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DEMOCRATIC RENEWAL VERSUS NEOLIBERALISM

TOWARDS EMPOWERMENT
AND INCLUSION

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INTRODUCTION

Claudio Lara Cortés and Consuelo Silva Flores

THIS BOOK BRINGS TOGETHER articles produced by young researchers from Latin America, Africa and Asia as part of the 2013 edition of the South-South Institute. Through diverse theoretical and analytical perspectives, these contributions offer a set of critical views regarding certain aspects of our society that need to be transformed in the face of demands for a renovation of democracy raised by various social agents.

Furthermore, these views are made on the basis of historical evidence within the framework of the challenges faced by the new global scenario where Southern countries gain an increasingly important role, leading to a profound rethinking of the relationship between the state and society, as well as between civil society and social change, and between economics and development. These are precisely the issues and problems that were the focus of the discussion in the latest edition of the South-South Institute.

The main objective of the South-South Institute is to offer to the participants training opportunities, in order for them to carry out advanced research on various issues relevant to countries and populations located outside the epicentre of the global system, as well as to provide the necessary theoretical and methodological perspectives to acquire a thorough understanding of those issues.

The fundamental premise of this important effort is about the obvious inadequacy in many of the theories, concepts and methodologies developed in the North—solidified by the hegemonic trend of the social sciences—that ignores the comprehensive understanding of the problems that Southern countries are facing. These were developed in a particular historical period, in the framework of their own realities, experiences and cultures, propagating the idea that modern society and capitalism are the results of an internal self-generated process of the European continent, which then spreads to ‘backward’ regions. Moreover, this Eurocentric construction disregards populations, social classes, cultures, social groups and individuals that make up the nations, countries and Southern states; as well as the environment, natural resources, space and territory that shelter them.

The Universalist aim of said discourse has collided time and again with this heterogeneous mosaic, and with the various authors and social science trends that are beginning to criticize modernity and global capitalism from the sidelines. This is an emancipatory critique since it aims to destroy the myths surrounding the idea of European self-advocacy as the universal bearer of reason and historical progress, and with it the belief that the rest of the world embodies barbaric backwardness. In this regard, we can say that the exercise ‘of unthinking’ the social sciences began in Our America during the fifties. Those contributions arise from the United Nations Economic Commission for Latin America and the Caribbean (ECLAC), which was accompanied by a series of trends, authors, schools of thought, theories and perspectives that critically linked theoretical activity with the historical reality of our countries and societies. Because of this reasoning between social reality and theory of knowledge, now, we have not only the basic principles but also a multitude of views, as highlighted by Pablo González Casanova, when speaking of the social sciences in the region.

However, this distinctive thinking in the social sciences was dismantled in the eighties by the emergence of Neoliberalism, which managed to hegemonize the activities of cultural centres and academies of Latin America through a wave of military dictatorships. Chile, venue of this new version of the South-South Institute, would be the first instance of a systematic neoliberal experience in the world. Its ideological inspiration was more North American than Austrian; Friedman is resorted to more than Hayek, as witnessed by the overwhelming dominance of the ‘Chicago Boys’ in the implementation of the neoliberal model in the country.

It is worth noting that nobody like Friedman puts economic freedom as the centre of the ideological system of Neoliberalism,

understanding it as ‘an end in itself’ and as a necessary condition for political freedom. True freedom is exercised in the context of the market, where all individuals are officially equal, and political liberty can only be a derivation of this. These ideas constituted from the neoliberal core have the power to reconcile economic liberalism and political authoritarianism, and lead to a political strategy named ‘protected democracy’. In this sense, Friedman could only see the Chilean experience with admiration and without any intellectual inconsistencies between liberty and democracy. The dictatorial state was seen as a necessary measure in a time of preparation of certain conditions in the field of economics that would be a precursor to future political freedom; which in itself is not for everyone, since it excludes those who deny private property and the free market, protecting it from them.

For these same reasons, the market takes on an absolute central role in Neoliberalism, but in renewed ways. The wholesome and solid individual of classical liberalism has been replaced by the fragile, unfocused and fleeting subject of postmodernism. At the same time, competition and efficiency, seen as absolute values, have been strengthened and solidified by multiple institutions, legislative changes and ethical evaluation systems. Liberalism’s great scheme is to ‘naturalize’ the market; make it a given—now and forever—that imposes its laws as universal and constant from which it is impossible to escape (unless you decide to abolish the market itself).

In the free market era, there is no room for the crucial assessment of politics and knowledge. Politics are reduced to ‘economic calculations’ and eternal solutions to concrete ‘technical’ problems caused by the resulting expansion of not only the conquest of new geographical areas, but also by the attempted commercialization of all aspects of our lives. Hence the performative rather than theoretical characteristic of neoliberal thinking, limited to a conservative acceptance of this doctrine (as a simple leap of faith) and the denigration through demonization of any alternative theory.

In Latin America, the spread of Neoliberalism as an ideology and economic policy is justified only in the transition phase towards the alleged free market, identifying obstructions to its free functioning in order to formulate ‘adjustment policies’ aimed at eliminating and/or correcting them. After the dramatic crisis of 1982-83 it was always pervaded with pragmatism, linked to specific political demands, the demands of the ‘policy makers’ of international organizations, primarily the International Monetary Fund. The poor in neoliberal discourse are one of the most perverse obstacles that need to be eradicated through targeted policies, thus

extending the market and offering them the opportunity to achieve individual freedom.

Predictably, Neoliberalism did not put an end to poverty nor solve the problems that its advocates promised. Sustainable high growth was not achieved, a more coherent production system was not established, nor was there social progress. On the contrary, economic growth disappeared in an early phase (the 'lost decade') and then became stunted; production systems were limited by finances, they looked outward and were dismantled, causing deindustrialization and the destruction of the agricultural economy. In addition, underemployment, unreliability, migration and poverty aggressively increased, further deepening the inequalities that have characterized our societies throughout history.

At the turn of this century, while some Latin American countries continue to adhere to the neoliberal agenda (as in the case of Mexico, Chile, Peru and Colombia as well as several other countries in Central America and the Caribbean). Other progressive governments are distancing themselves from the economic recipes of the Washington Consensus and through different ways are striving to construct a post-neoliberal order. It would be primarily these countries, which have contributed most significantly to the economic growth recovery, which has taken place at the regional level since 2003. It should be noted that this growth primarily relies on the export-oriented exploitation of natural resources, which for the most part is under the control of transnational capital.

Due to this process of 'reprimarization', a growing number of conflicts, social movements and socio-political convergences have emerged and developed in the continent at a local, national and regional level in favour of the protection of the common assets of natural resources. These experiences belong to the new cycle of social protest that started in the second half of the nineties, and they offer a glimpse of the principal characteristics that comprise the current pattern of collective action and organization of contemporary social movements: the growth of the aspirations and democratic practices that demand a space for their fulfilment. This is at odds with the various policies designed and authoritatively imposed by international organizations through several Latin American governments.

Unfortunately, the outbreak of the global financial crisis of 2008 and its immediate effects on Latin America and the Caribbean — as well as in Asia and Africa— have disrupted this growth cycle. Since then, a growing perception has emerged that a new global economic scene has been organized that is broadly characterized

by: lower economic growth rates that fail to improve the high unemployment rates —let alone distorted income distribution, a failure to address the new role of the Southern and Asian economies in particular; a slowdown in the growth of trade flows, less financial transnationalization originating in the countries of the North, a new global/regional financial architecture and a move towards environmentally sustainable economies (with lower carbon emissions). Perhaps amid the major changes anticipated by this scenario are the recent alliances between blocs, countries and groups of countries, especially between Southern countries (South-South cooperation). This is about new international geopolitics resulting from a new political and economic reordering with increasing presence in those countries, particularly the so-called BRIC countries (Brazil, Russia, India, China and recently South Africa) and its ability to bring together regional forces.

All this means that in the world of social movements new challenges are added to the aforementioned to permanently dismantle the power structure of Neoliberalism in order to assert the values of true democracy and substantive equality, as well as to apply emancipatory horizons. At this turning point, we can identify a number of specific topics, namely: How have these developments unfolded in Latin America, Africa, and Asia? How has Neoliberalism handled the economy and patterns of both social and territorial governance and administration? What has been the impact of democratic struggles and developments in terms of popular empowerment and the emergence of alternative views in the various regions of the South? Who has pushed for democracy? How has the political spectrum evolved and how have political forces responded to these dynamics? How have intellectuals contributed in responding to these challenges of the early twenty-first century? What specific characteristics has democracy acquired in each of these continents and the countries that comprise them, and what are its strengths and weaknesses? What lessons can be learned from these experiences? Can we discern common patterns in the schemes and practices of both Neoliberalism and democracy in these different regions?

If so, what are the common features and what are the differences that we should not ignore? Are there ways to generalize the manner in which democracy is being renovated? Do transcontinental and trans-border links exist in the activities that social movements and non-governmental organizations carry out that can challenge the network of capital, states and international organizations? Can we identify new patterns of democratization and development in the mechanisms of governance and management?

These are, among others, the themes and issues that were highlighted in the discussions presented in the 2013 edition of the South-South Institute. This initiative did not presume to answer each and every one of these questions. We were firmly convinced that the collective approach to them can and should be done from an unequivocal stance: the questioning of indolent Eurocentric social thought and the need to seek another way of thinking, in the face of demands for a renewal and consolidation of democracy. In other words, it is about recapturing the intellectual and cognitive autonomy of Latin American thinking and of other Southern countries, to which this Institute and body of work presented here hopes to contribute to in a modest way.

The present collective volume is organized into three parts. In the first section, we present three interesting works that contribute to the above-mentioned debate. First, *Prince Karakire Guma* asks whether the LGBT struggle for democratic space in Uganda is resisting or reinforcing the neoliberal present. Then, Kwame Edwin Otu analyzes the shifting paradigms of masculinity and sexual citizenship in the era of neoliberal LGBTIQ politics. Here, we also include a discussion of the impacts of employment growth in China's interior areas on local rural women by *Yongjie Wang*.

In the second section, we discuss some general issues that arise in the relation between the state and society. The central problem in this section is the African transitions to democracy and the limits of praxis presented by *Godwin Onuoha*. Also contributes in this section *Raquel Coelho de Freitas* with 'Democracy and Political Movements in Latin America' and *Tiberius Barasa* with 'Towards an Inclusive Public Policy Process: The Role of Non-State Actors in Public Policy Formulation and Implementation. Examples from the Private Sector in Kenya'. Moreover, *Emilio Jesús Legonía Cordova* presents a discussion of the Indigenous culture, democracy and change, an overview of Matsés native community in the Peruvian Amazon.

Finally, the third section provides some arguments concerning with development and economics. It contains analyses and insights about regional integration. On the one hand, from an African perspective, *Habibu Yaya Bappah* presents the debate about 'Neoliberalism, Collective Self-Reliance and the Challenges of African Integration'. While on the other, are included two articles on Latin American integration: 'Regulatory Regionalism and Higher Education in MERCOSUR: Fostering Development or Enhancing Marketisation?' by *Daniela Perrota* and 'Current Dilemmas in Deepening Regional Financial Integration' by *Claudio Lara & Consuelo Silva*. Furthermore, *Malini Chakravarty* contributes to

this section with 'Public Finance Policy and Inequality: A Review of the Contrasting Experiences of India and Ecuador' and *Rasel Madaha* presents a discussion of the 'Gendered Responses and Adaptations to Changing Contexts of Development and Neoliberalism In Particular: A Case Study of Tanzanian Rural and Urban Women's Networks'

**CIVIL SOCIETY
AND SOCIAL CHANGE**

Prince Karakire Guma*

RESISTING OR REINFORCING THE NEOLIBERAL PRESENT?

THE LGBT STRUGGLE FOR DEMOCRATIC SPACE IN UGANDA

INTRODUCTION

The last decade has seen tremendous transformation in centres of lesbian, gay, bisexual and transgender (*henceforth*, LGBT) political and socio-economic utility, with nonprofits, bars and clubs occupying an immense part of LGBT life. What is even more phenomenal is the rate at which gay men and women have migrated to the capital city, Kampala. While data relating to the extent of such migrations is more difficult to quantify, or even ascertain, evidence can be inferred by considering the proliferation of gay-owned and gay-friendly businesses and nonprofits in recent times. While Kampala may not necessarily be a unique agglomeration of counter-cultural phenomena in the region, the apparent trend is consistent in major African countries such as Zimbabwe, South Africa and Malawi where gays have generally migrated into different cities, occupying formerly abandoned urban spaces that do not necessarily share the counter-cultural uniqueness. This decade has also witnessed enormous structural, tactical, and strategic exclusion and disempowerment. In addition to The Penal Code Act (1950), which has since 1950 been used as a tool for and source of

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repression of people presumed to be homosexuals, President Museveni in 2005, signed a constitutional amendment that made same-sex marriages illegal (Republic of Uganda, 1995: 31[2A]). Compounding this whole scenario was the tabling of the Anti-Homosexuality Bill (2009). In the sections that follow, I seek to show how these events have drastically led to enormous shrinkage and fragility of democratic space in Uganda, and how through social struggles and civil society activism LGBT are acting to resist and/or reinforce the neoliberal present. The subsequent section takes the reader through a review of the material and methods before proceeding to the literature review, findings and discussion, and finally, the conclusions.

MATERIAL AND METHODS

This study is designed as sociological explanatory case study that follows the analytic technique of explanation building grounded in neoliberal theory. In this technique, the researcher analyzes the case study data by building an explanation about the case. Explaining a phenomenon involves stipulating a presumed set of causal links about it, that is, *how* or *why* something happened. Focusing on Uganda, the research not only lends itself to a detailed empirical study, but also on secondary and library-based sources—books, journals, monographs, reports and Internet sources. These sources were supplemented by contacts with identified Ugandan institutions, scholars and researchers who have vested interest and expertise on the broader subject of democracy, Neoliberalism and citizenship. By using multiple sources of data, I was able to construct a more valid interpretation of events through a convergence of evidence.

FRAMING THE DEBATE

One critical element of living in a constitutional democracy is the recognition that there are certain rights that trump the general will. Such recognition offers a dramatically different view from those of the dominant neoliberal approaches. In fact, while neoliberal forms of the state also carry with them notions about democracy and how its constructed (Gaventa, 2010), such notions are rather ‘thin’ and ‘anaemic’, and are also ‘restricted’ and ‘delegative’ at best (Munck, 2005: 66). Notions of democracy in a neoliberal context do not elaborate symbolic frames through which liberal democratic tenets can be actualized (Wacquant, 2009). It focuses *not* on the struggles of citizens, but on a uniform set of institutional designs and approaches such as elections, representation and the rule of law (Carothers, 1999). Such a view perceives citizens only as voters who express their consent from time to time, but leave governance to the elected rulers and in-

formed elites (Gaventa, 2010: 61). Rather than seeing democracy in its 'thicker' and 'deeper forms' in which citizens mobilize and struggle to express their voice and claim their interests (Fung and Write, 2003), 'the new democracy does not [necessarily] play the role expected by liberal theory as the protector of rights' (Gaventa, 2010: 61). It is not surprising therefore that the civil society has been made to focus on 'market participation as the route to empowerment' in contrast to a more rights-based approach that includes activism. Consequently, dis-contenting groups such as minority groups have been tending more towards the *private* economy than *public* action. In other words, more and more of the functions of collective life have been removed from the democratic accountability of the *public* sphere, assigned or even transferred to *private* corporate control (see: Gaventa, 2010).

Beyond the confrontation with democratic action and accountability, a comprehensive view of Neoliberalism concerns how the rise of market forces has totally altered the citizenship terrain, radically intensified structural exclusion and discrimination, challenged many assumptions about traditional patterns of authority, and questioned ways in which rights are protected (Smith-Carrier and Bhuyan, 2010). Over the last two or so decades, Neoliberalism has reshaped the terrain of citizenship in ways that challenge our understanding of how citizenship is constructed and the sites in which it is claimed. It has transformed citizenship into a privilege that is increasingly inaccessible for minorities, blocking their participation in national and international life. It has exacerbated intolerant behaviour and policies, fomented the break-up of the social and cultural fabric of the peoples, while at the same time weakening indigenous mechanisms of democracy (Wacquant, 2009; Munck, 2005).

While such confrontations may be justifications for what Duggan (2012) referred to as the 'brutal reign of Neoliberalism', the global economy of neoliberal capitalism has sometimes provided opportunities for identity construction, democracy, and popular activism (Gaventa, 2010). Particularly, the spread of popular television sitcoms and mini-series that air in Uganda, women feminist scholars and activists, expressions of sexual identity for gay men, and international laws that establish guidelines for sexual behaviour, have all led to the emergence of popular demand for lesbian and gay rights and freedoms. This way, political and economic policies associated with Neoliberalism have been able to shape different aspects of contemporary lesbian and gay politics, including the commercial gay scene, the everyday lives of lesbians and gay men, and the notions of agency and self-sufficiency. However, the major criticism of Neoliberalism lies in its self-undermining notions *against* collective struggles and *for* the

disempowerment of institutions that makes agency and self-sufficiency impossible (Fung and Write, 2003; Wacquant, 2009; Munck, 2005). The section that follows presents the formation of popular struggles by lesbians and gay men—as individuals and as collectives—and how this struggle *threatens* and/or *strengthens* the dimensions of neoliberal theory and imaginaries.

THE LGBT STRUGGLE IN NEOLIBERAL UGANDA

Every LGBT struggle in every society possesses a unique strategy for struggle that is directly related to how it all started. The LGBT struggle in Uganda is largely motivated by three major trends. The first two include: the legitimation of a public discourse of ‘homophobia’ (in its current nature) and the emergence of a self-consciously gay community. These key trends according to Ward (2013) are ‘arguably, products of modernity and globalization’. The third, and perhaps the most critical structural force that has provided an arena for the consolidation of LGBT activism in Uganda, is Yoweri Kaguta Museveni’s neoliberal project (since the early 1990s), which has succeeded in privatizing the public sphere, leading to what urban critics Michael Sorkin and Mike Davis refer to as ‘the end of public space’ and ‘destruction of truly democratic urban spaces’ (cf. Crawford, 1995). Museveni’s political and economic framework—sometimes referred to as the Musevenomics—apparently justified and even shaped the development of the LGBT struggle into what we know it today. It led to increased urban redevelopment and its consequences, such as loss of public space and overwhelming consumerism, privatization, media liberalization, state intrusion into private life and the contemporary death of collective life. Consequently, these trends diminished the democratic dreams of ordinary (and especially minority) citizens. Sometimes the state embarked on the policy of total harassment and other times systematic extermination of such struggles. Whether consciously or unconsciously, Museveni government has drastically marginalized minority populations and, perhaps, to the LGBT more than any other group of minorities.

