted cash transfers to the poor in redistributing income and reducing inequality (and, of course, poverty)” (P.16). Similarly, Kingstone and Ponce (2010) assert that poverty reduction in Brazil stems from the country’s moderate economic growth combined with income transfer programs, particularly *Bolsa Família*.

While the cash pay-outs at each *Bolsa Família* attention center vary, the following is an overview of the average expenditures of the program compared with impact and poverty and inequality indicators.

<b>Expenditures of Bolsa Família</b>	<b>Program Impact, Poverty &amp; Inequality</b>
<ul style="list-style-type: none"> <li>• Program budget: \$5 billion in 2005 (0,36% of GDP)</li> <li>• Administration 4% of program costs</li> <li>• \$35 per extremely poor family; \$11 (variable) per child, up to 3 children; \$17 (variable) per adolescent under age 16, up to 2 adolescents</li> </ul> <p>Source: Expenditure info adapted from UNRISD (2010)</p>	<ul style="list-style-type: none"> <li>• In 2006, 11 million households served, benefitting 40 million people (UNRISD, 2010)</li> <li>• Poverty reduced at an annual average of 7,9% between 2003-2007 (KINGSTONE; PONCE, 2010; Instituto de Pesquisa Economica Aplicada - IPEA)</li> <li>• Poverty headcount (living below \$1.25/day PPP) 11% of population in 2000; 5% in 2007 (ECLAC)</li> <li>• 37,5% of the population living below the poverty line in 2001; down to 24,9% in 2009 (ECLAC)</li> <li>• Population living in extreme poverty declined by 11 million and total number of poor people was reduced by 13 million (BARROS et al., 2010)</li> <li>• Gini coefficient: 0.639 in 2001; 0.576 in 2009 (ECLAC)</li> <li>• In 2001, bottom 2 income deciles earned 0,6% and 1,4% of income with top 2 deciles earning 15% 52,8%; in 2009 income composition was 0,8%; 1,9%; 15,2% and 46,5% respectively (ECLAC).</li> <li>• “Levels of poverty and extreme poverty, measured by all three basic indicators (headcount ratio, poverty gap, and severity of poverty) declined between 25 percent and 40 percent from 2001 to 2007” (BARROS et al., 2010, p. 136)</li> </ul>

Barros et al. (2010) are comprehensive in their findings on reductions in poverty and inequality in Brazil over the period of 2001 to 2007. They note that “about half of the recent decline in income inequality was due to changes in distribution of nonlabor income” (p.147), including the *Bolsa Família* program, which itself “explains about 10 percent of the overall decline in income inequality” (BARROS et al., 2010, p. 154). The income of the poorest income decile grew 7.0 percent per year (compared with the national average of 2.6 percent), demonstrating that over 60% of the growth in income of the poorest Brazilians resulted from declines in inequality, and that nearly the same was true for the poorest quintile (20%) of Brazilians. Their findings demonstrate that “reductions in inequality can be an extremely effective instrument for reducing poverty” (BARROS et al., 2010, p. 137), with government transfers administered through the *Bolsa Família* program “unambiguously more effective than the minimum wage in reducing inequality” (p. 168). This notion is also supported by Kingstone (2011), who comments on the remarkably cost-effective nature of the program and by Madrid et al. (2011), who note the program’s significant impact on social wellbeing while still maintaining budget discipline. Similarly, Kingstone and Ponce (2010) point out that *Bolsa Família* increases the purchasing power of the poor without significant increases in overall public social expenditure, which points to the program’s redistributive approach redirecting social spending toward the social sectors most in need through low-cost, high-impact transfers to the poor.