THE BEGINNINGS OF THE STRUGGLE

While there is no specific evidence, it is largely believed in the LGBT community that the LGBT rights struggle grew mostly as a response to escalating attacks on LGBT persons that began in 1999 when the *New Vision*, a state-owned newspaper, reported that President Museveni had ordered the arrest and imprisonment of homosexuals. The *New Vision* newspaper quoted Museveni as saying: ‘I have told the Criminal Investigations Department to look for homosexuals, lock them up

and charge them'. Upon these attacks, it became imperative for LGBT Ugandans to socially and privately 'mobilize' and 'organize'. The first public LGBT organizations were formed during this time. A number of them were largely small-scale groups composed of predominantly men and especially transsexuals. During their first years, the organizations often had difficulty persuading people to join. Recruitment was impeded by the stigma attached to homosexuality and by the harsh penalties exacted for homosexual identity. Even service-orientated initiatives required a lot of brevity and courage, as they were often squashed by a largely heterosexual society. This made such efforts (however public) less visible. A case in point is when in 2002, a heterosexual Anglican bishop, Christopher Senyonjo, was expelled from the Church of Uganda for associating with LGBT persons through his counselling unit. In addition to setting up a counselling unit for LGBTI persons, Senyonjo was later to establish *Integrity Uganda* as a branch of *Integrity USA*, the Episcopal Church's LGBT outreach organization after his expulsion. He also found a community centre where LGBT persons could safely gather, and housing and employment for those who were forcibly 'outed' (Burroway, 2010). This way the retired Bishop was able to stand up for the LGBT community in times of crisis and great danger.

However, while such barriers to organization were commonplace at the time, the LGBT struggle was nevertheless expanding. By 2003, there were several gay and lesbian organizations in Uganda, including Freedom and Roam Uganda, Right Companion, Lesgabix, Icebreakers Uganda, Integrity Uganda, Spectrum Uganda, and Gay and Lesbian Alliance. Most of these acted as support groups; with very few engaged in activist work to improve their minority status. Moreover, the different groups according to Tamale (2003) were not connected in any way. It was not until March 2004 that Sexual Minorities in Uganda (SMUG) was founded as a loose collection of about 18 LGBTI organizations in Uganda. It was almost the lone 'visible' element in the struggle together with its founder, Victor Mukasa, and was able to make progress, particularly in negotiating informal incorporation and building underground legitimacy for its cause.

By 2005, a few activists including David Kato, Jacqueline Kasha, Frank Mugisha and others were beginning to gain courage to participate actively in promoting awareness through public debate and social mobilization, modelling their strategies on South African non-profit organizations, majority of members in such organizations opted to sustain their memberships mostly underground and almost exclusively through cyberspace. The avoidance of public visibility by gay and lesbian organizations can be explained by the severity of

Ugandan law that carries a maximum sentence of life imprisonment (Tamale, 2003). The exceedingly hostile context in which lesbians and gays lived and worked made it extremely difficult for homosexuals to demand their rights with a unified voice (Tamale, 2003).

Consequently, the few organizations that were fast emerging were mostly underground and adopted names that conveyed little explicit information about sexual identity. And yet, they still attracted severe counter-responses from the state. For instance, the Minister of Ethics and Integrity at the time, Nsaba Buturo, ordered the police to investigate and 'take appropriate action' against a gay organization at Makerere University (BBC, 2005). Gay rights activist Kizza Musinguzi was also jailed at just around the same time and subjected to four months of forced labour, water torture, beatings and rape, for speaking out against anti-LGBT violence. In October 2004, the state also through the Uganda Broadcasting Council, fined Radio Simba over \$1,000 and forced the station to issue a public apology for hosting a discussion that involved a lesbian and two gay men, where they called for tolerance and greater understanding of LGBTI people (BBC, 2005). Nsaba Buturo, the government Minister of Ethics and Integrity, told the BBC's 'Focus on Africa' that Radio Simba's programme had committed a criminal offense by telling listeners that homosexuality was 'an acceptable way of life' (BBC, 2005).

LGBT groups at the time were lonesome in the struggle for visibility. They were often alienated and were sometimes avoided by many mainstream organizations including feminist and human rights associations. According to Maurick, et al. (2005), such organizations claimed that it was impossible to fight for a group of people that were invisible, and that homosexuals themselves had no choice but to lead the way by speaking out for themselves (Kiragu and Nyong'o, 2005). Also, it is important to mention that the Ugandan public (political, cultural and academic) sphere was still almost absolutely heterosexualized. There was only but a handful of public persons like Sylvia Tamale and Bishop Christopher Senyonjo who were willing to help raise awareness about the LGBT issues. By keeping away from such issues, persons from the mainstream organizations remained part of the LGBT problem, maintaining an environment silence and criminalization in as far as issues of homosexuality and homosexuals respectively were concerned.

By 2007, the lesbian and gay struggle for space in Uganda gain even more visibility through increased popular activism. During this time, two specifically spatial issues caught the attention of LGBT activists: the segregation of homosexuals and the violence against persons perceived to be homosexuals. While the activists' approach to each of

these problems illustrated no particular ideological perspective on the role of space in the constitution of their homosexual identities, it was able to establish a small and tight-knit community. Through courageous efforts and astounding underground work, homosexuals hoped to establish an improved and visible community. Homosexual activists adopted a conventional form of social affiliation, solidarity and awareness that led to the homogenization of the gay community, and the proliferation of anonymous gay enclaves in Kampala city, thereby inhabiting and transforming public spaces into urban spaces that were in ways Western-like.

In August 17, 2007, SMUG led by Victor Juliet Mukasa held Uganda's first ever LGBTI human rights press conference at the Speke Hotel in Kampala. Many of those who attended the press conference wore masks and gave only first names, because they were fearful of identification and arrest. Mukasa, who had been forced to flee temporarily into exile in South Africa in fear of her life after police raided her home in 2005, had now returned and spearheaded the campaign. During the same time, she was also able to pursue a civil law suit against the government ministers who had sanctioned the raid on her home. Speakers at the press conference protested the police's harassment of law-abiding LGBTI people, its persistent demand for sexual favours and personal bribes in exchange for release from custody, and trumped-up charges, brutality and harassment. They called for an end to homophobic discrimination in the legal, education and health systems. The language of delivery was Luganda, an impressive strategy, as homosexuals were often told they had no place in Uganda, as homosexuality was not African.

TOWARD THE CRYSTALLIZATION OF STRUGGLE

By October 2009, the battle lines were drawn and the Anti-Homosexuality Bill (hereinafter, 'Bill') was thrown in as the trump card for the anti-gay group (Hugo, 2012; Anti-Homosexuality Bill, 2009). A first term, little known Member of Parliament (MP) David Bahati introduced the Bill in Parliament that would inadvertently lead to stringent legislature against LGBT. The Bill, which was colloquially named the 'Kill the Gays Bill', originally proposed to mete out several severe punishments that would have seen jail sentences increased to life imprisonment and the death penalty for 'aggravated homosexuality' (Anti-Homosexuality Bill, 2009). While these sanctions were not strange to the gay community and indeed represented a cyclical pattern of abuse under an administration that was known for its human rights violations, the proposed legislation whipped up homophobia in Uganda and drove many homosexuals out of the country. They were widely

perceived as both a step back to strides made throughout the world in the protection of human rights and promotion of sexual diversity. The contents in the Bill captured global attention and were also immediately denounced by the US Secretary of State Hilary Clinton, and by numerous Commonwealth countries. While 'the Bill is now in abeyance following the directive from President Yoweri Museveni to 'go slow on the matter', it did (and still) set(s) challenging conditions, struggles, and agenda for the hitherto repressed and submerged homosexualities, their ability to come out, as well as their democratic space for activism (The Sunrise 2012).

While the Bill is by and large an attack on the most fundamental principle of the human rights framework, its foundations are reminiscent of a neoliberal agenda. The Bill was particularly framed by conservative right-wing Pentecostal pastors and American evangelicals through a series of seminars and conferences under themes such as 'exposing the homosexual agenda' that clearly laid out strategies on how to support further criminalization of homosexual practices and demonize homosexual people by enticing vulnerable populations, those in lower income brackets, politicians and decision-makers. It was clear therefore that the anti-LGBT movement gained its legitimacy in the West rather than in Uganda. Consequently, they were later to find themselves endangered by their own-made threats, as their efforts mobilized the LGBT community into even greater political activity. The Bill's tabling has led to the emergence of a brave and more organized form of activism, with LGBTI persons literally fighting for their lives.

The formation of the Civil Society Coalition on Human Rights and Constitutional Law (CSCHRCL) in October 2009 is a case in point. As a counteraction to the Bill's tabling, the CSCHRCL composition of over 40 LGBTI and mainstream organizations has been a key player in coordinating both local and international efforts around sexual rights, and against the Anti-Homosexuality Bill. The CSCHRCL, through its common goal, steadily worked to advocate for democratic gay and lesbian space in Uganda. While challenges did exist as to how to reconcile the interests of mainstream *vis-a-vis* gay rights organizations, the CSCHRCL nonetheless enhanced the LGBT struggle. Through the CSCHRCL, the LGBT community acquired more energy, support, and zeal than was the case two or three years before the Bill had been tabled.

Beyond CSCHRCL efforts, SMUG in a ground-breaking move in March 2012 filed a federal lawsuit against a US-based American evangelist and self-described world-leading expert on the 'gay movement', Scott Lively, in a federal court in Massachusetts, accusing him of vio-

lating the International Law by inciting the persecution of LGBT community in Uganda. The Centre for Constitutional Rights (CCR) filed the lawsuit in the United States District Court in Springfield, Massachusetts for his involvement in orchestrating anti-gay homophobic violence and persecution in Uganda. Lively was sued under the Alien Tort Statute (ATS) that provides federal jurisdiction for any civil action by an alien, for a tort only, committed in violation of the Law of Nations or a Treaty of the United States. The suit alleges that Scott moved beyond 'mere' hate mongering when he became a kind of persecution consultant and strategist with the aim to silence and criminalize LGBT advocacy. It portends to his decade-long active participation in the conspiracy 'to persecute persons based on their gender and/or sexual orientation and gender identity'. The Judge on August 14, 2013 ruled that persecution on the basis of sexual orientation was indeed a crime against humanity and that fundamental human rights of LGBTI were protected under the International Law. The ruling provided a different and perhaps an alternative pathway for defending civil and political rights and for seeking justice for victims of persecution, which is an integral element of Uganda's LGBT democratic space.

THE STRUGGLE AMIDST RENEWED ANTI-GAY VIGILANTISM

While local courts are highly regarded as corrupt and unreliable spaces for seeking civil and political justice, the LGBT community have won key legal and political lawsuits at the hype of the pending Anti-Homosexuality Bill that threatens the very existence of the homosexuals. One of such successes was the January 2011 High Court case against a weekly Ugandan tabloid Newspaper Rolling Stone (no relation to the US magazine by the same name), which had been sued for libel, invasion of privacy and incitement of violence. Rolling Stone, in October 2010 had published an article on its front page revealing the identities of 100 suspected gay men and women under the headline: 'Uganda's Top Homos', crossed by a yellow ribbon reading, 'Hang them!'. The LGBT community bravely went out in public and tried their minuscule chances in a corrupt system thereby exposing their very identities, an attempt that made them criminal and struggled for their democratic freedoms. High Court Justice Kibuuka Musoke on January 3, 2011 ruled that Rolling Stone had indeed threatened Kato's and the others' 'fundamental rights and freedoms', including their constitutional right to privacy (Hugo, 2012). The High Court Justice ordered 1.5 million Ugandan Shillings worth of compensation for each of them. It also issued an injunction prohibiting any further publication of the identities and addresses of people the tabloid had labelled as 'homos'. Victory in the lawsuit was a defining moment for

the LGBT community. Not long after the Rolling Stone demanded that 'homos' be hanged and only three weeks after the landmark success for the LGBT community in the high court case, David Kisule Kato, was reportedly bludgeoned to death on January 26, 2011 at around 2 pm. Because of his reputation as the *first* openly gay man in Uganda, brave activist and figurehead of the tight knit gay community meant, Kato's murder was not taken lightly. His colleagues in SMUG and the entire LGBT community played a key role in publicizing his death as an act of hate. By so doing, they were able to re-articulate their call for tolerance, acceptance, and inclusion.

It is imperative to note, however, that Kato's death occurred at a significant time in the struggle for LGBT democratic space that had been forged anew with the tabling of the Anti-Homosexuality Bill. This moment inadvertently led to contentious debates about what Kato's murder meant, how he would be remembered, and what those memories meant for the future of the LGBT community and its struggles in the country. The debates formed a moment in the public consciousness that transformed Kato into an international icon of unmatched appeal. It was a transformative moment in the ongoing discourse over the status of gays and lesbians within Ugandan society as rallies, vigils and memorials were held around the world in Kato's honour, and became the new poster martyr for the LGBT rights struggle in Uganda. His murder became an important memory, with his story told everywhere in the newspapers, blogs, publications, theatre pieces, and in documentary films like 'They Will Say We Are Not Here', 'Call Me Kuchu', and 'God Loves Uganda'. Some of these pieces and films have won key awards. The international and prestigious David Kato Vision & Voice Award (DKVVA) that recognizes leaders who work to uphold the sexual rights was also established in 2011. These developments have inadvertently opened up the insidious workings of the tightly knit Ugandan LGBT struggle to the rest of the world.

PLAYING 'PRIDE' POLITICS - THE ULTIMATE STRUGGLE

Despite the government's persistent bans on LGBT activism, the Ugandan LGBT community on August 4, 2012, organized its very first gay pride parade in its effort to acquire legal rights and public visibility. The historic parade was sheltered in Entebbe, about 20 miles from Kampala. It was generally considered a significant moment for the LGBT community as it sought to symbolically bring the community from 'stigma' to 'pride' and turn 'reluctant queers' into 'gays of identity'. It also sought to protest government's mistreatment of the LGBT population as well as its attempt to adopt harsher sodomy laws

that would include 'life imprisonment' for 'aggravated homosexuality' (Anti-Homosexuality Bill, 2009).

Although the parade was broken up by police, it was generally considered by the LGBT community as successful as it drew almost a hundred people. Besides, that the LGBT were able to pull it off at all gave the community newfound confidence in their urge for democratic space. That several people suffered arrests and interrogations was not strange at all given that at other times there had been broader and more sweeping clampdowns and crackdowns often in response to smaller events like workshops and meetings that occurred in private spaces some of which had no *direct* relation to the LGBT community. Such crackdowns, it can be presumed, are designed to send the message to the entire Ugandan LGBT population that the authorities are in complete control. Nevertheless, a successive Parade was held a year later in August 2013 and it was largely peaceful and was apparently better organized than the first which gave the community even more hope with some announcing that it was only a matter of time before they were able to march through the streets of the capital, Kampala. Because of its success, it was largely envisaged as a beginnings to an emergent form of political strategy—the ultimate symbol of LGBT visibility and as such crucial to Ugandan LGBT politics.

What could be observed about these parades is the commercialization of the events, something that clearly distinguishes them as a neoliberal inspiration or establishment. As Begonya (2009) notes, one thing that has been quite phenomenal in the neoliberal times, is the queer consumerism which, apparently, has paved way for the emergence of a political gay struggle and activism that has increasingly sustained a unified lesbian and gay community. Just like the American pride parades, the Ugandan version is closely linked to political activism and is based on 'pride of being gay' and 'coming out', which quite takes benefit out of the 'cause', and dissolves the intended 'revolutionary' spirit of the local context in which LGBT people suffer and even die every year. A parade that centres upon an upper-class notion and Western conceptions of sexual openness would not be able to genuinely constitute and reproduce social identities, meanings and relations. What is at stake now is not just the right to walk down a public sidewalk, but on how the people in the community are able to exploit the event in such a way that it means to them as Africans and as Ugandans of identity.

CONCLUSIONS

The question 'are popular struggles for democratic space a resistance to or a reinforcement of the neoliberal present?' is particularly poignant

ant in present day times, as it provokes deep debate about struggles for democratic rights and space within the 'global' economy of neoliberal capitalism, while at the same time, alluding to larger questions about democratic citizenship within the complexity of the *state* in the neoliberal present. Indeed, this *problematique* is even more complex in Uganda as one can hardly study the Ugandan gay and lesbian struggle without feeling that it constitutes a form of neoliberal politics even as it is (albeit not necessarily unequivocally) anti-liberal. Attempts to portray the struggle as either inferior to neoliberal political activity are less convincing, as the struggle's response against exclusion and disempowerment is, basically, a fight for space and recognition within the neoliberal system. Such a struggle is no more than a political struggle against the forces of Neoliberalism whose demands—which include 'the-right-for-diversity' to be respected, and for 'the other' to be included with tolerance as the bridge—seem largely fair. This link becomes even more significantly complex especially in the neoliberal city where gay consumer-citizens represent the successful integration of minorities into the mainstream—hence serving the role of reinforcing neoliberal policies, discourses and practices.

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RELUCTANTLY QUEER

SASSOI AND THE SHIFTING PARADIGMS OF MASCULINITY AND SEXUAL CITIZENSHIP IN THE ERA OF NEOLIBERAL LGBTIQ POLITICS

INTRODUCTION

To view the debates generated by the presence of same-sex sexuality in Africa as fundamentally a recent phenomenon is to ignore those multiple and fragmented historical processes animating the continent¹. For such a view fails to capture the processes of racialization and sexualization and their concomitant exploitation and plunder in Africa— which is not to suggest that contemporary Africa is free from these pangs. A critical approach to same-sex visibility politics, then, requires that the historian, the anthropologist, the human rights activist, to give but a partial list, examine the checkered history of colonial occupation, Christianity and slavery, in discussions of same-sex politics on the continent. Here I use ‘same-sex politics’ as a catch-all-

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¹ I refer to the continent because of its location in these debates. Human Rights debates have often marginalized African perspectives on the subject, dismissing them as simply homophobic.

phrase to describe attempts by LGBTIQ human rights organizations to mainstream LGBTIQ human rights in Africa and the responses triggered by postcolonial governments. I hope to show in this paper the extent to which the increasing visibility of same-sex politics in Africa transforms understandings about homoerotic desire, masculinity and sexual citizenship in postcolonial Ghana. This exploration takes me to a critique of Neoliberalism. Neoliberalism, write Hong and Ferguson, relies on valuing respectability and normativity ‘to subject the racialized to brutal violence through rhetorics of individual freedom and responsibility’ (Hong and Ferguson, 2011: 3).

Central to my analysis is the degree to which transformations in the lives of self-identified effeminate men, known in Ghana as *sassoi*, are proof of how same-sex visibility politics has shifted understandings of same-sex sexuality, effeminacy and masculinity. Situating *sassoi* experiences as effeminate men in the broader contours of same-sex visibility politics, I unpack how LGBTIQ human rights contributes rather inauspiciously to the vulnerability of sexual minorities in Ghana. For example, *sassoi* are entangled in the shifting, complicated landscapes created by the transformations wrought by activist demands for sexual liberalization. As a coping strategy, I argue that *sassoi* emerge as *reluctantly queer* subjects. Reluctant queers, as I will soon explain, embody what Sarah Ahmed describes as the *willful subject* (Ahmed, 2010) and what Alcinda Honwana calls the *tactical agent* (Honwana, 2006). These two modes of experience articulate together in ways that allow *sassoi* to ‘disidentify,’ to use Jose Muñoz’s term (Muñoz, 1999), with the state’s conflation of effeminacy with homosexuality in Ghana. The crux of this paper is to throw light on how these theoretical ideas, two of which are the brainchild of queer of colour theorists and one from a postcolonial feminist, entail the conceptual trinity that best describes *sassoi* as *reluctantly queer* subjects.

EXPOSING STRANGE AFFINITIES: CONTRIBUTIONS FROM WOMEN OF COLOUR FEMINISM, QUEER OF COLOUR CRITIQUE, AND THE ANTHROPOLOGY OF IDENTITIES

Women of colour feminism and queer of colour critique offer insights that help to examine the visibility of same-sex politics in Africa². I use insights from these theories because, as Hong and Ferguson note, ‘women of colour feminism can be seen as queer of colour critique, insofar as these texts consistently situate sexuality as constitutive of race and gender’ (Hong and Ferguson, 2011:4). These radical tradi-

2 See: Lorde (1983); Moraga (1987); Mohanty (1987); Ferguson (2004); Mahmood (2005); Reddy (2005); Mama (2007); McFadden (2007); Puar (2007).

tions expose the complicity of Neoliberalism and heteronormativity in the control and marginalization of particular bodies—especially the racialized and sexualized poor, whose bodies are usually considered disposable. Hong and Ferguson (2011) also suggest that these theoretical models serve as alternative frameworks to mainstream queer theories, in that they foster an intersectional analysis of the experiences of queers of colour embedded in the matrix of racial, class and sexual domination. As comparative theoretical models, women of colour feminism and queer of colour critique interrogate ‘nationalist and identitarian modes of political organization and craft alternative understandings of subjectivity, collectivity, and power’ (ibid). Therefore, insights from these theoretical approaches unsettle what Hong and Ferguson characterize as ‘categories of normativity, respectability, and value’ (Hong and Ferguson, 2011: 2). Corroborating Hong and Ferguson, Jodi Melamed avers that in contrast to other theoretical models, women of colour feminism and queer of colour critique ‘develop comparative methods to debunk and to jam these interlocking and necessarily reductive normative systems’ (Melamed, 2011:76). In other words, normative systems simply produce utopic categories that fail to capture the arbitrary entity called ‘reality.’ Queer of colour critique, like women of colour feminism, exposes what racialized, sexualized, and other marginal minorities therefore contend with in the everyday.

The intellectual ferment arising from these traditions helps to explore how neoliberalism and heteronormativity share a history of uncanny connections. The anthropologist Sherry Ortner (2011) describes Neoliberalism as ‘simply late capitalism made conscious, carried to extremes, and having more visible effects’ (Ortner, 2011: 1). Examining the limits of Neoliberalism, this essay explicates the manner in which it ‘manages and manipulates’ the crises emerging out of the politics of sexual citizenship in postcolonial Africa (Harvey, 2007: 167; Klein, 2008). Coming in different guises, Neoliberalism has continued to consolidate heteronormativity thereby recalibrating racial, sexual, gender and class hierarchies both transnational and locally.

The formation of the postcolonial nation-state is, as some scholars have pointed out, structured around a heteronormative masculinist ethos. As the anthropologists Lyons and Lyons note, ‘nationalist allegories exclusive of heterosexuality were used to corral Africans in the postcolonial state’ (Lyons and Lyons, 2006:1). These nationalist constructions were residual heteropatriarchal structures left over by the colonial state at the turn of independence (McClintock, 1995; Stoler, 2008). Here I do not argue that heteropatriarchy emerged with the onset of Colonialism. Rather colonial ideologies and practice grafted a new heteropatriarchal apparatus onto existing patriarchal regimes

(Cesaire, 2000). Ann McClintock, for instance, shows how the formation of the colonial state was made possible by an allegory that consolidated white patriarchy while rendering racial and sexual regimes normative (McClintock, 1995). Using the occupation of Southern Africa as an example, McClintock elucidates how the formation of the nation-state was conceived out of white-supremacist masculinist ideologies that bolstered heteronormativity above all else. Thus, the occupation of indigenous lands and bodies was justified by a Eurocentric vision that elevated tropes of male supremacy and white superiority (Stoler, 1995; McClintock, 1995: 5). McClintock's position shows how Europe and the European man were projected as sources of incandescence for the *heart of darkness*, to use the Conradian dictum. These tropes all too often feminized Africa in order to justify *her* occupation. The anthropologists Comaroff and Comaroff note that 'Africa became an indispensable term, a negative trope, in the language of modernity; it provided a rhetorical ground on which a new sense of heroic history could be acted out' (Comaroff and Comaroff, 2005: 689). It must be added that the conception of this rhetoric was not only linked to white supremacist notions about the place of Africa and Africans, but also to the intercourse between Christianity, the colonial project, and the project of modernity. Showing the articulations between coloniality and modernity, Anibal Quijano aptly concedes that modernity's ethos is rooted in what he refers to as 'the coloniality of power' (Quijano, 2000). It is therefore not surprising that *mission civilisatrice* and Christian missionary campaigns were seamlessly and consistently present in those colonial projects that propelled the advancement of Europe.

The interpenetration of Colonialism and Christianity entrenched institutions that manipulated colonial bodies. Colonial occupation therefore rested on the exploitation and the expropriation of women's bodies and the bodies of people of colour. Ann Stoler explores the nexus between colonial exploitation and sexual colonization of native bodies. In doing so, she reveals how imperial power nurtured what she calls the 'colonial order of things' (Stoler, 1995: 5). Stoler's analysis is, in part, a critique of Michel Foucault's failure to highlight how shifts in Europe were linked to shifts in the colonized world. The creation of the colonial order was, therefore, contingent on the dismantling of systems and formations that interfered with the designs established by colonial architects to occupy the territories they marauded.

Indeed, the management and manipulation of certain bodies consolidated colonization schemes. The biopolitics of colonization is expressed in the sexual exploitation of women's bodies, and in most cases, coloured bodies, as evidenced in the enslavement of black bodies. These bodies were constructed as 'bodies in crises' needing civility—

we see these processes reprised in neoliberal and neocolonial projects today. Moreover, these bodies were both objects and subjects of fascination for the civilizing crusade. Comaroff and Comaroff's analysis on the occupation of Southern Africa by Europeans draws attention to the sexualization of Africa as an empty space in need of European penetration (Comaroff and Comaroff, 2003). Like McClintock, they reveal how the occupation of Southern Africa and the consolidation of the apartheid state drew upon tropes of 'penetration'. These narratives of penetration constructed Southern Africa as *terra nullius*—land belonging to no one. The idea of bare lands, then, engendered a desire for occupation. McClintock's eloquent analysis of the account of *King Solomon's Mines* shows how the formation of the state, while very heteropatriarchal, was sutured to and nourished by gender, sexual and racial inequalities. Identifying sexuality as constitutive of gender and racial regimes in Southern Africa, McClintock offers a useful historical premise and frame from which to analyze the current displacements of same-sex visibility in Africa.

The Indian historian Mrinalini Sinha has suggested that colonial projects also redefined notions of gender and sexuality in South Asia. As Sinha points out, the building of colonial India was sustained largely by a colonial effort that recast the Indian male as an effeminate subject. The invention of the image of the 'effeminate Bengali man' was linked to ongoing transformations in England and the forms of identification produced by the colonial encounter (Sinha, 1995). Tracing how the colonized Indian male became an effeminate subject over time in colonial discourse, Sinha persuasively shows how colonization displaced existing sexual and gendered subjectivities, replacing them with rigid Eurocentric models of gender and sexuality. Like McClintock and Sinha, I broadly situate the reluctant experiences of *sassoi* within the historical and modern configurations of nation-state formation in Africa, and the discourses articulated by LGBTIQ human rights movements. These configurations work in complicity, constricting a critical analysis of the impacts of Neoliberalism, heteronormativity and nationalist ideologies on groups that fall outside what Hong and Ferguson describe as 'categories of respectability, normativity and valuation' (Hong and Ferguson, 2011: 4).

In her trenchant analysis of contemporary queer politics in the United States, critical race and queer of colour theorist Cathy Cohen elucidates how efforts for queer visibility privilege sexuality as the site of identity over other sites of identification (Cohen, 1997). Cohen's critical diagnosis while limited to LGBTIQ politics in the US presents useful insights to examining the impacts of LGBT visibility politics in Ghana. Like Cohen, I argue that LGBTIQ human rights organizations

do not recognize the historical moments and the structures of power that define the everyday experiences of sexual minorities. Cohen's example of queer visibility in the US reveals how LGBTIQ politics in the US disenfranchises those queers who, trapped by their racial and class pedigrees, become disposable bodies. Referring to the experiences of black queers in the US, she shows how race and class formations, which are hierarchically structured, shackle the lives of these minorities. In other words, queers of colour are always caught up in the multiple binds of interlocking oppressions.

Noting how contemporary queer politics continue to neglect the variegated experiences of queers of colour in relation to normative citizenship, Cohen questions the increasing demobilization of radical queer constituencies. For Cohen, the assimilationist politics of queer liberal projects heightens the situation of those queers whose identities are 'multiplex,' to use Kirin Narayan's term (Cohen, 1997; Narayan, 1993). The queer theorist David Eng corroborates Cohen's point, describing queer liberalism as 'a logic that works to oppose a politics of intersectionality, resisting any acknowledgement of the ways in which sexuality and race are constituted to one another, each often serving to articulate, subsume, and frame the other's legibility in the social domain' (Eng, 2009: 4). Queer liberalism, therefore, fails to admit that the nation-state is itself a reflection of a white-masculinist ethos, where bodies falling outside the normative categorical frames become abject and invisible. Furthermore, it consolidates the binary between queers and straights, whereby queers always desire to be like straights. Eng, like Cohen, suggests that radical queer politics must lean more towards an anti-assimilationist politics that acknowledges identity as a product of interlocking experiences. However, the grafting of queer politics onto the amorphous neoliberal framework of the nation-state continues unabated, neglecting the interests of those queers whose bodies are disposable as a result of their race, disability, class or nationality. The bodies of queers of colour, within this neoliberal paradigm, become bodies in crises, who are projected as requiring 'management and manipulation' in order to conform to neoliberal practices.

The scholarship on intersectionality therefore unfurls the manner in which interlocking oppressions play out in the experiences of marginalized racial, gendered, sexual and class communities (Cohen, 1997; Munoz, 1999; Gopinath, 2005; Ferguson, 2004; Ahmed, 2006; Manalansan, 2003; Puar, 2007; Eng, 2009; Reddy, 2011). Here, the liberalization of queer sexuality is acknowledged as disproportionately benefitting queer white folk. Following from this logic, queer humanity is essentially a permutation of what Bassett and Lloyd describe as

‘white humanity’ (2012), or to paraphrase Sylvia Wynter (2001) man and humanity as virtually white.

Like LGBTIQ politics in the United States, LGBTIQ human rights politics in Africa privileges sexuality over other sites of identity. These movements not only elevate same-sex sexuality but also neglect the historical relations of power enforced and established through colonization and Christianity. This neglect has been captured by Patricia McFadden as a ruse of Neoliberalism producing what she calls ‘hegemonic waves of colluding amnesia’ (McFadden, 2011). Similarly, the nation-state privileges particular identities by couching them as authentic, pure, and proper. The idea of heterosexual Africa, for example, remains the hegemonic narrative around which sexual citizenship is articulated, woven and constructed. This monolithic construction elides histories animating the formation of the nation-state, histories sutured to Colonialism, Christianity, and racism.

Following from this logic, to understand how identity is crafted within the postcolonial state requires a critical dissection of the history animating the formation of the nation-state itself rather than the erasure of that history. From this point, too, it can be argued that contemporary queer politics shares an affinity with the nation-state. This alliance is reflected in LGBTIQ human rights organizations’ participation in the cultural politics of erasure. Women of colour theory and queer of colour critique are useful alternative models for examining these unimagined relationships, or what McClintock brilliantly refers to as ‘dangerous liaisons’ (McClintock 1995; Moraga 2012; Eng 2009; McFadden 2011).

Indeed, same-sex visibility politics has paid very little attention to the significance of cultural belonging, ties to the family, and the impacts of fear, shame, ostracism and punishment from familial ancestors to sexual minorities such as *sassoi*. It has done little to link their oppression to other ‘bodies in crises’ within the neoliberal state, such as children working on cocoa plantations, and the increasing vulnerability of old women to witchcraft accusation in Ghana, and the abuse of people living with disability. If any attention has been given to culture at all, it has been to dismiss the customs and values of Ghanaians as homophobic, intolerant, and backward. As Grinker and Steiner note ‘Africans were depicted in the European press in a manner which was calculated to entitle and authorize colonialist expansionist goals’ (2005: 681). Similarly, the contemporary projection of Africa as homophobic, a portrayal that is steeped deep in Conrad’s racist description of Africa as the ‘heart of darkness’ invites the intervention of neoliberal human rights enforcers—LGBTIQ human rights agencies. That the logistical needs of these organizations are

met by organizations that promote violence elsewhere has been very well noted. In the saviour narrative that justifies intervention sexual minorities are variously represented as vulnerable and subject to state persecution. Such a move, reminiscent of the 'white savior industrial complex', to use Teju Cole's felicitous term, falls in a long genealogy of politics of rescue articulated by the West (McFadden, 2011). The absence of a critical historical and cultural analysis in these projects is a form of violence done to sexual minorities, *sassoi* being among them.

In this essay emphasis is on how attention to cultural formations in Ghana and the degree to which *sassoi* mediate the ongoing cultural transformations will go a long way to diagnosing the aggregate factors triggering homophobia in Ghana. Such a direction will reveal the interlocking oppressions that sexual minorities face in the everyday. Queer of colour theorists Chandan Reddy and Jasbir Puar have shown the extent to which queer liberalism by articulating freedom for sexual minorities heightens their vulnerability. Focusing on LG-BTIQ politics in the United States, Reddy critically interrogates the links between the National Defense and Authorization Act (NDAA) and the Matthew Shepard and James Byrd Hate Crimes Prevention Act. These two momentous political incidents, while appearing on the surface to be far apart from each other, reflected the convulsive web woven by racial and sexual politics in the United States. The passage of the Hate Crimes Prevention Act, while revolutionary, not only detached race from sexuality but also denied the historical, cultural and political connections between these realms of experience. The making parallel of racial identity to sexual orientation in the Hate Crimes Prevention Bill sweeps away the racial hierarchies entrenched not only in the society at large but within queer communities too. These affinities, as Cathy Cohen describes in *Punks, Bulldaggers, and Welfare Queens*, reassemble the structures that heighten racism under the aegis of a colour-blind society.

In a similar vein as Reddy, queer theorist Jasbir Puar examines how the current modulations of same-sex identity politics engender what she identifies as 'Homonationalism' (2007). For Puar, Homonationalism describes the state in which the nation-state, by allowing for the inclusion of some homosexuals, produces, unruly sexual, racial, class, and non-national others. Here, the rules of citizenship embrace the representation of some queers by pushing queers of colour, women of colour, and non-nationals into the shadowy corridors of non-citizenship. As I have pointed out, the humanization of some queers evidenced by their incorporation into mainstream representational frameworks is made possible by the privileges consolidated by

race, class, nationality, and, among other things, religion. Therefore, Homonationalism and heteronormativity, as Puar argues, function together with Neoliberalism to violate racial and sexual minorities in contemporary LGBTIQ political causes.

The queer of colour theorist Roderick Ferguson similarly examines the historically unimagined alliances animating the racial and sexual politics in the United States (2004). Ferguson maps out how capitalism, together with racial and gender ideologies, conceived the aberrant black subject, who was both hypervisible and hypersexualized. Ferguson uses the figure of the drag-queen prostitute to illumine the extent to which capitalism produced particular racial and class subjects while demonizing them at the same time. In his analysis, the drag queen-prostitute, at once racialized and sexualized, comes to epitomize the underbelly of capitalism at the turn of the century. This figure also symbolizes the extent to which capitalist formations historically racialized and sexualized particular bodies, rendering them non-normative.

In Saidiya Hartman's epic analysis in *Scenes of Subjection*, she reveals the uncanny relationship between notions of freedom and oppression. Hartman persuasively shows how the campaign for freedom and liberty was, indeed, the source of black subjection and victimhood. Hartman posits that 'despite the legal abolition of slavery, emergent notions of individual will and responsibility revealed the tragic continuities between slavery and freedom' (1997:3). These insights reveal that liberty is, more or less, nourished by the law of oppression. For the political philosopher Giorgio Agamben 'the only truly political action [...] is that which severs the nexus between violence and law' (cf. Mattei and Nader, 2008: 1). In what ways can a truly *political action* be made manifest in the context of ongoing same-sex visibility politics?

Illuminating the largely unexplored question of how the suppression of sexual and other marginalized communities 'here' is linked to the achievement of queer normativity 'there' is crucial to understanding the contradictions embedded in same-sex visibility politics. By queer normativity, I imply the institutionalization of queer politics and identities into the status quo leading mostly to the production of unruly queers or 'queer others' in other spaces. Such a discourse elides the convulsive web of racial, class, and global inequalities engendered by a neoliberal world order. However, these queer others, among them *sassoi*, refashion radical worlds for themselves in ways that elude the ways in which both the state's and LGBTIQ organizations identify them. By being reluctantly queer, these subjects become wilful and tactical agents disidentifying, as they choose, with

the dominant placeholders in sexual citizenship politics: heterosexual and homosexual.

**RELUCTANTLY QUEER AND *DISSING* IDENTITY:
SASSOI AS TACTICAL AND WILFUL SUBJECTS**

The lives of *sassoi* are lived in the labyrinth designed by the multiple responses set in motion by the increasing visibility of same-sex politics and the nation-state's construction of sexual citizenship as heterosexual. While LGBT human rights politics in Africa has exposed the plight of sexual minorities, less has been done to show how these populations have historically dealt with local manifestations of homophobia. The ambivalence among LGBTIQ organizations towards history, culture, and the strategies of survival adopted by sexual minorities influences the manner in which LGBT visibility politics is articulated. There is the need to acknowledge that self-identified effeminate subjects in Ghana, for example, lurk in the margins instituted by hegemonic binary that supports the narrative that gender is normatively masculine and feminine. *Sassoi* modes of identification and experience are, however, mediated through other loci of identification like class, ethnic group, and regional location.

The marginal position of *sassoi*, however, does not imply that they live eternally in victimization and damnation; rather, it points to how they strategically deal with the heteronormative regimes around which their lives orbit. Describing their struggles against the structures of 'manipulation and management' as reluctance, I argue that *sassoi* have long dealt with the oppressive structures that policed their effeminacy. Against this backdrop, reluctance, among *sassoi*, is both an idea and practice articulated by *sassoi*, whose lives are affected by the shifting paradigms of masculinity and sexual citizenship. In other words, reluctance may also point to the existence of 'the poetics of cultural periphery, which is the poetics of fragment' (Seremetakis, 1991: 1). Understanding *sassoi* experiences, therefore, involves a rigorous analysis of the fragment, which involves listening to *sassoi* points of view from both the margins and centres that they animate.