While *Bolsa Família* has received praise from a wide range of authors and practitioners in the fields of social policy and development, others recognize the systemic shortfalls of the program, particularly regarding its lack of potential to transform Brazil’s social and economic structures that maintain and/or exacerbate the poverty

and social inequality that cash transfer schemes like *Bolsa Família* seek to ameliorate (HALL, 2007). Perhaps polemically, Robinson (2010) makes the case that equity in middle-income countries should not be promoted through stressing the impact of policies like *Bolsa Família*, but rather through supporting an institutional environment conducive to income redistribution, including the consolidation of relevant political parties, in order to “nudge the political equilibrium in the direction of greater equity”. Despite its significant contribution to greater income equality and poverty reduction in Brazil, these two critiques of *Bolsa Família* as a development strategy echo those of the leftist critique of the post-neoliberal project, calling attention to the larger systemic transformations required throughout the region and the world if true social welfare is to become a policy priority.

## CONCLUSION

This paper set out to contribute to the dialogue on post-neoliberalism in Latin America as a new paradigm for economic development in the South. The case studies of Ecuador’s social and economic policy framework and Brazil’s *Bolsa Família* conditional cash transfer program highlight the ways in which leftist governments in the region are seeking to address poverty and inequality through processes of public social expenditure toward more equitable distribution of wealth within a market-oriented economy. While the post-neoliberal policy agenda has made progress in reducing poverty and income inequality in the case studies presented and in the region as a whole, further study is still required to examine the non-income aspects of social wellbeing whereby the development and evaluation of new social indicators based on the emerging concept of *buen vivir* at the community level has been proposed as a potential research trajectory.

Finally, although South-South cooperation for development can learn from and emulate the Latin American post-neoliberal experience as a short-run technical-fix approach to development, the limitations of the post-neoliberal framework must also be acknowledged. First is the argument articulated by Grugel and Ruggirozzi (2012) and Reygadas and Filgueira (2010) of the unsustainable nature of export-led growth reliant on natural resources and the commodity boom to fund social expenditure for development. In addition, the critique from the left is essential in recognizing the systemic nature of poverty and social inequality as outcomes of a market-oriented neoliberal economy wherein post-neoliberal policies have begun to address these market failures only superficially. Changing the social and power relations that sustain and exacerbate poverty and inequality, however, requires an overhaul of the neoliberal economic system itself. This conclusion supports arguments offered by David Harvey (2005) that neoliberalism is non-equalizing by nature, resulting in the concentration of wealth and its associated power in the hands of the capital-owning economic elite to the detriment of the poor and middle class majorities. Similarly, Arturo Escobar's (1995) call for endogenous development to counter the socially harmful homogenizing aims of top-down development schemes is vital for conceptualizing new grassroots approaches to development and social wellbeing designed at the local level to inform policy objectives from the ground-up.

Understanding poverty, inequality and social wellbeing in these more systemic terms, we recognize the shortcomings of the post-neoliberal project as an alternative sustainable development paradigm. While moves toward greater political participation and social inclusion as part of the 21st century leftist agenda show signs of challenging traditional elite dominance characteristic of the

neoliberal era, dismantling the socially detrimental power relations solidified through neoliberalism will require a shift away from the neoliberal market economy itself, a development approach that has yet to be pursued in earnest by any of the post-neoliberal regimes.

## REFERENCES

ALVARO, M. Ecuador Foreign Debt \$15.03B in Nov 2011, Equal To 23% of GDP Forecast. *Dow Jones Newswires*, January 23, 2012. Disponible in: <http://online.wsj.com/article/BT-CO-20120123-709746.html>.

ARRUDA, E. Personal Interview with Emmanuel Arruda, CRA service provider for *Bolsa Familia*. Casarão do Cordeiro, Recife, Brazil. May 2012.

BARROS, R. et al. Markets, the State, and the Dynamics of Inequality in Brazil. In LOPEZ-CALVA & LUSTIG (Eds.), *Declining Inequality in Latin America: A Decade of Progress?* New York: UNDP & Washington DC: Brookings Institution Press, 2010.

BEASLEY-MURRAY, J., CAMERON, M. & HERSHBERG, E. Latin America's Left Turns: A Tour d'Horizon. In CAMERON & HERSHBERG (Eds.), *Latin America's Left Turns: Politics, Policies & Trajectories of Change*. Boulder: Lynne Rienner Publishers Inc., 2010.