I have been trying to hypothesize that both the nation-state and LGBTIQ human rights movements share unimagined alliances in the circulation of ideas about the politics of same-sex visibility. I have argued that both formations are sutured by a neoliberal regime that propagates ideas of freedom and liberty, yet subjecting racialized, gendered and ethnic minorities to violence. In mid to late 2011, statements by British Prime Minister David Cameron and US Secretary of State Hillary Clinton regarding the situation of LGBT individuals in Africa were linked to decisions to annul aid to countries that victim-

ized sexual minorities. While these attempts are laudable, they elide the multiple workings of neoliberal ferment in postcolonial Africa. For example, child labour on cocoa plantations feeding companies like Unilever, Nestle, and The Hershey Company are examples of the infringement of individuals' rights and freedoms. Yet, these corporations continue to harvest their profits from these plantations, and on the backs of the disposable bodies of children—that eventually become bodies in crises. Thus, the nation-state's complicity with these corporations, especially with regards to the abuse of the rights of children, is itself evidence that neoliberal desire for freedom and liberty is a ruse. I make this point to draw attention to how the British nation-state, formerly Ghana's colonial master, and the United States, the neoliberal imperial behemoth, privilege same-sex rights over, say, children's rights. By situating *sassoi* in relation to the dangerous liaisons between the nation-state and LGBTIQ human rights organizations, I unpack these seeming absences in LGBTIQ human rights discourse.

As has been already described, the reluctant subject is an agent that disavows and creates ripples in the sea of heteronormativity. Therefore, as a subject unwilling to accept the terms and conditions set by heteronormativity, *sassoi* become what Sarah Ahmed eloquently describes as 'wilful subjects' (2010). Ahmed uses wilful subject to describe the feminist killjoy. To be both queer and a person of colour is to be put in a position that challenges systems of oppression. The wilful subject, as Ahmed mentions, is not inclined to follow the heteronormative parameters enforced by the State and other cultural institutions. Thus, the wilful subject is not a compulsory heterosexual, to use Adrienne Rich's term (1980). In fact, she is a 'killjoy.' *Sassoi*, in the context of a postcolonial state that embraces heteronormative visions of sexual citizenship are 'killjoys' because they unsettle utopic articulations of heterosexual happiness, stability, and luxury. As wilful subjects, then, the presence of *sassoi*, and their engagement in homoerotic intimacy render fuzzy the projection of Ghana as heterosexual, a projection that, as I have argued, corrals Ghanaians as exclusively heterosexual (cf. Lyons and Lyons, 2006).

Thus, *sassoi*, as the politics of sexual citizenship in Ghana shows kill the seeming unity that the image of *heterosexual Ghana* enjoys. In other words, their presence engenders the unhappiness of the heteronormative state, which relies on the tools of management and manipulation to bring *sassoi* bodies in line with heterosexuality. In light of this, cutting them out, at all cost, from the halls of national representation is crucial to the consolidation of the heteronormative nation-state. However, as reluctant queer subjects, *sassoi*, by inhabiting the margins, and drawing themselves to the much rather

policed centres of power continue to haunt the heteronormative nation-state, adopting *tactics* that safeguard them from the trauma of homophobic violence.

As ‘tactical agents,’ to use Alcinda Honwana’s (2006) felicitous terminology, *sassoi* occupy the interstitial position between agency and victimhood. They also inhabit the liminal space resulting from the politics of visibility espoused by LGBTIQ human rights organizations and the state’s quest to render sexual minorities invisible. Inhabiting the *in-between*, they craft alternative models of belonging within the nation-state. For example, Homi Bhabha maintains that such interstices provide the terrain for the emergence of new strategies of selfhood and identity (Bhabha, 2004). *Sassoi* survival depends on their ability to engage in practices of disidentification. In the words of Muñoz, disidentification ‘is meant to be descriptive of those survival strategies the minority subject practices in order to negotiate a phobic majoritarian public sphere that continuously elides or punishes the existence of subjects who do not conform to the phantasm of normative citizenship’ (1999: 4). Reluctance, then, is a form of cultural survival consisting of a set of emotions *sassoi* employ to navigate the heteronormative politics of the nation-state and those homonormative (Duggan, 2006) campaigns articulated by LGBT human rights movements.

If Muñoz implies in his idea of disidentification that minoritarian subjects such as sexual and racial minorities develop survival strategies when faced with oppressive circumstances, then *sassoi* disidentify with their reidentification by the state as homosexual. The enactment of these strategies is contingent on how, as tactical agents, *sassoi* navigate the contexts for which those methods of survival are adopted. Hence, by showing how queers of colour in the US navigated the hegemonic socio-political and economic regimes founded on race, sexuality and nationality, Muñoz’s insights allow me to understand *sassoi* coping strategies with homophobia in Ghana.

CONCLUSION

The subject matter for this essay has revolved around reluctance among a community of self-identified effeminate men—*sassoi* in post-colonial Ghana. I explored the relevance of women of colour feminism and queer of colour critique in my elucidation of the situation of sexual minorities in Africa. The contours afforded by these theories drew me to three important ideas: 1) Sarah Ahmed’s conception of the *wilful subject*, 2) Alcinda Honwana’s idea of *tactic agency*, and 3) Jose Esteban Muñoz’s theory of *disidentification*. This conceptual trinity, drawn from women of colour theory, queer of colour critique and

postcolonial insights, offers a space in which to frame and examine reluctance both as an idea and set of practices and emotions.

I have explored the role of intersectionality in both historical and modern configurations, and its significance for examining the impacts of homophobia on sexual minorities in Ghana. My central concern had to do with the fact that LGBT human rights discourse privileged sexuality over other forms of identification, a move that rendered it inadequate in Ghana. Against this backdrop, reluctance is an important optic from which to engage with the shortcomings of both LGBT visibility politics and the postcolonial nationalist politics that rendered sexual minorities invisible. I attempted to show how these formations, seemingly apart from each other, functioned together to erase the complicated histories of Christianity and Colonialism, and their impacts on sexual minorities such as *sassoi* today. Calling for an approach that seriously takes ethnography as a site for making queer theory, I sought to heed to Tom Boellstorff's call for ethnographic projects that embrace insights from critical queer theory.

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IMPACTS OF EMPLOYMENT GROWTH IN CHINA'S INTERIOR AREAS ON LOCAL RURAL WOMEN**

INTRODUCTION

This article discusses the impacts of employment growth in China's interior areas on local rural women, in a context where some enterprises have started to invest and move their production bases to inland areas because of growing labour cost in the coastal areas. China's great success in economy since its economic reform and opening up to the outside world, starting from late 1978, has been partly related to its better utilization of its 'comparative advantage', i.e., the relatively abundant and cheap labour force (Lin, Cai & Li, 1996). China's reforms first

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started in rural areas and in the agricultural sector, where the shift from collective farming to household responsibility system had significantly promoted agricultural growth and labour productivity. One result of this transition was a great rural surplus labour force (Chan, 1996: 137; Solinger, 1993: 95). In the 1980s, with the reduction of migration control regulations in China, people gained larger spatial mobility than in the pre-reform era. As a consequence there had been a growing migrant population. Individual cases of migration vary largely, but generally speaking, the migration often has two dimensions or tendencies: geographically, from the countryside to towns and cities, from towns to urban areas, from interior areas to coastal areas; and professionally, from agricultural sector to non-agricultural sectors. While quite a large number of peasants worked in nearby township and village enterprises (TVEs), peasants also migrated to urban areas either within their provinces or to other provinces for employment and other economic opportunities. Rural migrant workers constitute a large labour force in manufacturing sectors in coastal areas. In addition, due to the relatively low labour costs, products made in China had a price advantage in the world market. However, in recent years, the cheap labour force advantage has been challenged, in particular in China's coastal areas, which were the first designated areas in China to open up to the outside world. As Zhan & Huang (2013: 84) noted, in the spring of 2004 almost all coastal cities in China reported shortage of migrant labour force. For example, in Guangdong province alone, according to an official study report, there was a shortage of at least 2,000,000 migrant labourers in 2004, and coastal regions taken together could employ 10% more migrant labourers (cited in Zhan & Huang, 2013: 84). They also noted that although the 2008 worldwide economic crisis eased the problem for a short time, the shortage of migrant labour returned as early as the summer of 2009, and by 2010 Chinese media were flooded with reports of labour shortages from all over the country (Zhan & Huang, 2013: 84).

Economists debated on whether China has reached at the 'Lewis turning point' where the transition from unlimited labour supply to labour shortage during the process of economic growth helped reduce inequality in labour income (Cai and Du, 2011; Zhang, Yang and Wang, 2011: 543; Knight, Deng and Li, 2011: 585; Golley and Meng, 2011; Cai, 2008). So far, however, there still lacks strong evidence of the direct link between labour shortage and labour empowerment. Besides, even the phenomenon of 'labour shortage' itself is also contested, depending on sectors of the economy and the geography. Hence, the term 'labour shortage' should be treated very carefully, for example, it could not explain urban unemployment pressure for

the youth and the underemployment problem for older workers in both rural and urban areas. When 'labour shortage' is discussed in this article, it refers to the shortage of workers in manufacturing or service sectors in coastal areas, and in particular, shortage of young female workers who were often considered as ideal workers in manufacturing or service sectors. In terms of geography, it is worth noting that while in some coastal areas there was shortage of workers, quite some interior areas in China were still relatively abundant of labour. In this context, some enterprises have moved their production bases from coastal areas to interior areas, or established new factories in interior areas to lower their labour costs. Compared with the early reform era, when workers often moved for jobs, in recent years there has been a rising tendency that factories moved for workers. As the case study of the factory that involved in this study shows, 'workers' was the main consideration when the enterprise assessed its investment and factory setting up.

Research findings of this study lead me to argue that with the growth of employment opportunities in some interior areas local rural women's spatial mobility choice between migration and return has been broadened, and local women were generally happy with the fact that they were able to find similar jobs in garment or textile factories as they were in migration destination cities. In particular for married women, who were expected to take care of the whole family and household chores, being able to work in nearby factories allowed them to fulfil the roles of both workers (wage earners) and mothers, although which in a way has put much more pressure and workload on women. This article draws upon the interview data from a pilot study that I undertook in China in October 2013. Within the pilot study, thirty women factory workers and several administrative staff and managers from one garment factory in Jining area were interviewed. Research participants were from nearby villages or towns, aged between 17 and 40. The main question asked was *what does paid employment mean to you, and how do you see the establishment of economic and development zone (EDZ) in your area*. To learn more about the factory, and in particular the initiative of moving factories from coastal areas to inland areas, several interviews were done with the factory's general manager, director and supervisors for production. The exploratory purposes and qualitative nature of the study lead me to focus on a relatively small research sample. Due to diversity and dynamics of human beings, however, the knowledge produced based on this pilot study—that tells the story of individuals and communities of a specific time and geographic context—is situated. Although the study findings will not represent universal findings and

conclusions, it will provide some insights on the impacts of the broad social-economic and demographic changes in China on rural women in interior areas.

Overall, this article is structured as follows. The first part discusses the contested labour shortage phenomenon in China's coastal areas, the case study of the factory and the dynamics that motivate the company to move its production bases from a coastal to an interior area. The second part discusses women's role in the domestic sphere and the links between employment growth in interior areas and women's spatial mobility choices between migration and return. The third part discusses the meaning of paid employment for rural women workers. The final part summarizes the paper.

THE CASE STUDY

As being noted above, rural migrant labour force contributed to the development in coastal areas. In the pre-reform era (1949-1978) people had quite low spatial mobility, due to the strict government control over migration and the lack of a labour market under the state-planned economy. Under the planned economy (also being called the 'command economy'), labour, capitals, products and raw materials were allocated by government agencies. Peasants were bounded with their farmland and registered regular residence under the collective farming system and the household registration system. Since the implementation of rural reforms and the market economy reforms from 1978 onwards, the government's control over migration had also become relaxed. The relaxation of migration control policy was gradual and first started in migration from the countryside to small towns, and was then gradually extended to migration from rural to urban areas. Coastal areas were popular destinations for rural migrant workers. It was partly related to China's opening up which first started with the opening up of coastal areas. Under the market economy and the government's preferential policies towards urban coastal areas, economic opportunities were distributed unevenly between rural and urban areas, and between interior and coastal areas. Prompt openness and growth of enterprises and investment in coastal areas has created large demands for labour in most coastal cities. Growing employment opportunities in coastal areas had led millions of rural workers move to coastal areas for employment. However, in recent years, the competition for workers has become more intense, in particular due to the fact that quite some factories gathered in the same spaces: i.e., economic and development zones or export processing zones. According to some interviewed women workers and the management of the factory, it happened that workers walked outside the

factory and joined another garment factory just next door if workers were unhappy for any reason.

Lee Garment factory (pseudonym), the main factory case study in this research, was set up in 2012. The factory mainly produces jeans for a Japanese-designed brand, and exports to Japan and the United States. The factory was subordinate to C Group, one of the largest garment manufacturers in Shandong province. The C Group was set up in 1986. It had eight factories in Shandong province, seven of which were located in Qingdao, a coastal, prosperous and developed area in Shandong province. With the recent labour shortage and increasing labour cost in Qingdao, C Group has been moving its production bases from coastal areas to inland areas, and is trying to develop overseas production bases in Bangladesh, Cambodia and Vietnam. To lower the labour cost, in 2012 C Group set up Lee factory in an inland and less developed county in Shandong province: Wenshang county. The establishment of Lee Garment Factory in W county represents the Group's first and so far successful experiment of 'moving to the inland' strategy. The factory is located in the Economic and Development Zone (EDZ) of Wenshang county. The EDZ was set up in 2002. Most factories in this newly established EDZ were garment or textile manufacturers. One factor that attracts enterprises to invest and build factories in this EDZ was its relatively abundant labour force. By 2008, the county has a rural population of around 600,000, with a non-agricultural labour force population of 350,000. For the last decade, local people tended to choose to move to Southern part or coastal cities to find jobs, due to lack of employment opportunities in the county. In their migration, people formed and relied on social networks, which were mainly built up based on the following relationships: relatives, neighbours and fellow villagers. The networks lead women in the same area to same 'destinations' and same 'types of jobs' (Fan, 2004: 191). Popular destinations for rural women in W county include Qingdao, Shanghai, Zhejiang and Guangdong province. And most women workers worked in garment or textile factories in their migration destination cities, mainly due to the common employment information shared among fellow villagers. As a consequence, W county not only had a relatively abundant labour force, but also a 'specialized' female labour force in garment and textile manufacturing, which explained why quite some of the factories in the EDZ were garment and textile factories.

Being asked why the decision makers of the C enterprise had decided to set up a new factory in an inland area, rather than in Qingdao, where the enterprise headquartered, Zhang, the General Manager of Lee Factory and another factory for C Group—Lily Factory, said:

It is all about workers. We have advanced machines and equipment, investment, orders and a good market for our products. The only challenge is workers. It is difficult to recruit workers in Qingdao.

Zhang and other interviewed managers of this factory found that 'difficulties of recruiting new workers' and 'great flow of workers' were the two main challenges for their factories in Qingdao. According to the data from the Human Resources Department of C group, in one of their production bases in Qingdao there were 840 workers in January 2013, and between January and October 2013, the factory recruited another 260 workers in total. However, until the end of October 2013, the factory still had around 840 workers, which meant 31 per cent workers were leaving within less a year. In order to compete for workers, factories in the same area had been trying to increase workers' wage, and improve the welfare and working conditions for their workers. The labour shortage pressure has made some positive changes for workers possible, such as wage growth, health insurance provision, appropriate working hours, growing bargaining power of workers, and improving employer-employee relations. To lower the labour cost, as some other factories in Qingdao area, C Group had tried to establish new production bases in inland areas where labour resources were relatively abundant. The move of some factories from coastal areas to interior areas for workers, in a way, had further reinforced labour shortage in coastal areas, as the growth of employment opportunities in interior areas provided opportunities for workers to return to their own areas for employment. The following section discusses rural migrant women's spatial mobility choice and the impacts of local employment growth on either broadening or limiting their spatial mobility choice.

WOMEN'S SPATIAL MOBILITY, EMPLOYMENT AND THEIR ROLE IN THE DOMESTIC SPHERE

Conventional development knowledge tends to assume that paid employment empowers women and advances sustainable development. As a UNDP human development report pointed out, paid work is important to women 'not only for income, but also to help them cultivate new capabilities, develop a greater sense of autonomy [...] and break restrictive social conventions' (UNDP, 2010: 57-66). In China, for quite a long time until the early twentieth century, women's activities were mainly confined within the domestic sphere. As Jacka noted, under the Confucian ideas and family structures, people believed that 'good' women should limit their interactions with people outside the family, and in particular with men (Jacka, 1997: 22). After the People's Repub-

lic of China was established in 1949, women were largely mobilized and encouraged to take part in non-domestic production, in particular in the Great Leap Forward (1958-1961) and Cultural Revolution era (1966-1976). The Communist Party of China (CPC) mainly took Marx and Engels's approach to women's subordination and emancipation, within which female participation in production was conceived of as being important to emancipate women. However, the term 'production', within Marx and Engels's accounts is a narrow concept. As Jacka (1997) indicated, in most of writings of Marx and Engels 'production' refers only to 'the production of material goods, or, in some cases, to the production of material goods for surplus value, that is, for profit, rather than for consumption' (p.11). This means that women's domestic work is not valued as 'production' and domestic work is not part of the economy. But at the same time, women's roles of both workers and mothers were emphasized. As Robinson (1985) noted, in Chinese policy there is an implicit assumption that women have two major roles to fulfil: that of mother and of worker, and both roles are central to the progress of China's modernization effort (p.33).

The interview data of this pilot study reveals that marriage and women's role in domestic spheres played an important role in determining women's spatial mobility and employment choices. Women, in particular the married ones, were often expected by their family members to be both 'breadwinners' (although women were often taken as secondary or supporting breadwinners) and 'good mothers and wives'. This study finds that with the growth of employment opportunities in some interior areas, local rural women's spatial mobility between migration and return has been broadened, and local women were generally happy with the fact that they were able to find similar jobs in garment or textile factories as what they were able to do in migration destination cities. In particular, for married women, who under the traditional rural patriarchy society were assumed having more responsibilities to take care of the whole family and household chores, being able to work in nearby factories allowed them to fulfil the roles of both wage earners and mothers.

This study finds that marriage tended to terminate rural women's migration. While in some cases, women themselves wished to return to hometown areas, in other cases, family members expected women to return to hometown areas and stay more focused on domestic work after marriage. However, in both cases, the underlying view was that women should concentrate more on the reproduction of children, caring activities and other domestic work after getting married. In this study, the majority of research participants noted that they returned to their hometown areas after getting married, or for the plan of get-

ting married. Their parents expected them to return before they are past 'marriageable age' (Fan, 2004: 199), which reflects the idea that women should get married (and at a young age) and women's values were often associated with women's role in marriage and the domestic sphere. Parents, partners, in-law parents and even women themselves assumed that once get married, women should concentrate on domestic activities and responsibilities, which was often related to the 'age-old belief that women's proper place is within domestic spheres' (Fan, 2004: 200). Upon marriage, how to be a 'good' housewife, mother, and daughter-in-law became the main challenge for women, which means that women were not only expected to earn wage and support the livelihood of the family, but more importantly women should take good care of the families. Having multiple roles to fulfil, women tended to have less autonomy and choices in terms of spatial mobility and employment than male counterparts. The motherhood role also determines women's migration or return decisions, even if in the case of family migration. A study conducted by China's Women's Federation shows that there were about 58 million left-behind children in China, and some 40 million of the children cared by relatives were under 14, and 'not wanting to leave children in hometowns' has become the major reason that many rural migrants decided not to go back to the cities (Song, 2011). As context varies, situations would be quite different. However, this case study shows that in their community, people assumed it was inappropriate for women to leave home and migrate to other cities for jobs after getting married, and in particular after giving birth to children, unless the whole family migrated together or the couples migrated together with children being left at home with the elderly family members. One research participant, Mali, started her migration when she was just above 15, and returned home when she was 20 years old to get married. She noted that in her village, it was common for migrant women to return home at early 20s to find a partner and get married, and it was 'inappropriate' if women did not follow this norm, as she mentioned in the interview:

I came back to my hometown to get married. In my village, people thought that married women should stay at home. If I insisted going 'outside' (to other cities), even for the purpose of making money, my mother-in-law would be unhappy, and my husband would be unhappy. I did not want to have conflicts with them.

The majority of research participants in this study were happy with the 'development' of their hometown, by which they meant the growth of investment and new factories, the establishment and expansion of

the local economic and development zone, and the subsequent urbanization of their hometown. As being discussed above, the majority of returned migrant women workers in this factory used to work in garment or textile factories in their migration cities. Given their skills and experiences of working in such sectors as textile, garment, shoes, and handbags manufacturing, they became competitive and popular in the local labour market. As a consequence, returned migrant women were happy to regain the same kind of job without having to move to other cities. And according to some research participants, many challenges for rural migrant women, such as isolation and vulnerability in a new place, insecurity and hopelessness for being far away from familiar communities was addressed by being able to work in their own areas. Although returned women migrant workers from coastal areas were often aware of the fact that local wage was lower than that of the coastal areas, they were happy with being able to work in nearby factories, which allowed them to be 'close' to their places and to maintain a balance between factory work and domestic work.

MEANINGS OF PAID EMPLOYMENT FOR WOMEN WORKERS

The approaches that only emphasize women's participation in the paid labour force as essential to gender equality and emancipate women were flawed due to the ignoring of the time and workload burdens that paid employment added to women, in addition to their domestic work, and the inadequate acknowledgement of the economic values of women's domestic work. In spite of this, paid employment and women's income-generating activities were still important to grant women more autonomy and voices within households, and increase women's confidence. This section discusses the meanings of paid employment for rural women based on the interview data of this study.

'Earning income' and 'improving the living standard' ran through most of the responses for the question *why paid employment is important to you?* or *what does paid employment mean for you?* The study finds that paid employment is primarily a survival strategy for local rural women to support themselves and their families. With income, women gained more economic power, independence and autonomy, as one interviewed woman factory worker noted, she gained more autonomy to control household income and decide on household expenditures with her paid employment. Yet, in some cases, women workers themselves did not really have direct control over their own income. In some cases, the usual model was using women's wages for daily expenditure, and saving men's income as household savings. This was partly because, if in the family model of a man and a woman, or with children, the couples believed that men often earned more than wom-

en, and it was wise to spend only one person's wage and save that of the other. For unmarried women workers, it was usual saving or sending part of the income to parents. In any case, defining 'households' as units of savings and the transfer of control over women's wage from women to the head of the household often enhanced patriarchy and men's power in their household. Although in some cases women had more control over their household incomes, in other cases, was the male heads of households that had control over household economic resources. Women's growing individualism with migration and paid employment was taken as challenging patriarchy in the countryside, but transferring the control over income to men in the household, men's power was instead 'enhanced' and 'reconstructed' rather than being eroded (Jin, 2011:12).

As being mentioned by some research participants in this study, paid employment also provided a platform for women workers, whose network was often quite limited and mainly confined to their families and relatives to socialize. One research participant said that she appreciated having the opportunity of being employed in the factory and getting to know more people and learn new things in the workshop. The participant said that:

Before I joined this factory, I stayed at home most of the time for household chores. My life was all about kitchen, my child and husband. It (work) is good for women. We can learn new things and know more about the world. We could chat during the lunch breaks. Sometimes we exchange experiences of how to get along with families, how to educate children, and shopping, etc. Sometimes life was boring and difficult. We could learn some useful advices from other sister co-workers in the factory. We have few chances to know people from outside, not only because of the work, but also because of our time availability. So, work is important for me because of colleagues and people that I am able to know.

Paid employment has both pragmatic and symbolic significance for women. However, factory work does not seem to be the first choice for some research participants, mainly due to the exhausting and quite repetitive nature of the work. When some research participants talked about 'good jobs' or 'decent employment', they expect to have a stable, secure work, which would be less exhausting. However, as research participants mentioned in the interviews, research participants knew that factory work was at least a rational choice for them, based on their education status, as one research participant noted:

I did not even complete my high school studies. It is impossible for me to gain a job, for example, on the managerial or administrative

level. I can only work as a sewer. This factory is at least located close to my home. So, it makes sense for me to work here. It is difficult to say whether I am happy with my job or not, but at least this is a rational choice, well, for livelihood.

Some other research participants also noted that their employment choices were constrained by their education status. One twenty-seven years old woman worker complained how difficult and exhausting the work in the factory was, but at the same time, she acknowledged that factory work was still better than none. Another research participant mentioned that:

If I do not work in this factory, I may have to stay at home and live on farming. In the winter, I can only stay at home. The countryside is different from cities. We do have no place to go, few entertainment activities, and may only stay at home and watch TV. That will be boring. So, working in the factory is not too bad. What else should I expect? As a married rural woman, without much knowledge, I can only work in factories or restaurants. Here is still better than restaurants.

The kind of responses, such as ‘what else can I do’, or ‘where should I go’ ran through responses from those who expressed concerns of being unable to find some other jobs in different sectors. For women factory workers, a paid job means, first of all, a survival strategy. Compared with farming, factory work enabled women in the countryside to gain a steady income on a monthly basis. Work also has symbolic significance. As being discussed above, employment provides a platform for women to know more people, to socialize and to learn new things. Through paid employment, women workers also gained more voices at home and more confidence in both households and their workplace.

CONCLUSION

Since the establishment of PRC in 1949, the Chinese government has overall kept encouraging and mobilizing women to take part in non-domestic production, although in some cases, the government put more emphasis on women’s motherhood role. Both the Chinese government and the public opinion have tended to assume that gender equality in China largely depends on, and should be measured by whether women can equally participate in employment. As being cited above, Marx and Engels’s approach to women’s subordination and emancipation, which was taken by CPC, assumed that female participation in production is important to emancipate women. Mao Zedong, the founding father of PRC, proposed the very well known

slogan that 'women could hold up half the sky', which not only acknowledged women's capability to take part in revolution and production, but also encouraged women to take part in revolution, nation-building and production, as equally as men. The slogan became popular and widely cited in the Cultural Revolution era when the national government largely mobilized women to participate in productive activities, and promoted the idea that 'what men can do, women can do as well'. Although these views were criticized in the post-cultural revolution era for the ignorance of gender difference and the particularity and vulnerability of women, it has since then, or even early, become widely learned and accepted that gender equality should be based on no gender discrimination in production and paid employment. This pilot study finds that paid employment is important to women, in the eyes of rural women workers themselves. Paid employment not only enabled them to earn steady income regularly, but also provided a social platform for women to know more people, learn new things and ideas. Paid employment also has symbolic significance for women workers, such as the transition from peasants to be wage earners. All these changes helped promote women's confidence. These meanings of paid employment were in particular important for rural women workers, whose employment choices were relatively limited and constrained, as being mentioned by some research participants, by their education and knowledge level.

The migration of labour from rural areas to urban areas was associated with rural poverty and lack of employment and economic opportunities in rural areas. While migration happened to both men and women in the same rural community, women tended to return to their hometown areas after getting married or for the plan of marriage. Women's role in marriage and the domestic sphere, and the traditional view that women should concentrate more on domestic activities after getting married, determined that women often have less autonomy than men in their spatial mobility and employment choices. In recent years, labour shortage and growing labour cost in coastal areas has led some enterprises invest and move their production bases to interior areas, where labour resources are relatively abundant. The transition of the model from 'peasants move for work' to 'factories move for workers' in particular has benefited women, since a large number of rural migrant women returned to their hometown areas after getting married. The critics doubted the role of paid employment in emancipating women, since with the gender division of labour unchallenged, paid employment just added the workload for women. However, getting employed was still important to women workers, and broadened the way women define and realize their 'values', instead of being only

confined to women's reproductive role and domestic caring activities. In this context, the growth of employment opportunities in interior areas contributed to broaden women's spatial mobility and employment choices, and allow women to look for a balance between the role of worker and mother. Finally, due to the large size of migrant population in China and the very diversity of contexts and individual cases, the study findings based on this small sample research just provided insights on some cases, and future studies might examine some different contexts and experiences.

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STATE AND SOCIETY

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IS ANOTHER TRANSITION POSSIBLE?

AFRICAN TRANSITIONS TO DEMOCRACY AND THE LIMITS OF PRAXIS

INTRODUCTION

This paper revisits a long-standing and enduring debate on democracy and democratization in African politics (Olukoshi, 1998; Ihonvbere, 1996; Ake, 1993, 1994, 1996, 2000). Drawing on contrasting experiences in Nigeria and South Africa, the paper explores some interesting parallels in the transition to democracy in contemporary Africa. Both countries possess abundant natural resources and are economic ‘powerhouses’ on the continent, and they both have multiparty democracies¹. But while the former is absorbed in the politics of race and secularism, the latter is struggling with the politics of ethnicity and religion (Mazrui, 2006). Remarkably, both countries still aspire for continental leadership and possess continental dreams inspired by a popular, participatory and inclusive vision. Yet, South Africa and Nigeria are two of Africa’s most divided countries, and the advent of democracy indicate that their respec-

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1 After rebasing its economy in April 2014, Nigeria emerged as the biggest economy on the African continent with a GDP of \$509.9bn, compared with South Africa’s GDP of \$370.3bn.

tive democratic projects are indeed in crises having so far failed to produce the desired outcomes.

When African democracy and democratization processes are weighed in relation to issues of citizenship, the limitations and deficiencies of the universal approach to democracy at the expense of the particular are brought to the fore. Using the South African and Nigerian examples, the scrutiny of African transitions to democracy is done against the background of fundamental issues of citizenship, equity, social justice, equitable redistribution of power and resources in a multi-ethnic or/and multi-racial setting, and how the absence or deficit of these factors disempower and offer the people no real choice. Ultimately, this deprives democracy of substance and meaning, and leads to what Mkandawire (1996; 1999) refers to as 'choiceless' democracies.

The paper addresses how these developments have unfolded in the African context through a broad range of core questions. Whose democracy is in place? Is this a popular and inclusive democracy? Was it imposed on the people? What limitations are inherent in the ideological framework of this type of democracy? What possibilities exist for building viable and sustainable democratic projects in South Africa and Nigeria? What accounts for similar outcomes but different responses to democracy in Africa? What has been the impact of democratic struggles in different contexts? Is it sustainable in the long-term? The arguments advanced here transcend the debates on political democracy, but incorporates economic democracy (equal economic opportunities and a redistribution of wealth within Africa) and social democracy (empowerment, inclusion and participation) both of which forms part of the democratic project but which democracy tends to counteract. The prevalent contexts in South Africa and Nigeria (since 1994 and 1999, respectively) capture the artificiality of the nation-state project and unveil the need for the transformation of the existing order. South Africa and Nigeria provides the context to re-examine the differences and similarities of the democratic project on the continent, but more importantly, it provides a useful method for generating, testing and understanding democratic theories, and democratization processes in the Global South.

The Nigerian and South African conditions provide the basis for analyzing how political leaders (and agents) enter and influence the process of democratization through the acquisition and manipulation of its ideological content, and how the current situation produce similar outcomes but different responses in each context. By far, the most enduring struggle in Africa, irrespective of the various waves of democratic transitions, has been about the whole notion of 'states

without citizens' (Ayoade, 1988) or the existence of 'subjects' rather than 'citizens' (Mamdani, 1996). The central argument advanced in this paper is that citizenship, perceived as emancipation, empowerment, participation and autonomy is a necessary condition for democratization and democracy on the African continent. The contrasting experiences of post-apartheid South Africa (since 1994) and post-transition Nigeria (since 1999) provide the context to examine the relationship between the state and citizenship-deficit in democratic African states. The analysis proceeds from a conceptual premise that accepts the universal value of democracy, but reiterates the need to contextualise, modify and particularize it to address the local conditions and realities on the African continent.

AFRICA'S DEMOCRATIC TRANSITIONS: BETWEEN THE 'THIRD' AND 'FOURTH' WAVES

From 1974 to 1990, a global wave of democratization spread throughout the globe as part of a continuing and ever-expanding global democratic revolution that will eventually reach every country in the world. This era of democratic transitions affected at least 30 countries globally and was regarded as the 'Third Wave' of democratization (Huntington, 1991: 12). In an effort to shape a 'New World Order' promised by President George H. W. Bush, neo-liberals equated the triumph of capitalism with global democracy, and argued that 'freedom and respect for human rights will find a home among all nations' (Bush, 1991; cited in Kurlantzick, 2013: 26). Most of the Third Wave democratization processes swept through Southern Europe, Eastern Europe, Latin America, and Asia. By the mid-1990s, building on the gains of the Third Wave, the Fourth Wave of global democratization included much of sub-Saharan Africa and continued into the early years of the twenty-first century².

The quest for Africa's political restructuring were significant markers of the wave of global democracy and democratic reforms that swept through most African countries during this period. It initially appeared that sub-Saharan Africa had made enormous democratic gains by removing the so-called 'big men' or life presidents from office, holding elections, delegitimizing one-party rule and military regimes, and paying lip-service to democratic norms. The wave of democratization on the continent heralded the demise of the last vestiges of colonial rule and institutionalized racism when the struggles of the

² This paper places democratization in sub-Saharan Africa under the 'fourth wave' which began from the mid-1990s up to the early years of the twenty-first century, involving countries like South Africa, Nigeria, Ghana, Kenya, among others.

oppressed African racial majority in apartheid South Africa ended and ushered in the first multi-party elections in 1994. In Nigeria, Africa's most populous country, there was a return to civilian rule in 1999 after decades of successive authoritarian military regimes and prolonged military-induced transitions. But in reality, democratic developments on the continent have thrown up mixed forces resulting in various outcomes, ranging from genuine transformations, relatively halted transitions, backslide into authoritarianism, to the intensified crisis of the state, with majority of African states falling somewhere between the mix (Obi, 2008: 5).

Coinciding with the collapse of the Berlin Wall, the disintegration of the Soviet Union, and the severe crisis of socialism in Eastern Europe, prominent Western leaders came to assume that a particular type of democracy, a la liberal democratic capitalism, would eventually spread to every corner of the globe. With the triumph over communism as proof, Western leaders, institutions and policymakers were engulfed in the global notion that this form of democracy would dominate the post-Cold War global order. The propagation of this version of democracy hardly took into account the peculiarities and uncertainties in the Africa. Against this background, free market and free politics proponents comprising of a large cadre of development experts at the World Bank, International Monetary Fund, finance ministries of Western Governments, Universities and think tanks joined forces in an effort to shape the proper route to political and economic liberalization (Kurlantzick, 2013: 60).

The point has to be made that the various aspects of these developments were welcomed without due regard to the context within which they were unfolding, and the inter-connectedness of these processes as part of a broader historical flow, and not as episodic events in isolation were ignored (Olukoshi, 2005: 6). The analysis of the democratization project in Africa was seen as part of the hegemonic third wave of liberal democracy into which the African experience must fit. Little or no attention was paid to the specific historical challenges that democracy and democratization is confronted within Africa, and the roles they are expected to play as a result (Osaghae, 2005: 2). This has been described as an unprofitable mimicry of Western scholarship without a grounding of the discourse in African political thought (Ekeh, 1997: 83), and an analytical subordination of African experiences to the experiences of others (Olukoshi, 1999: 464). It is precisely for this reason that Africa's democratization process by taking the global liberal democratic framework as its standard is perceived to have ignored the long-standing historical need to resolve the social contract and citizenship-deficit on the continent. The seeming decou-

pling of democracy and democratization from socio-economic issues of citizenship robbed the African experience of content and meaning, and limited democracy primarily to the 'political', without due regard to its 'social' and 'economic' imperatives.

THEORIZING AFRICAN DEMOCRACY

In concretizing the interface between democracy and democratization, and citizenship on the continent, it is important to delineated two ideologically opposed approaches or categories: the *neo-liberal* approach, and the *liberationist* approach. On the one hand, the neo-liberal approach tends to be global and comparative in nature, and is evaluated on the extent to which African states conform to liberalism (or liberal democracy) and power-sharing arrangements (Osaghae, 2005: 14). Democracy is examined in relation to 'good governance' and 'market reforms' typically in the form of SAPs, rather than in the form of a transfer of power to the people (Olukoshi, 1998). Over the years, several indicators for the measurement of this type of democratic performance have emerged in the international community. They range from Joseph's (1991) Quality of Democracy Index, Carter Centre's Africa Demos, World Bank Governance Indicators, Brookings Institution Index of Failed States, Freedom House Index, Democracy Web, to the Mo Ibrahim Index of African Governance, among others.

During this period, 'good governance' became the criteria for evaluating democratic transitions and this was morphed into a model known as the Washington Consensus. Originally intended as a set of precise and limited set of policy initiatives meant to address the crisis facing Latin American countries in the 1980s and 1990s, the Washington Consensus took on a far broader meaning within the Bank and the Fund and was applied to the entire developing world (Williamson, 1990, 1993). At the heart of this initiative was the idea of 'good (political) governance' which were introduced in assessing the performance of African countries, and this idea became part and parcel of the cross/conditionality clauses of the World Bank, IMF and other donors (Olukoshi, 2002: 23). The emphasis on 'good governance' focused extensively on political democracy, rather than other aspects of democratic reforms, which has been lacking on the continent. As adopted by the Bank and the Fund, the framework for 'good governance' became too narrow, functional, technocratic and managerial, and tended to subordinate politics to a neoliberal framework which weakened active participation in politics in the face of a market orthodoxy.

The liberationist approach on the other hand, discerns the peculiarities of Africa's democratic challenges, and seeks to instrumentalized democracy and democratization for the public good and for broader

emancipation and empowerment (Osaghae, 2005: 15). The goal of the liberationist approach is to engage civil society in real terms to play a determinate role in the reconstruction of the state and binding the state to responsiveness, transparency and accountability. A role that transcends the rituals of periodic elections, voting and being voted for, and seeks to elicit a new social contract that puts citizens at the centre of democracy and democratization processes (Osaghae, 2005: 15). It emphasizes how the state can be strengthened in a social bargain that connects all political actors and guarantees popular participation in the democratization agenda. The central tenets of the liberationist agenda is the appropriation of the state based on domestic political consensus reached by progressive social/popular forces, and ultimately, repositioning it as a developmental instrument that is in real terms democratic and caters for the needs of the people.