BIRDSALL, N.; SZEKELY, M. Bootstraps, not Band-Aids: Poverty, Equity and Social Policy. In WILLIAMSON & KUCZYNSKI (Eds.), *After the Washington Consensus: Restarting Growth and Reform in Latin America*. Peterson Institute for International Economics, 2003.

BOURGUIGNON, F. Crime as a Social Cost of Poverty and Inequality: A Review Focusing on Developing Countries. In Yusuf

et al. (Eds.), *Facets of Globalization: International and Local Dimensions of Development*. Washington D.C.: World Bank. 2011. p. 171-192.

CASAS-ZAMORA, K.; DAMMERT, L. *Public Security Challenges in the Americas*. Washington, DC: Brookings Institution Press. 2012. Disponible in: <http://www.brookings.edu/~media/research/files/reports/2012/7/07%20summit%20of%20the%20americas/07%20public%20security%20casas%20zamora%20dammert>

Centro Internacional de Informacion e Investigaciones para la Paz. *El Estado de la Paz y la Evolucion de las Violencias en America Latina*. Montevideo. 2000. p. 97-138

CHOMSKY, N. *Market Democracy in a Neoliberal Order: Doctrines and Reality*. Davie Lecture, University of Cape Town, May 1997.

CLEMENTS, B., FAIRCLOTH, C. & VERHOEVEN, M. *Public Expenditure in Latin America: Trends and Key Policy Issues*. CEPAL Review 93: 37-60. 2007. Disponible in: <http://www.eclac.org/publicaciones/xml/1/32791/RV193ClementsOtros.pdf>.

COLLIER, P. *The Bottom Billion: Why the Poorest Countries are Failing and What Can Be Done About It*. London: Oxford University Press. 2007.

DAMIAN, J.; BOLTVINIK, J. A Table to Eat On: The Meaning and Measurement of Poverty in Latin America. In HERSHBERG & ROSEN (Eds.), *Latin America After Neoliberalism: Turning the Tide in the 21st Century?* New York: The New Press. 2006.

DAHL, R. *A Preface to Democratic Theory*. Chicago: The University of Chicago Press, 1956.

DAHL, R. *Polyarchy: Participation and Opposition*. New Haven, CT: Yale University Press. 1972.



DAHL, R. *Democracy and its Critics*. New Haven, CT: Yale University Press, 1989.

DOWD, D. *Inequality and the Global Economic Crisis*. New York: Pluto Press, 2011.

ECLAC. Social Panorama of Latin America. Santiago de Chile: CEPAL, 2010.

ECLAC; ILO. The Employment Situation in Latin America and the Caribbean. June 2011, Number 5. Disponible in: <http://www.eclac.cl/de/publicaciones/xml/2/43692/2011-356-ECLAC-ILO-No5-WEB.pdf>.

ESCOBAR, A. *Encountering Development: The Making and Unmaking of the Third World*. Princeton: Princeton University Press, 1995.

FAJNZYLBER, P., LEDERMAN, D. & LOAYZA, N. Inequality and Violent Crime. *Journal of Law and Economics*, University of Chicago Press, 2002.

FERREIRA, F. et al. *Inequality in Latin America: Breaking with History?* Washington DC: The World Bank, 2004.

GHOSH, J. Could Ecuador be the most radical and exciting place on Earth? *The Guardian*. January 19, 2012. Disponible in: <http://www.guardian.co.uk/commentisfree/cifamerica/2012/jan/19/ecuador-radical-exciting-place>.

GREEN, D. *Silent Revolution: The Rise And Crisis Of Market Economics In Latin America- 2nd Edition*. Monthly Review Press, 2003.

GRUGEL, J. ; RIGGIROZZI, P. (Eds.). *Governance After Neoliberalism in Latin America*. Basingstoke: Palgrave Macmillan, 2009.

GRUGEL, J.; RIGGIROZZI, P. (Post-neoliberalism in Latin America: Rebuilding and Reclaiming the State after Crisis. *Development and Change*, 2012.

HALL, D. *Public Sector Finance for Investment in Infrastructure: Some Recent Developments*. Paper submitted for the UN CSD meeting, May 2007.