As Osaghae (2005: 15) points out, the latter advocate a revolutionary-type transformation that is not elite-driven, but based on a groundswell of the alliance of progressive forces and social movements intent on defending the autonomy of the political space. By challenging the exclusive monopoly of democracy, this process is elite-challenging and not elite-driven and pushes for a democracy that has popular anchorage. Its authenticity has to be measured by its local anchorage, a strong degree of local value added that is linked to local specificities and circumstances and not just an imposition from the external environment. Most of the transitions recorded in Africa witnessed the propping up of indigenous technocratic elites by the IMF AND World Bank who had no anchorage in domestic political processes and structures. This made democracy almost an entirely external imposition. Hence, the various responses to this top-down approach to democracy emerged in most countries in Africa in the search for an enduring alternative.

DEMOCRACY IN 'REVERSE': NIGERIAN AND SOUTH AFRICAN EXPERIENCES

The realities of democracy on the continent contrasts sharply with the optimistic expectations of the latter approach. As Osaghae (2005: 15, 18) points out, the inherent lack of capacity by popular forces to appropriate the state, the failures of civil society, the susceptibility of NGOs to global capitalism and Western hegemony constitutes a major setback to democracy on the continent and suggests that the struggle for democracy is not over or has been won. The reality of the situation is that there are advances, as well as severe limitations in the democratic projects in Africa. The main challenge is how to deepen democracy and make it relevant in material terms to the aspirations

of the African people. Some (Osaghae, 2005; Obi, 2008) suggest the need for the struggle for another transition to democracy, or a third independence in a continuum where the first struggle was against Colonialism, the second was against internal dictatorship, and the third to be aimed at transforming democracy to achieve popular participation, empowerment and inclusion.

Post-apartheid South Africa and post-authoritarian Nigeria have both witnessed sustained attempts at democratic reform and inclusiveness. However, as Olukoshi (2002: 21) rightly points out, what has emerged in most of Africa is a situation in which the democratic experience lacks popular appeal and the political reforms that are implemented prove to be lacking in any meaningful socio-economic sense to address the citizenship-deficit on the continent. In their respective democratic dispensations, South Africans and Nigerians of all races and ethnic groups continue to challenge the state informally and formally through different platforms on issues of empowerment and inclusion. This appears to be a major phenomenon as issues of race and ethnicity, access to resources and power, and how they relate to state-society relations brings the issue of citizenship back to heart of the democratic experience in both countries.

DEMOCRACY, DOMINATION AND THE STRUGGLE FOR SOCIAL AND ECONOMIC INCLUSION

The number of ethnic groups in Nigeria provides the terrain for vigorous (and sometimes violent) contestations along complex ethnic, religious and regional lines (Smyth and Robinson, 2001). Some of the issues that attract the fiercest contestation among ethnic groups are those that are critical to the citizenship rights, state ownership and legitimacy. Ake (1993: 20) rightly argues that, 'the vast majority of ethnic and national groups in this country (Nigeria) are increasingly feeling that far from being a fair deal, their incorporation into Nigeria is grossly oppressive'. Poverty, alienation and deprivation in Nigeria has continued to rise, with almost a 100 million of its population living on less than \$1 per day despite a strong growth in the economy (Daniel, 2011; cited in Okoroafor and Chinweoke, 2013: 105). The percentage of Nigerians living in absolute poverty—those who cannot afford the bare essentials of food, shelter and clothing—rose to 60.9% in 2010 compared with 54.7% in 2004. The National Bureau of Statistics recently put the figure of Nigerians living in relative poverty at 112.519 million out of an estimated 163 million population (National Bureau of Statistics, 2011). Despite the rebasing of its GDP and emergence as the continent's largest economy and rapid growth of recent years, Nigerians are still poor; unemployment remains high and the number

of people in poverty has actually increased. Presently, Nigeria ranks 153rd out of 187 countries in the UN Human Development Index (Human Development Report, 2013). Nigeria suffers from clogged traffic, severe infrastructure deficits, corruption and chronic power cuts. Lack of development is helping to breed an insurgency in the mainly Muslim north and persistent violence in the minority oil-rich Niger Delta region.

This immediately brings to fore another issue pertinent to the Nigeria, that of the nature of the state and its susceptibility to ethnicity. Contrary to the cultural perception that sees ethnicity as having a largely cultural basis, its political aspects are very crucial due to the fact that, apart from its mobilization and deployment which are aimed at deciding who gets what, when and how, it also holds enormous consequences for the political process (Osaghae, 1995: 19). Several explanations have been offered for the salience of ethnicity in Nigeria, as Osaghae (1995: 20) points out, these include:

[...] the existence of state actions and policies which promote or intensify economic, social and political inequalities among ethnic groups, particularly, in a plural society like Nigeria; the role of ethnicity in the competition for scarce resources and power-sharing between members of different ethnic extractions; the absence or the limited existence of social security nets and welfare policies programmes for citizens; and the high degree of politicization regularly attributed to the zero-sum struggle for political competition, particularly, over control of the levers of state power.

Contending ethnic constituencies scramble and challenge each other with stern determination with the conviction that their ability to protect their interests and receive justice is coterminous with their position in the balance of power. Genuine fear of being under the power of an opponent becomes real, thereby, breeding a huge craving for power, which is sought without restraint and used without restraint (Ake, 1985; Post, 1991: 37). These tendencies make the location of a group in the power grid in Nigeria very crucial (Osaghae, 1995: 23). As the major means of social reproduction, the apparatuses of the state can be harnessed to serve the interests of one or a few groups to the exclusion of others. This reality translates into a struggle and political competition for its control and turns out to be highly detrimental to economic and social development (Ake, 1985; 2000).

In post-apartheid South Africa, the notion of race, racism and 'Rainbow Nation' has been appropriated as a central aspect of the nation-building project. As the prevailing grammar of politics, these have been applied as objects of study both in theoretical and empiri-

cal research (Baines, 1998; Bentley and Habib, 2008; Swartz, 2006; Everatt, 2012; Abrahams, 2012). These concepts have become central to national solidarity and identity, and serve both as instruments of 'inclusion and unity' as well 'exclusion and disunity' (Ak, 2000: 169). Everatt (2012: 5) argues that while many social scientists have argued against the use of the notion of race and other related categories, the South African example shows that these categories are real. Presently, South Africa faces severe social and economic inequalities and challenges, and remains one of the most unequal countries in the world. For most part, the grammar of politics alluded to earlier is about commitment to an ideal, and not necessarily about existing social and economic realities.

The apartheid state-building projects focused on the advancement of citizenship and citizenship-related rights to a minority (White) population to the detriment of the excluded majority (Black) population. The latter was granted partial or limited citizenship which reduced them to the status of denizens and allocating them citizenship of ethnic homelands (Hammet, 2012: 74). But since 1994, the post-apartheid democratic state has granted full citizenship to all, something which made it seem as if 'the non-racial society had been born' (Taylor, 2012: 41). These citizenship rights have been referred to as 'first generation rights', lacking the capacity to engender a social transformation of the society in a manner that would include 'second generation rights' that would make democracy meaningful. What comes to the fore is a situation where democracy have failed to reflect the democratic will of the majority of the people, and public policy around issues of critical importance are hardly relevant to the needs of the people.

There are ambiguities in South Africa's transition to democracy because of the undemocratic character of development programmes and policies that have made them an exercise in alienation. It appears that there is a broad-based onslaught on the rights of the majority of the people as draconian economic policies and programmes are introduced which are insensitive to the social conditions of the people. To briefly illustrate these tendencies, it is pertinent to point out that the developmental orientation of the ruling party though purportedly inclusive has very strong strains of Neoliberalism. Caught between and betwixt, and pandering to pressure from without and within, the ideological contestations in the African National Congress (ANC) has led to the emphasis on development and not on welfare, while at the same time formulating, initiating and implementing policies that reflects both strands (Mcebisi, 2013: 51). The exclusion of the majority, however, expresses the undemocratic character of South Africa's de-

velopment strategy as the country finds itself in a contradiction characterized by the fact that the manifest outcomes of democracy have failed to align with its latent content. As Bentley and Habib (2008: 110) rightfully argue, the focus must be on the liberation of the African majority in South Africa, reiterating the fact that 'South Africa's transition was never about freeing the minority from oppression. It was about liberating a majority who were denied basic political and socio-economic rights'.

A FRACTURED DEMOCRACY? SAME OUTCOMES, DIFFERENT RESPONSES

Perhaps, more than any other period in its post-colonial history, the return to civilian rule has opened up the public space and unleashed a host of hitherto suppressed and dormant ethnic forces in the country. Several studies have pointed to a noticeable upsurge in the outbreak of ethnic, communal and religious conflicts, which has had dire consequences for Nigeria's national security and nascent democracy (Akinyele, 2001: 264-5; Nolte, 2004: 61; Adebani, 2004; Agbu, 2004). These developments have been closely linked to the emergence of both ethno-nationalist and religious groups within the expanded 'democratic' space, with each group staking its claims and driving a hard bargain against the state and its apurtenances of governance at the local and national level. Despite the variations in their struggles against the perceived exclusion from access to power and resources, these groups are similar to the extent that they incarnate salient strands of self-determination. This minimally translates into a quest for the de-centralization of power, group autonomy, and devolution of authority as presently constituted in Nigeria, and maximally into separatist agitations to exit from the Nigerian state into separate political and administrative arrangements.

The emergent scenario in both cases is one in which the failure to address the citizenship-deficit, either on its own terms or as part of the broader national question has compounded the challenge of nation-building. The contemporary version of these crises as it currently unfolds in South Africa and Nigeria must be viewed against the backdrop of Ake's (2000: 167) argument that while political democracy and the opening up of the democratic space have been achieved, the social transformation of society and the social conditions conducive to that democracy remain elusive. The state in both contexts, as in most African countries has failed to provide a full citizenship. One that would guarantee that all groups within the nation-state are given a platform and opportunity to fundamentally engage, or if need be, challenge and restructure the state in a manner that would guarantee the building of

local democracy, develop strategies and mechanisms to continuously engage with citizens, and establish an equitable basis of belonging in the nation-state project.

In South Africa, popular uprisings for empowerment and inclusion, and social action remains a highly complex occurrence, and ranges from protests against lack of service delivery, periodic xenophobic outbursts against perceived non-citizens (outsiders), to protests against official government policy and the widening gap between citizens and their elected political representatives. As Southall (2010: 15) notes, a whole range of factors involved point the apparent dissatisfaction with the current system. These popular uprisings reflect a collective manifestation of the broader challenge in the South African society, and it reinforces the argument that South Africa, despite its recent democratic experience, is yet to resolve its citizenship-deficit as its democracy continues to disempower and offer its people no real choice.

As Southall (2010: 15) points out,

Amongst the factors that would seem to be involved are feelings of relative deprivation, high levels of inequality within an increasing consumerist society, the failures of the educational system, high unemployment among blacks (notably young men), a lack of entrepreneurship and capital among South African black urban dwellers which is often visibly exposed by more successful foreign migrants, resentments against perceived corruption in government, and the lack of accountability of politicians and of officials.

It is interesting to note that while responses to the state in Nigeria take the form of 'exit', in South Africa it takes the form of 'voice' as people who participate in service delivery protests see it as the only way of pressing unresponsive state officials and getting things done in their municipalities. Most of the protests and agitations in South Africa revolve around very particular, local, bread-and-butter issues defined as municipal service delivery as opposed to the deeply seated ethnic, religious and regional concerns that characterizes similar issues in the Nigerian context. Though these are issues linked with structural racism and structured power relations in the South African society, which produces fundamentally distinct advantages and opportunities for different segments of the population. But at no time has a separatist agitation been linked to service delivery protests or other forms of agitations against the state. These social actions reflect a collective manifestation of the broader challenges in South Africa society, and reinforce the argument that South Africa is yet to resolve its citizenship-deficit, as it remains divided along class, racial and eth-

nic lines, but citizen responses on same issues differ fundamentally in both South Africa and Nigeria.

CONCLUSION

No doubt, since the advent of their respective democratic dispensations, South Africa and Nigeria have witnessed interstices of democratic gains accompanied by remarkable levels of violence, tension and insecurity. Hence, it is clear that the struggle for democracy in Africa is far from being over in spite of the 'Fourth Wave' of democracy that has continued even beyond the Arab Spring. Since the 1990s, the various waves of democratic experiences on the continent have carried their own seeds of inequality, poverty and exclusion, even in the context their so-called anchorage on popular participation. Granted that democracy is intrinsically universal and good appropriate for all, it must be realised that its anchorage on local conditions and realities is crucial in the bid to 'modifying and particularizing the universal' (Obi, 2008: 24). This is not an attempt to tropicalize democracy, but on geared towards making democracy relevant for the masses of the people in Africa.

Central to this objective is a rethink of the democratic agenda in a manner that makes actual meaning and impacts positively on the quality of lives of African peoples and strengthens the critical constituencies in African communities. This means that the democratic project must not just incorporate 'political democracy', but also 'economic democracy' (equal economic opportunities and a redistribution of wealth within Africa) and 'social democracy' (empowerment, inclusion and participation). These are necessary components of the democratic agenda, which are currently being counteracted in the light of the contrasting experiences of South Africa and Nigeria.

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DEMOCRACY AND POLITICAL MOVEMENTS IN LATIN AMERICA

THE WAVE OF POLITICAL ACTIVISM that occurs in many developing countries, such as Brazil, Egypt, Chile, South Africa, India, Mexico, Honduras and others has motivated scholars to reflect on the subject, in particular about its features, procedures, institutional relations, legal limit for action, and the nature of their demands. Initially, three major academic approaches on these movements are identified. The first is centred in its articulation and structure through social networks procedure. In this group, there are the works of Manuel Castells, who in a recent lecture entitled ‘Networks of indignation and hope—social movements in the internet era’¹, emphasizes as the main feature of these political movements, their organization through social networks. Manuel Castells explains that political movements networked do not start within the political system, but arise spontaneously in society. In a recent research conducted with protesters, he identified fear as the basic motivation for the use of networks, for the system of domination is highly dangerous.

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1 Castells (2013).

As the dissatisfactions must be channelled, the collective consciousness grows and eventually is broadcast in networks, which is a rapid, horizontal and without strong leadership space. From this range, the demands enter the public space and eventually reach the area of institutional transformation.

Although that practice can be increasingly effective, it does not expose everything about political movements. Therefore, it is necessary to go further in order to understand them in a broader way. There are other features that can be abstracted from these movements, which indicate the Zapatista Indigenous Movement of 1994 as the starting point of the effectiveness of social networking in defence of public causes; as indicated by the work of Alcântara and Brito d' Andrea² presented at the 36th Annual Meeting of the Association of Researchers of Social Sciences in 2012. According to the authors, the Zapatista Movement had its own agenda, but gained strength by building a network of transnational solidarity in support of their demand, disclosed in space battling provided on the internet. At that time, the Zapatista Movement wanted to draw world attention to their three main demands: the end of the marginalization of the local indigenous people, Maya descendants; the extinction of the NAFTA, the free trade agreement between Mexico, the United States and Canada, understood as an example of submission to American power; the end of corruption in local politics. With this agenda, the Zapatista Movement does not necessarily charge the overthrow of the political-economic system, but express the need to be included in it. The Zapatistas wanted to open a public debate on the recognition of the Indians in the discussion of the democratic system. Thus, the movement of Chiapas in 1994 came to be seen as a milestone in the cyclic global protests against neoliberal impositions³.

Subsequently, the same technological structure of social networks have reached new protests, as the Battle of Seattle in 1999, when more than a hundred thousand people took to the streets in response to the globalizing policies of the World Trade Organization. From that period, other movements continued to exist as those most

2 Alcântara & Brito d' Andréa (2012).

3 The Zapatism is a guerrilla movement that was born in the state of Chiapas, in southern Mexico. Its name is a tribute to the revolutionary Emiliano Zapata (1879-1919), who led a struggle for agrarian reform in the country at the beginning of the twentieth century. The Zapatistas have gained international fame on January 1st, 1994, when a hooded men militia—the Zapatist National Liberation Army—occupied the prefectures of various cities in the region of Chiapas. Retrieved from: <<http://mundoestranho.abril.com.br/materia/o-que-e-o-movimento-zapatista>> Access February 11, 2014.

recent, which have also organized on social networks. However, as seen since the Zapatista Movement, what is fundamental in the analysis of these political movements is not exactly their procedural way, but why they exist and what kind of dissatisfaction they are expressing. This shifts the methodological axis of the analysis of these movements to another one that focuses on the nature of grievances and claims demonstrated.

In the theoretical approach that explains the existence of these political movements by favouring social networks, the procedural aspects gain a methodological highlight when they identify as the main objective of these movements, the search for new forms of human relations and political participation. The claims, as well as their outcome for this type of approach, are not as fundamental as the procedural manner in which the demands are presented. The search for new forms of political organization can become a key point on this analysis. According to Manuel Castells, 'the political system is closed in itself. The separation between politics and society leads to an institutional suicide. We need new democratic ways we can't imagine, but that are being experienced in these movements'⁴.

The second approach identified attaches to emerging political movements almost an anarchist neo conduct, posing the thesis that in search of a more democratic political participation, popular sovereignty is the force that exists prior to any kind of established power, capable of redefining the relationship between rulers and ruled, independently of pre-established rules. Recent work in this line was published by the philosophers Ricardo Sanin and Gabriel Hincapie, *Encrypted the Constitution: the New Paradigm of Oppression*⁵, where they dialogue with philosophers such as *Étienne* Balibar, Alberto Toscano, Antonio Negri and Michael HART in an attempt to answer the Spinoza's question on what mode of interplay that characterizes the existence of the body politic. To Toscano, for example, the centrality of democracy is the existence of a political body that has sovereignty over everything in his power, even a constitution. This exercise of people's sovereign power over the whole power structure is touted as an immanent tendency of political life, i.e., the truth of the whole political order, which can also be seen in the works of authors such as Hart and Negri.

The immanent in the theoretical context of Hart and Negri means an ethical and political space that does not depend for its existence of any reference to a supplementary dimension, i.e., it is 'a space where

4 Castells (2013).

5 Sanin & Hincapie (2012).

relationships and encounters are manifested without the need to invoke an external source of legitimation⁶.

Ricardo Sanin and Gabriel Hincapie recognize that democracy is the paradox of politics, because only in a democracy the act of governing and being governed falls on the same subject. In an oligarchy or aristocracy, for example, the existence and position of the governed are defined by who governs according to a natural distribution of power, i.e., it is natural for the strong to command the weak, the wise to command the ignorant etc. Therefore, one could not speak of conflict in oligarchic or aristocratic relations, once the conflict has already existed, and is only perpetuated because there is a form of legality that reflects the dominance of one class over another, where any past conflict was already resolved in favour of the rulers. Not even the community would have access to this relationship, because it is divided among a class that has access to the policy as a natural condition, and another subjected to it. A strong ally of Sanin and Hincapie's theory is the French philosopher Jacques Rancière⁷, who believes that in a democracy, the subject defines itself from his central place in political activity. In particular, because democracy breaks with two logics: the absolute separation between ruler and ruled, and the idea that any kind of distribution of power requires a pre-existing model. In other words, democracy breaks with the logic that in the pre-existing rules to govern is the legitimate order to govern.

For Jacques Rancière, democracy is precisely the annulment of the conditions to govern; is the government of those who lack the qualities or provisions to govern. In this context, when political liberalism inserts in the constitutions a model of representative democracy, it neutralizes democracy itself. For it is in the construction of liberal democracy that constitutions show encrypted forms, once democracy turns out to be defined from the established conditions to govern, i.e., from what it is absolutely oblivious to his ontological construction. In fact, the biggest confront observed in political manifestations in countries with liberal democracies refers to the exercise of popular sovereignty over public policies, or even about the constitutional rules that do not express the popular will. What to do when the Constitution seems to be hamstrung and does not allow institutional necessary changes, even through the exercise of popular sovereignty? That could be seen on the Honduran constitutional crisis of 2009 that led to the confrontation of popular sovereignty with constitutional strict standards, without the possibility of change. Finally, the crisis ended

6 *Ibid.*

7 Rancière (2001).

with the deportation of former President Manuel Zelaya and popular demands for constitutional reforms.

In fact, both theoretical approaches demonstrate the need for new models of democracy and constitutional thinking, since the current institutional models seem to be exhausted. If observed closely, political demonstrations have taken place away from institutional political arenas, under the leadership of young people without much political experience or with institutional connections, or with strong political leadership, or even with any ideologies. In most of situations, the demonstrators' do not even conduct their demands to institutional channels such as organs of political representation, which indicates that the neo-anarchist orientation finds some assumptions of truth. However, these assumptions need to be questioned for not revealing other fundamental aspects related to the nature of the demands and the institutional risks it faces.

The neo anarchist position, in particular, presents at least two institutional risks: the first to think that since the rule of law does not speak the language of democracy, it must always be subjected to it. The second, to stimulate spontaneous and unlimited forms of popular sovereignty that would end up reinforcing the presence of strong authoritarian governments, instead of resisting them, like the military, which are still very emerging in Latin America, especially if relied upon to contain anarchical movements, sometimes mistaken for violent acts, without a cause. While the first risk can be mitigated by the design of popular sovereignty protesters try to enhance, the second seems more worrisome because it tends to legitimize political demonstrations as acts above the order, which may pose a threat to the rule of law, and therefore, to national sovereignty.

The solution to this crisis, which would include a military containment and an expansion of institutional possibilities for legitimate demonstrations outside the institutional framework, it is the necessary and urgent reconciliation of democracy with the constitution. Democracy is understood in this context as a power granted to the people to elect their representatives, and charge them accountability for misuse of office. It represents, also, the power of the people to decide on fundamental public policies and of great social repercussions that organize, finance and regulate society through the exercise of its institutional powers. Before being feared and unviable, this should be a regulated project, tailored to current technologies.

Paradoxically, most projects on democracy and popular participation in contemporary constitutions still includes the proposal to limit the people's power decision in content and procedures. Therefore, it is essential that the constitution contains democratic mechanisms,

with flexible procedures for the exercise of sovereign power. If it does not derail the participatory democratic project and open to change, is more likely to be effective, and prevent the appearance of political movements with no cause or legitimacy. Despite the differences of the two theoretical approaches above, the similarities they demonstrate are on the need of exploring new democratic paths due to the obvious institutional fragility. This means that the indirect democratic paths through representative, is not effective. Or if they are, it is important to ask: For whom? This leads us to the third theoretical approach, whose analysis of the political movements lies on the nature of the demands, which reflect dissatisfaction with institutional policies.

The third analysis rests on an issue of global order that involves strong contradictions with the constitutions of these countries. An important contradiction is the statement of constitutional freedoms and guarantees in countries with large ethnic population excluded from these rights, suffering serious consequences of social inequality. From the 80s, for example, the indigenous peoples of Latin America have begun to express dissatisfaction about their exclusion from the political and social spheres, and to seek an inclusive participation in public affairs. At that time, they sought other forms of political mobilization to fight for specific rights, such as education and health rights, and above all, the right to recognition of their ethnic identities within public policy. It is clear that the objectives of these movements differed greatly according to the social and political situation of each country, and the need for resources demanded by organizations, ranging from simple re-articulation of their peoples and communities, to recognition of their constitutional right to determine their own autonomy. As an example, there are the movements of indigenous and Indigenous descendants in the beginning of this century in Bolivia, such as 'The March for Land, Dignity and the Life'; 'The Defence of Water in Cochabamba'; 'The Defence of Gas', which expanded and emphasized the need for inclusion of all those interested in public management on natural resources.

In Brazil, the first decade of this century was marked by the insurgency of black movements demanding a better distribution of rights, property and other public resources for afro descendants, particularly, access to higher education and other social rights provided by the democratic Constitution of 1988.

Thus, it has become increasingly accepted the view that the constitutional models of the late nineteenth century and early twenty-first century did not bring an appropriate constitutional protection to the Latin America people. Especially, although liberal constitutions in the region recognized some rights for minorities, they did not provide

the necessary institutional reforms to implement them. The model of economy and development, for example, did not respond to the demands for equality and inclusion, while the system of representative democracy, on its turn, became increasingly symbolic, far from popular aspirations, silencing oppression through the institutionalization of corruption and favouring private companies at the expense of public interests⁸.

Here comes the connection to the second contradiction that it should be mentioned. When many countries became democratized in Latin America, in the 1990s, they suffered the imposition of a neoliberal privatization of essential public services such as health, education, water, energy, infrastructure, transport, etc., in order to reduce spending state. Aligned to this was the traditional model of liberal democracy, which drastically reduced the empowerment of citizens in deliberative spheres on these services. With this, the demands for quality of life have become issues of individual consumption. As neither the promises of quality of life, nor of higher consumption reached the vast majority of people, neoliberal policies have been discredited and consequently delegitimized. If this project were working properly, society would not be confined in protected classes or castes, living in comfort zones increasingly isolated and silent, not conformed just with threats to their safety, security and well-being. On the other hand, there would be no classes or castes also confined, at this time, in a kind of life resigned to failed projects of human emancipation. Moreover, if this project were functioning well, there would be no excluded minorities.

Although equal rights were guaranteed to all in the past Latin American constitutions, in practice, they suffered an emptying that limited their collective achievement, weakening thereby the egalitarian and emancipatory constitutional protection. Without the real equal conditions and opportunities, the liberal project of representative democracy collapses and people seek other alternatives to demonstrate their dissatisfaction with the government. Thus, it is hard to think of anarchic manifestations or any sort of illegality of these movements, without associating them to the government's rupture with moral and legal standards.

In this sense, the political movements came to denounce the lack of legitimacy of the liberal representative model⁹ due to the lack of consent of people on matters of general interest, and their distance in discussing important public issues. In other words, the

8 Fagundes (2013). On this subject, see also: Noguera Fernández (2008).

9 Ubinati (2008).

legacy of exclusion and marginalization combined with the model of representative democracy left the citizens far from their own society's structural problems.

When this distance was associated with corrupt practices, lack of transparency in public administration, projects contrary to popular aspirations, misleading government propaganda, the crisis worsened, and the dissatisfaction of citizens took new formats and content beyond the demands for inclusion of ethnic-racial in the public agenda. It caused a permanent representation crisis, which involved other sectors of governability.

Maxwell Cameron points out three important democratic deficits in the region¹⁰. The first one refers to the argument of the 'tyranny of the majority', very legitimate in liberal democratic states in order to legitimize the exercise of economic and political freedoms by elites, as opposed to exercises of popular sovereignty. This *de facto power* is often a reaction to majority power. When elites fail they need, they use the weaknesses of democratic representative system to influence the institutional powers. In Latin America, says political scientist, this technique has been widely used to inhibit the sovereign power of the people and to prevent structural reforms.

The second deficit lies on the recognition that representative democracy has not been the best model to combat social inequalities. The elections tend to create and perpetuate economic elites in power and other privileged sectors of society¹¹.

The third deficit is the result of the first two sets to form a passive citizenship. As the representative democracy does not require participation in collective affairs, only punctual and individual participation in voting, naturally develops a weakened citizenship. Without mechanisms of direct participation, citizens become disengaged of public decisions that directly affect their lives. Certainly, the biggest constraint occurs for indigenous communities with strong traditions in the exercise of collective power in decision-making.

10 Cameron (2014). On the subject, see a recent research by Sarmiento and Osorio (2013). In this article, the authors highlight the growing influence of economic power on elections. This influence is, first, on the stratospheric cost of Brazilian electoral campaigns.

11 In the 2010 general elections, to elect a congressman, a candidate needed about US\$1.1 million; a senator, US\$2.5 million; and a governor, US\$13.1 million. The presidential campaign of Dilma Rousseff, in turn, came to consume more than US\$186 million. Empirical studies reveal that political campaigns are becoming increasingly expensive. If, in the 2002 elections, candidates spent a total of about US\$800 million in 2012, spending values exceeded US\$2.5 billion, indicating an increase of almost 600% in election spending. There is no inflation or population growth to justify such costs.

Thus the approach to contemporary political movements should not just be about new ways of structuring such as social networks, but mainly on the nature of discontent they express, which opens the possibility of institutional response, either through political reforms, or more general structural transformations. The civil rights movement in the US in the 60s is one example of institutional reform, where racial insubordination was routinely suppressed with violence. In the case of a country with customary norms, all resistance to social and racial inequalities occurred within constitutional possibilities, until the right to equality finally got a reasonable legal meaning through new interpretations of the US Supreme Court, which signalled a more peaceful relationship of race and power.

In Latin America, the response has been different. It has been the attempt for the States to reconstruct the economy and the political and legal institutions on more democratic basis, considering the necessary change in representation. This has occurred in countries such as Colombia, Venezuela, Ecuador and Bolivia, where the mechanisms of direct popular participation complement the representative democratic system, increasing thereby the range of action of the citizens in the deliberative bodies of institutionalized power. In the case of the Bolivian Constitution of 2009, for example, where the democratic model is complementary hybrid, it adopts three forms of democracy: representative democracy, which is complemented by mechanisms of direct and participatory democracy, with equal rights among men and women, and communitarian democracy. According to the Article 11 of the Bolivian Constitution, direct democracy is exercised through referendum, legislative citizenship initiative, revocation of mandate, Assembly, advice and consultation, with the exception that the assemblies and councils have deliberative character as provided by law. This has been the trend in the most recent democratic constitutions in the region, which have passed through a popular constituent assembly.

However, the instruments of direct democracy only bring the necessary effectiveness to society if other constitutional spheres are also democratized. As Scott Mainwaring pointed out¹², *'to be a participatory democracy, a regime must first be a democracy'*, and this includes changes in political, economic, social and cultural areas.

In the case of Bolivia, some fundamental changes can be observed through the institutional idea of plurinationality, adopted to accommodate diverse interests and communities in the complementary hybrid democratic system. Communitarian democracy, in particular,

12 Mainwaring (n/d).

combines representation and direct participation with the indigenous' own democratic standards and procedures, providing the means for election, nomination or appointment of officers and representatives of indigenous peoples and other indigenous originally peasants, as regulated by law.

The communitarian democracy reflects the recognition of the legitimacy of new citizens in building the national will, inserted in the constituent option to reorganize the state in multi-nation basis, as an alternative to the exhausted formula of modern hegemonic combination: for each state—one nation. In addition to fill gaps in the representative system, which would have to provide adequate participation of the new collective subjects, thought from their common deliberative experiences.

Thus, the complementary hybrid model of democracy in Bolivia seem to respond to the need of reorganizing public spheres in more inclusive ways, by converting the indigenous exclusion in citizen institutional power, and thus placing them in positions of decision-making bodies of the state. Not only that, the reorganization of the state-nation in a multi-nation state, as Alberto Acosta said, is both an act of historical redress for indigenous peoples and other ethnic groups, as well as an opportunity for building a mutual coexistence between new and old subjects of rights, with fairness, equity and democratic engagement¹³. In this set of needs, plurinationality became the centre axis for the democratic legitimacy of the new citizens, as well as to other rights protection developments, as the new mechanisms of participation, representation and communitarian democracy inserted in the constitution in order to build a plural society, in its political, economic, social and cultural spheres.

In its formality, the Bolivian Constitution of 2009 is an example of social justice, popular sovereignty and democracy in more plural bases commitment. The recognition of institutional citizenship to historically marginalized groups, combined with the state's reorganization on multi-nation basis, new practices of democracy on consideration to indigenous autonomy and diversity and the implementation of the policy *Buen Vivir*, are changes mainly legitimized by ethnic groups historically discriminated, and groups vulnerable to discrimination, whose situation of intolerable social inequality and under-political representation, demanded means and institutional prerogatives able to empower them to a more egalitarian life in their social context. Demands for cultural valorisation, for new socio-economic policies and for popular participation was critical to the state's definition of

13 Acosta (2009).

the best political response to offer. And, which one should be the ideal democratic model to respond to the demands of the recent political movements in other societies?

Latin America does not have strong traditions with democracy due to various political and institutional crises that has experienced. Some authors, like Keith Rosenn, even say that Latin America has no tradition with the law due to the failure of their constitutions that need to be constantly amended. Indeed, this political-institutional instability, long reflected in the internal constitutions through constant reforms, has been criticized as if countries were endowed with full autonomy in their domestic growth and in the consequent realization of their right¹⁴. Maybe even competed in what would guide them in their political, social and domestic economic development. But history has shown that, in fact, the domestic economy of each Latin American country was initially controlled by local groups, however, accumulation and economic expansion could not find his essential component for dynamic growth within the internal environments, due mainly to external influences¹⁵.

For this reason, many of the Latin American constitutions reflect the political-institutional set that needs to be transformed, starting by the redefinition of democratic system that should be built in consideration to the substantial and procedural needs of each country. Certainly, each country will seek its best way to democratize citizens' participation in the public spheres of decision-making, to meet the accumulated demands throughout its history, and address the democratic deficit it faces. To do this, countries would have to break the relations protected by laws that reproduce social inequalities and violate the most objective criteria for protection of human dignity¹⁶. For when democratic, constitutions bring the expression of many different interests, always considering the level of economic dependence for the realization of these rights, as well as the set of democratic mechanisms that enable citizens to protect them, especially, from le-

14 Rosenn (1998).

15 Skidmore (1988); Smith and Skidmore (1992); Wynia (1992); Álvarez and Escobar (1992); Minda (1995).

16 Cf. Acemoglu; Johnson & Robinson (2004). In empirical analysis, the authors consider that institutions are collectively chosen based on economic outcomes they provide. Since different economic institutions imply different distributions of resources, there is a tension regarding the choice of economic institutions. This tension is usually resolved through political power also distributed. The group that has greater political power is the one responsible to chose all the economic institutions, usually, implementing them according to their own interests. For further discussion on the subject, see: Suárez (2013).

gal rules that might reduce the concept of democracy to market rules, reproducing inequalities¹⁷.

As noted in the construction of a democratic constitutional state, although constitutionalism and democracy are considered distinct concepts, they remain connected on an intrinsic relationship that reflects the dialectical movement on the construction of legal rules that favour their accomplishment. Thus, constitutionalism reflects a set of legal rules and public policies built to execute and strengthen the constituent will, including certain forms of popular sovereignty, able to accommodate themselves to the ideological and economic project of each constitutional text.

Thus to speak of political movements and constitution without relating them to a process of internal democratization means subtract the central idea of popular sovereignty, which was enlarged and strengthened since the last century to the present, through new mechanisms of citizen participation, the system judicial review, other forms of control of legality and, above all, through the inclusion of new groups in the formation of the political will of society. Without the vital substance of respect for popular sovereignty and the instruments of direct popular participation in constitutions, one has only a form without content.

If democratic constitutionalism is one aspect that does not belong to the Latin America's identity, the inappropriate model of democracy so it is, although one must agree that some countries have more democratic experience than others do. O In fact, the region democratic boundary is certainly not in formal equality ensured in their constitutions, or in the political rights that guarantee citizens political participation in electoral contests. Latin American's democratic limit is found in its diffuse conditions of poverty, political and economic exclusion, which maintains a large population of lower citizenship status, deprived of exercising their human potential¹⁸, for there is a close link among constitution, democracy and individuals' equality. As stated by Guillermo O'Donnell, when a society is extremely unequal, democracy is reduced to a collective bet: albeit grudgingly each one accepts that others have the same right to participate in crucial collective decision determining who will govern them for some time, although this equal condition is not accepted beyond that restricted politic system. It is against this kind of democracy that one should react.

As to the Brazilian democratic system, if the political movements are requiring more participation within the executive bodies, it is fun-

17 Suárez (2013: 235).

18 O' Donnell (1998).

damental to start the institutional changes by transforming the political system, promoting inclusion and direct participation on the main government bodies, whether through representatives, or popular referendum. Important in the Brazilian political system is to give citizens the institutional power to charge their representatives the proper fulfillment of the mandate. To do that, they would need the right mechanisms of direct and complementary control, adjustment, cooperation in order to build a fairer society. These mechanisms would allow people's democratic participation without fear, acting through an organized and legitimate institutional space, on the construction of effective policies of human emancipation.

In Latin America, it is clear that each society must define for itself the details and increments to its egalitarian democratic model. In the words of *Ecclesiastes*, 'As all the rivers run into the sea, yet the sea does not overflow; to the place from whence the rivers came back', so it should be the democratic exercise: institutionally sovereign and continuous...

Finally, the story tells that when the sub-commander Marcos, from the Zapatista Army of National Liberation, in March 28, 1994, had to explain why to hide his face and all the Zapatistas being called Mark, he would have answered:

Marcos is gay in San Francisco, black in South Africa, Asian in Europe, Hispanic in San Isidro, an anarchist in Spain, a Palestinian in Israel, Indian in the streets of San Cristobal, a rocker in the university, Jewish in Germany, feminist in parties political, communist in post-cold war, pacifist in Bosnia, artist without gallery and without portfolio, housewife on a Saturday afternoon, a journalist in the previous pages of the newspaper, woman in subway after 22:00, landless farmers, marginal editor, workers without work, doctors without office, a writer without books or readers, and above all that, a Zapatista in the Southwest Mexico. Anyway, Mark is any human being in this world. Marcos is all rejected and oppressed minorities, the ones that resist exploitation, saying: 'It's enough! [...] Whatever bothers the power and the good consciences, this is Mark'.



All images were retrieved from Internet.

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Tiberius Barasa*

TOWARDS INCLUSIVE PUBLIC POLICY PROCESS

THE ROLE OF NON-STATE ACTORS IN PUBLIC POLICY FORMULATION AND IMPLEMENTATION

Examples from the Private Sector in Kenya

INTRODUCTION

This paper examines the role of the private sector in opening political spaces for meaningful participation in public policy process despite the exclusion and restricted policy spaces. The paper is anchored on the theory and practice of public policy that is increasingly concerned with placing the citizen at the centre of policymakers' considerations, not just as target, but also as agent. The aim is to develop policies and design services that respond to individuals' needs and are relevant to their circumstances. Concepts such as 'open', 'inclusive', 'participatory' have emerged to describe this systematic pursuit of sustained collaboration between government agencies, non-government organisations, communities and individual citizens. Open and inclusive policy process offers one way to improve policy performance and meet citizens' rising expectations (Dye, 2013). Public engagement in

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the design and delivery of public policy and services can help governments better understand people's needs, leverage a wider pool of information and resources, improve compliance, contain costs and reduce the risk of conflict and delays downstream (OECD, 2012). In many democracies, citizen participation in policymaking and service design has been debated or attempted, but too infrequently realised. However, public policy process particularly in developing countries continues to be dominated by state actors and is therefore not open, co-produced, consultative, participatory and evidence-based (Ng'ethe and Owino, 1998).