HARVEY, D. *A Brief History of Neoliberalism*. New York: Oxford University Press. 2005.

Heritage Foundation. Ecuador. 2012. Index of Economic Freedom. Disponible in: <http://www.heritage.org/index/pdf/2012/countries/ecuador.pdf>.

HERSHBERG, E.; ROSEN, F. (Eds.). *Latin America After Neoliberalism: Turning the Tide in the 21st Century?* New York: The New Press. 2006.

JARAMILLO, M.; SAAVEDRA, J. Inequality in Post-Structural Reform Peru: The Role of Market Forces and Public Policy. In LOPEZ-CALVA & LUSTIG (Eds.), *Declining Inequality in Latin America: A Decade of Progress?* New York: UNDP & Washington DC: Brookings Institution Press. 2010.

KINGSTONE, P. *The Political Economy of Latin America*. New York: Routledge. 2011.

KINGSTONE, P.; PONCE, A. From Cardoso to Lula: The Triumph of Pragmatism in Brazil. In K. Weyland et al. (Eds.), *Leftist Governments in Latin America: Successes and Shortcomings*. New York: Cambridge University Press, 2010.

KRUGMAN, P. Plutocracy, Paralysis, Perplexity. *The New York Times*. 2012. Disponible in: <http://www.nytimes.com/2012/05/04/opinion/krugman-plutocracy-paralysis-perplexity.html>

LEIPZIGER, D. The Unfinished Poverty Agenda: Why Latin America and the Caribbean Lag Behind. *Finance & Development*, International Monetary Fund, Vol. 38, No. 1, 2001. Disponible in: <http://www.imf.org/external/pubs/ft/fandd/2001/03/leipzig.htm>.

LOPEZ-CALVA, L. & LUSTIG, N. Explaining the Decline in Inequality in Latin America: Technological Change, Educational Upgrading, and Democracy. In Lopez-Calva & Lustig (Eds.), *Declining Inequality in Latin America: A Decade of Progress?* New York: UNDP & Washington DC: Brookings Institution Press. 2010.

LUSTIG, N. Poverty, Inequality, and the New Left in Latin America. Washington DC: Woodrow Wilson International Center for Scholars. 2009. Disponible in: <http://vox.lacea.org/fckeditor.html?q=node/23>.

MADRID, R., HUNTER, W.; WEYLAND, K. The Policies and Performance of the Contestatory and Moderate Left. In Weyland et al. (Eds.), *Leftist Governments in Latin America: Successes and Shortcomings*. New York: Cambridge University Press, 2010.

New Economics Foundation (NEF). (National Accounts of Well-being: Bringing Real Wealth onto the Balance Sheet. 2008. Disponible in: [www.nationalaccountsofwellbeing.org](http://www.nationalaccountsofwellbeing.org).

PALMA, J. Homogeneous Middles vs. Heterogeneous Tails, and the End of the Inverted-U: It's all About the Share of the Rich. *Development and Change*, 2011.

PETRAS, J. VELTMEYER, H. & VIEUX, S. *Neoliberalism and Class Conflict in Latin America*. Great Britain: Macmillan Press Ltd., 1997.

PHILLIPS, K. *Wealth and Democracy: A Political History of the American Rich*. New York: Broadway Books, 2002.

RASKIN, J. *Overruling Democracy: The Supreme Court Versus the American People*. New York: Taylor & Francis, Inc., 2003.

RAY, R.; Kozameh, S. *Ecuador's Economy Since 2007*. Washington DC: Center for Economic and Policy Research. 2012. Disponible in: <http://www.cepr.net/documents/publications/ecuador-2012-05.pdf>.

REYGADAS, L. Latin America: Persistent Inequality and Recent Transformations. In HERSHBERG & ROSEN (Eds.), *Latin America After Neoliberalism: Turning the Tide in the 21st Century?* New York: The New Press, 2006.

REYGADAS, L.; FILGUEIRA, F. Inequality and the Incorporation Crisis: the Left's Social Policy Toolkit. In CAMERON & HERSHBERG (Eds.), *Latin America's Left Turns: Politics, Policies & Trajectories of Change*. Boulder: Lynne Rienne Publishers, Inc. 2010.

ROBINSON, J. The Political Economy of Redistributive Policies. In LOPEZ-CALVA & LUSTIG (Eds.), *Declining Inequality in Latin America: A Decade of Progress?* New York: UNDP & Washington DC: Brookings Institution Press, 2010.

RUTTENBERG, T. The Illusion of Democracy in Latin America. *Peace and Conflict Monitor*. March 2, 2009. Available at: [http://www.monitor.upeace.org/innerpg.cfm?id\\_article=588](http://www.monitor.upeace.org/innerpg.cfm?id_article=588)

RUTTENBERG, T.; FUCHS, G. The Community of Latin American and Caribbean States (CELAC) and Latin American Integration for the 21st Century. *Peace and Conflict Monitor*, 2011. Available at: [http://www.monitor.upeace.org/archive.cfm?id\\_article=801](http://www.monitor.upeace.org/archive.cfm?id_article=801).

SOLANO, G. Public spending fuels Ecuador leader's popularity. *Associated Press*, 2012. Disponible in: <http://www.sfexaminer.com/news/2012/01/public-spending-fuels-ecuador-leaders-popularity>.

Good tidings from the south. *The Economist*, 2011, p. 51.

TOCKMAN, J. *Varieties of Post-neoliberalism: Ecuador and Bolivia's Divergent Paths of Citizenship, Participation and Natural Resource Policy*. Paper presented at the 2010 Congress of the Latin American Studies Association. Toronto, Canada. 2010. Disponible in: <http://lasa.international.pitt.edu/members/congress-papers/lasa2010/files/3867.pdf>.

United Nations Research Institute for Sustainable Development. (UNRISD). *Combating Poverty and Inequality: Structural Change, Social Policy and Politics*. Geneva: UNRISD, 2010.

United Nations Office on Drugs and Crime (UNODC). *Global Study on Homicide: Trends, Context, Data*. Vienna: UNOD. 2011. Disponible in: <http://www.unodc.org/unodc/en/data-andanalysis/homicide.html>.

VILAS, C. The Left in South America and the Resurgence of National-Popular Regimes. In HERSHBERG & ROSEN (Eds.), *Latin America After Neoliberalism: Turning the Tide in the 21st Century?* New York: The New Press, 2006.

WEISBROT, M.; SANDOVAL, L. *Update on the Ecuadorian Economy*. Washington DC: Center for Economic and Policy Research. Disponible in: <http://www.policyarchive.org/handle/10207/bitstreams/20394.pdf>, 2009.

WEYLAND, K.; MADRID, R.; HUNTER, W. *(Leftist Governments in Latin America: Successes and Shortcomings)*. New York: Cambridge University Press, 2010.

## ABSTRACT

At the start of the 21st Century, Latin America's leftist leaders have implemented progressive economic and social policies to address their countries' devastatingly high levels of poverty and inequality, reflecting a new post-neoliberal policy agenda with powerful implications for development in the South. This article focuses on Ecuador's macroeconomic and social policy framework under President Correa and Brazil's exemplary *Bolsa Família* conditional cash transfer program highlight the ways in which post-neoliberal projects have helped reduce income inequality and alleviate poverty in the region, while also achieving enviable levels of economic growth led by exports and the highly lucrative commodity boom. While recognizing achievements in confronting traditional elitist power relations through greater social inclusion and political participation, this paper also draws attention to the systemic shortcomings of the post-neoliberal project when envisioned as an alternative sustainable development paradigm, emphasizing its continuity with the market-oriented neoliberal growth model and the destructive social inequalities inherent to its very structure.

**Keywords:** Post-neoliberalism. Latin America. Ecuador. Bolsa Família. New Left.

## RESUMO

No início do século 21, os líderes de esquerda da América Latina implementaram políticas progressistas econômicas e sociais para lidar com os níveis devastadoramente elevados da pobreza e desigualdade de seus países, refletindo uma nova agenda política pós neoliberal, com fortes implicações para o desenvolvimento no Sul. Este artigo concentra-se no quadro da política macroeconômica e social do presidente Correa, do Equador, e utiliza como exemplo o Bolsa Família, programa de transferência condicional de dinheiro do Brasil, que destaca as formas em que os projetos pós neoliberais têm ajudado a reduzir a desigualdade de renda e a pobreza na região, ao mesmo tempo em que atingem níveis invejáveis de desenvolvimento econômico, no qual o crescimento é liderado pelas exportações e pelo estrondo das comodidades altamente lucrativas. Embora reconheça as conquistas no enfrentamento tradicional das relações de poder elitista através de uma maior inclusão social e da participação política, este trabalho também chama a atenção para as deficiências sistêmicas do projeto pós neoliberal, quando concebido como um paradigma alternativo de desenvolvimento sustentável, enfatizando a sua continuidade com o neoliberal orientado para o modelo de crescimento do mercado e as desigualdades sociais destrutivas inerentes à sua própria estrutura.

**Palavras-chave:** Pós-neoliberalismo. América Latina. Equador. Bolsa Família. Nova Esquerda.



# REVISTA CIÊNCIA & TRÓPICO

## NORMAS EDITORIAIS

### 1 Características

*Ciência & Trópico* é uma publicação semestral, interdisciplinar, que publica matérias especializadas em ciências sociais, ciência e tecnologia e humanidades.

### 2 Conteúdo e Contribuições

O editor submeterá ao Conselho Editorial contribuições inéditas em português, espanhol e inglês.

### 3 Forma e Normalização

As colaborações devem ser entregues em Word, tabelas e gráficos em Excel, digitados com espaçamento 1,5; fonte *Time New Roman*, corpo 12, com até 25 laudas (papel A4), com 3 cm e 4 cm de margens. É necessário que os autores enviem uma cópia em meio digital e outra, impressa.

Cada artigo deve conter um resumo em português e inglês.

Os desenhos e ilustrações, além de terem suas localizações sinalizadas no corpo do texto, deverão ser apresentados em arquivos separados, com legendas, autoria e/ou fonte, digitalizadas em 300 dpi, formato JPG.

### 4 Referências

Seguir as normas da ABNT (NBR 6022), indicada para publicação de artigos em periódicos científicos impressos. Para as citações no corpo do texto será utilizado o sistema autor-data, a exemplo de (CARVALHO, 2007, p. 25). Notas e comentários deverão estar no rodapé das páginas em que aparecem, obedecendo à numeração sequenciada.

### 5 Autores e direitos

Os autores das colaborações, além do nome completo, endereço, número de telefone, e-mail, devem enviar um breve *curriculum vitae*.

Aos autores dos artigos originais serão fornecidos 5 (cinco) exemplares da Revista.

Os direitos autorais dos trabalhos publicados pertencem à Fundação Joaquim Nabuco, pelo prazo de um ano, a partir da publicação.

As opiniões expressas nas matérias são da exclusiva responsabilidade de seus autores.

### 6 Endereçamento

As matérias devem ser enviadas para: [documentacao@fundaj.gov.br](mailto:documentacao@fundaj.gov.br) ou para Fundação Joaquim Nabuco. Diretoria de Documentação. Conselho Editorial da *Revista Ciência & Trópico*. Rua Dois Irmãos, 92. Apipucos. Recife, Pernambuco, Brasil, CEP: 52071-440.



Este livro foi composto na fonte TimesNewRoman,  
com miolo sobre papel Off Set 75g e capa em papel Triplex 250 g/m<sup>2</sup>,  
para a Editora Massangana, em 2013.



Apoio:



UNIVERSIDADE  
FEDERAL  
DE PERNAMBUCO



CLACSO  
Consejo Latinoamericano  
de Ciencias Sociales

Fundação  
Joaquim  
Nabuco



Ministério da  
Educação

GOVERNO FEDERAL  
**BRASIL**  
PAÍS RICO E PAÍS SEM POBREZA

ISSN 0304-2685



9 770304 268000