METHODOLOGICAL APPROACH

The methodological approach is empirical and qualitative for a single case process tracing. It undertakes the contribution of the private sector in public policy formulation and implementation through in-depth study of the Kenya Private Sector Alliance (KEPSA). The alliance was selected because it is the only organisation with membership of all the private sector organisations. The private sector has 80 sectoral associations with 95% of the sectors affiliated to KEPSA. The organisation has close to 200 members and is internally organised by sectoral boards such as health, education, environment, trade, transport etc. Interviews and document analysis were used to record data that was then analysed thematically using Gaventa's analytical model of power cube. The power cube is a framework for analysing the levels, spaces and forms of power, and their interrelationship (Gaventa's 2003; 2005). The cube presents a dynamic understanding of how power operates, how different interests can be marginalised from decision making, and the strategies needed to increase inclusion. It describes how power is used by the powerful across three continuums of spaces (i.e. how arenas of power are created); power (i.e. the degree of visibility of power); and places (i.e. the levels and places of engagement). It is designed as a Rubik's cube to indicate that all aspects can interact and affect one another. It presents a structured way of understanding power dynamics with various entry points combining structure and agency. The focus is on 'power over' or coercive power, with the three forms of power entailing Lukes' visible, hidden and invisible power. But agency is also apparent, particularly in the spaces dimension where coercive power remains evident but subject to challenge and contestation by less powerful actors who may have or build 'positive power' to resist 'power over'. 'Power over' concerns the ability of powerful forces to secure the compliance of those less powerful. It acts as a constraint and is located in existing social structures/institutions such as those of the government and multinational corporations

(MNCs) entailing processes of coercion and domination. It can also be found within social divisions and inequalities such as those of class, caste, gender, race and age. One characteristic of 'power over' is that power is regarded as finite, and thus power struggles entail a zero-sum game where empowerment for some entails disempowerment for others (Bard and Crawford, 2013). 'Positive power' is generative and an infinitely expandable resource, it is power as capability through agency; it entails processes of empowerment of individuals that generally lack power and are at the receiving end of 'power over' or 'coercive power'. There are three forms of positive power: 'power to', 'power with' and 'power within' (Lukes, 2005). 'Power to' entails capacity and agency, ability to bring about such and such an effect, it is generative and an infinitely expandable resource. 'Power with' is collaborative power that can be generated through social mobilization and alliance or network building. 'Power within' is an individual attribute involving the development of individuals' sense of self-respect and thus increasing his or her potential for acting upon the world.

The three aspects: closed, invited and claimed/created spaces identify different types of spaces for political participation. Closed spaces are those where decisions are taken behind closed doors mostly involving elite actors such as government senior officials and bureaucrats. Countervailing power in this case could entail the private sector trying to open doors so that decision-making is open to wide consultation. 'Invited spaces' entail selected actors mostly from the non-state actors or private sector being invited to participate in policy process or decision-making. Participation here may be limited to one-off consultation or become institutionalised and ongoing at all levels from local, national, regional to global. Coercive power here manifests in issues of inclusion and exclusion but agency could entail invitees advocating for particular interests and attempting to exert influence on decision-making process. 'Claimed/created spaces' are those either claimed by less powerful actors from or against the power holders, or created more autonomously by them through social mobilization and alliance-building among non-state actors.

THEORETICAL FRAMEWORK

Involving non-state actors in the formulation and implementation of public policies has become a major feature of political life, both in developed countries as well as in the developing countries. This reflects the emergence of new forms of participatory democracy, which emphasize the need for a more consensual way of making policy through involvement of all relevant stakeholders. The expected benefits of such a deliberative and inclusive process of public policy decision and de-

livery process include increased ownership of the public policy process, new public-private partnerships, consolidation of democratisation, and improved sustainability of social-economic and political development (Bossuyt, 2000).

INCREASED OWNERSHIP OF THE POLICY PROCESS AND OUTCOMES

Inclusive approach to policy formulation was first introduced in the Partnership Agreement between the European Union (EU) and the Africa, Caribbean and Pacific (ACP), signed in Cotonou in June 2000 (Bossuyt, 2000). The new Agreement created promising legal opportunities to mainstream the participation of civil society and local governments in the political dialogue and in the formulation and implementation of future ACP-EU cooperation policies and programmes. The new Partnership Agreement defined 'non-state actors' as the private sector, the social and economic partners, including trade union organisations, and civil society in all its diversity (Ibid.). The 'non-state actors' were perceived to influence future trade negotiations and follow-up sessions of major international conferences on social or environmental issues.

CONSOLIDATION OF DEMOCRATISATION

Democracies are socially and culturally distinctive, developing traditions, conventions and structures that reflect the values and habits of their citizens (Maddox, 2005). Maddox articulates five features of democracy: 1) democracy should rest on a constitutional order, by which the power of any particular government of the day is limited to appropriate spheres of action; 2) it should have a 'responsible' executive that, though limited to appropriate spheres of action and to a definite term of office, is nevertheless sufficiently strong to fulfil all the functions of government and to help adjust the social order to the needs of the time; 3) the executive government should be counterbalanced by a constitutional opposition, to probe question and help the community control the power of government; 4) all its political institutions, such as the legislature, the government and bureaucracy, the courts and all the statutory bodies of the public sector, should conduct their procedures according to the traditional ideals of democracy particularly, justice, liberty, equality and community; and 5) the whole political structure should rest on a pluralistic, participatory society, which maintains a vigorous group life. These five features together cover the main themes of modern democratic literature. A democratic community or country should have all five features as a syndrome. Within the broad scope of such a democracy, public policy constantly evolves to manage social, economic and environmental af-

fairs, to respond to the needs, preferences and desires of citizens, and to steer or nudge them in directions that are regarded as conducive to the nation's general wellbeing.

NEW PUBLIC-PRIVATE PARTNERSHIP

In modern democracies citizens are taken on board as stakeholders to share control of development initiatives and broaden ownership. The government engages its citizens in planning and implementing programmes to increase their efficiency, cost-effectiveness and sustainability. Comprehensive African Agriculture Development Programme, CAADP (2011) emphasize multi-stakeholder dialogue and decision making as central to its success. National and regional ownership in agricultural development could be achieved through structured stakeholder involvement around priority setting, matching resources to priority tasks, and collaboration at the implementation stage (CAADP, 2011). This partnership approach represented a progressive new way of doing business in the sector. However, translating the principle into practice was challenging, particularly in building alliances that include non-state actors. CAADP observed a long history of non-state actors and governments engaging with each other antagonistically, which undermined trust and broke down the relationships vital for achieving change. Instead, CAADP promoted guidelines for non-state actor participation in CAADP processes.

IMPROVED SUSTAINABILITY OF SOCIO-ECONOMIC AND POLITICAL DEVELOPMENT

The progressive end of inclusive public policy process reflects a rights-based approach, recognizing inclusion/participation as a right in itself as well as an entry point to realizing all other rights (Eyben, 2003). As Cornwall (2002; 2003; 2004) notes, this recasts citizens as neither passive beneficiaries nor consumers empowered to make choices, but as agents who make and shape their own development. The inclusive policy process can transform underlying social and power relations and grant citizens full managerial power (Gaventa, 2003; 2003a; 2004).

Inclusive public policy is one of the most effective ways to improve accountability and governance. Participation is intrinsic to the core meaning of democracy (Sisk *et al.*, 2001), yet sometimes governments view it as important only where it reduces government costs and responsibilities when governments can offload service delivery to NGOs and community groups or convince local residents to donate volunteer labour or materials (Ackerman, 2004). Taylor and Fransman (2004) concurs with Sisk and Ackerman that inclusive public policy process has the potential to reduce poverty and social injustice

by strengthening citizen rights and voice, influencing policy-making, enhancing local governance, and improving the accountability and responsiveness of institutions. It has largely been assumed that as governments develop expertise in facilitating greater levels of participation and inclusivity, services tend to improve and things get better for those in situations of poverty.

GENUINE INCLUSION BUILDS TRUST

Viewing citizens as beneficiaries of development processes and involving them only to a limited degree in planning and assessing pre-determined development projects significantly undermines the citizens' input, support and effectiveness of projects. The government can seek legitimacy through increasing citizen ownership of or support for a pre-determined agenda (Arnstein, 1967). Citizens can be given the opportunity to obtain information on a proposed state intervention, and air their views. In situations where inclusive policy process is limited to a tokenistic process, citizens are likely to lack the power to ensure that their views are genuinely accepted by the powerful (Ibid.). Where there is no genuine empowerment of citizens, the inclusive policy process simply becomes an instrument for managed intervention (Cornwall, 2002; 2003; 2004). While discussing the consequences of superficial or cosmetic processes, Manor (2004) notes that if ordinary people find that what at first appears to be an opportunity for greater influence turns out, in practice, to be a cosmetic exercise (they gain little or no new leverage) then citizens will feel conned and betrayed.

Based on these literatures, there is significant support for inclusive public policy process. The literature reveals some knowledge and policy gaps in inclusive public policy process including lack of empowerment of non-state actors, lack of adequate legal frameworks to support inclusive process and lack of adequate guidelines for structured consultation and inclusive process. However, these gaps are important in this research as far as they are challenges to inclusive public policy process. What is more critical is how non-state actors overcome these challenges to create space for inclusive public policy process. In the following section, we discuss the dynamics of the actual involvement of non-state actors in public policy process.

ROLE OF NON-STATE ACTORS IN PUBLIC POLICY PROCESS

In his analysis of the role of non-state actors in EU policies towards the Israel-Palestinian Conflict, Voltolini (2012) concluded that the non-state actors were involved in the policy process through dialogue, funding, training, provision of information, raising awareness, setting the agenda, framing issues, changing policies. The non-state actors

did these by using approaches such as access, voice and litigation. In a similar study, 'Participation of non-state actors in formulation of trade policy in Vietnam Hanoi' Tien *et al.* (2013) concluded that the consultation process of non-state actors did not assure effective two-way communications. They also observed that there was weak capacity in dealing with conflict of interests and the government disclosed information only to satisfy transparency requirement.

Millar (2013) on the other hand established that in Canada, limiting non-state actors to service delivery meant that the goals of government and service-providers often conflicted and that the results-based management used to resolve these conflicts often led policy officers to favour easily measured outputs over quality outcomes. Contrasting with the EU's inclusion of non-state actors in decision-making, he observed that the EU's inclusive approach aligned policy goals more closely and gave incentives to improve policy effectiveness. He further observed that the inclusion of non-state actors in policy-making created opportunities for policy learning in the EU. Similarly, Simmons (2013) stressed that better reporting and avenues for non-state actors to participate allowed them to provide a more meaningful role in evaluating policy. He observed that although Canadian governments had turned to public reporting the reporting agencies maintained no formal links to advocacy groups or individual citizens. He noted that the data that they produced made effective evaluation of government activity very difficult. This in turn discouraged participation of advocacy groups and posed unfortunate consequences for the effectiveness and legitimacy of Canadian social policy. However, Laforest (2013) noted that in both Canada and the EU, inclusion in policy-making tended to privilege the best organized groups, rather than the most representative ones. However, he observed that the European experience suggested that given a more institutionalized role, advocacy groups could evolve valuable new functions and that promoting civil society groups at the EU level helped stimulate their growth at the Member State level as well as helping them act as links between levels of government. This confirmed Millar's (2013) observation that involving non-state actors earlier in policy-making makes for more effective policy.

Randall (2011) summarized the main challenges to effective inclusion and participation of non-state actors in public policy process as follows: difficulty in ensuring non-state actor constituencies have legitimate and accountable representation; limited availability of resources for non-state actor participation; variable capacity of all actors to jointly create and implement policy; limited awareness by non-state actors of public policy process and its relevance to them; limited access to platforms for ensuring the accountability of state

actors, including through Parliamentarians; and difficulty in ensuring a balance of interests, especially for women, grassroots, consumers (food and nutritional security) and the environment. However, the main challenge in engaging non-state actors is the extreme variation in the nature, form, interests and character of their institutions.

While focusing on trade policy development, Odhiambo and Gloria (2005) observed that there was limited participation of non-state actors in trade policy process in Kenya due to lack of an effective cooperation mechanism. However, the study emphasized the role of the ministries and departments of the government, and mainly recommended enhancing such roles of these agencies in the process of trade policy making. Similarly, CUTS International (2009) while acknowledging that non-state actors particularly the civil society and the private sector was likely to have substantial influence on governmental trade policy making, there was no legal consultative framework for non-state actors. On a different note, World Vision (2012) recommended that non-state Actors play a significant role in supplementing gaps and challenges of the state in provision of services such as education, health, water, energy, besides policy and legislative input. World Vision argued that non-state actors also play advocacy and monitoring roles of public resources much more than the state itself. However, World Vision emphasized the normative role of the non-state actors including legislative and policy support; county planning and budget process; enhancing citizen's participation; service delivery; and monitoring, evaluation, documentation and learning.

Odhiambo-Mbai (1998) also observed that the nature of public policy process, which was expected from the democratic institutional framework, was one that involved intense interactions among state institutions on the one hand and between the state and civil society on the other. This process that Kenya was expected to strengthen and make more effective from the early 1960s to date has been continuously and consistently undermined and dominated by the presidency, the civil bureaucracy and domestic and foreign capital. This study will further this debate by finding out how the non-state actors struggle to contribute to public policy process. Recent studies continue to confirm that the policy formation in Kenya is still dominated by the Government and that the non-state actors are almost excluded in the public policy process (*Business Daily*, November 27, 2012).

GAPS IN LITERATURE AND ANALYTICAL FOCUS

The literature clearly shows there has been limited inclusion and participation of non-state actors in public policy process. It has also gone ahead to present reasons for and benefits of involving non-state actors

in policy process. In a limited way, literature has tried to demonstrate different ways in which non-state actors participate in policy process and some of the challenges they face in their participation. What is missing in literature is a clear demonstration of how non-state actors have tried to open space for inclusion in public policy process, how they have overcome the constraining and countervailing power relations to open space for inclusion and participation in public policy process. Literature is also silent on how non-state actors in the policy subsystems and policy communities' network or are connected and how this connectivity enable them influence public policy process. Policy change is critical in policy process but it can only happen when there is genuine policy learning experienced by policy actors. This aspect is also missing in literature. The literature does not show how policy learning happens among non-state actors and how they use policy learning to influence policy. Use of policy arguments based on evidence and value judgements is critical to influencing public policy decision and delivery. The literature is also silent on this and does not show how non-state actors employ the art of persuasion to communicate policy recommendations. This paper attempts to address these gaps in literature on the role of non-state actors in public policy process. In addressing these knowledge gaps, this paper provides a platform for future discourse on the best practices for inclusive public policy process.

Public policy process requires that different actors are involved in the process. Non-state actors are one set of policy actors with interest in public policy process. Power relations between the actors determine public policy formation, as part of a policy cycle. The power relations involve power-holders, force and resistance all played out in different spaces and levels. The study borrows a conceptual basis from Gaventa's (2003; 2005) power cube which presents a dynamic understanding of how power operates, how different interests can be marginalised from decision-making, and the strategies needed to increase inclusion. This understanding is useful for this study as it makes it possible to explain how power is used by both the state and non-state actors across the three continuums of spaces, forms and places. Non-state actors form policy networks, linking their networks with the state or government and other actors in the policy process. While a policy network is the linking process within a policy community or between two or more communities, policy community refers to a more inclusive category of all involved in policy formulation (Howlette and Ramesh, 1995). This link enables them to dominate in the policy process for a specific issue of their concern. A network of members shares not only knowledge base, but also some type of material interest allowing

or encouraging regularised contact. Policy community members are linked together by epistemic consensus or a shared knowledge base. An understanding of policy networks and policy communities is important as it enables the study to explain why non-state actors sustain their influence and affect public policy decision and delivery process.

Non-state actors have ability to learn quickly, adapt and respond to the issues affecting them. This involves relatively enduring alterations of thought or behavioural intentions that result from experience and which are concerned with the attainment or revision of the precepts of the belief system of individuals or of collectivities (Sabatier and Jenkins-Smith, 1993). Learning is a deliberate attempt to adjust the goals or techniques of policy in the light of the consequences of past policy and new information to better attain the ultimate objects of governance (Hall, 1989). Learning can also be explained as a less conscious activity, often occurring as governments' response to some kind of social or environmental stimulus (Heclo, 1978). While Hall sees learning as a part of the normal public policy process in which decision-makers attempt to understand why certain initiatives may have succeeded while others failed, Heclo sees policy learning as an activity undertaken by policy-makers, largely in reaction to changes in external policy environment. The emphasis is that policy-makers should adapt as the policy environment changes. The two contrasting conceptions raise the critical conceptual question, whether policy learning occurs endogenously or exogenously. That is, whether policy learning is a process imposed upon policy-makers from outside the policy process, or whether it originates within the process, as policy makers attempt to refine and adapt their policies in the light of their past actions. Howlette and Ramesh (1995) have differentiated the former from the later. While endogenous learning takes place among small, focused policy networks with the objective of learning about policy setting or policy instruments, exogenous learning occurs in broad policy communities and may involve questioning the interpretation of the problem or the goal of the policy designed to address it. The conceptual understanding of policy learning is important for this study as it enables us to understand how non-state actors use policy learning to influence public policy decision and delivery processes.

Non-state actors have the ability to persuade government and convince them to agree to their interests. Persuasion can be explained as the act of making someone agree to do or believe that something is true by giving them good reasons for doing it or believing it. The use of human reason is important in persuasion. Reason is not a logical process concerned with objective proof or falsifiability, but one which is about reaching understanding in social context (Habermas; cited

in Parsons, 1999: 54). Habermas ideas have important implications for both theory and practice of public policy. At the theoretical level, it suggests the need for a greater attention to language, discourse and argument, while at the practical level it suggests intercommunicative approach to formulating and delivering public policy (Fischer and Forester, 1993 in Parsons, 1999:54). This is important for this study as it enables us to understand how non-state actors use persuasion to influence public policy decision and delivery processes. Based on this conceptual framework this study endeavoured to test a hypothesis that non-state actors use their power, network links, policy learning and persuasion to influence public policy decision and delivery in Kenya. The following section presents the results, discusses the results and concludes the paper.

RESULTS

MEMBERSHIP ORGANIZATIONAL BODY

There is a common understanding within the private sector in Kenya that at independence in 1963, Kenya adopted a private sector-led development with a strong social spending to increase social and economic equity (KEPSA, 2013). Thus, the private sector understands that one of its main mandates is to steer social economic development in Kenya. The private sector in Kenya is always referred to as the 'engine' of growth. To fulfil this obligation of being the engine of growth, the private sector together with other non-state actors are actively engaged in public policy process, partnering with the government to develop and implement public policies. The private sector has therefore contributed to the various government Bills and public policies including the Value Added Tax (VAT); National Social Security Fund (NSSF); Police Amendment Bill; Public Finance; Taxation Policy; and Monetary and Fiscal Policy. But, how has the private sector struggled to open up space for participation in the policy process? This is the focus of the following section.

PARTICIPATION IN PUBLIC POLICY FORMULATION AND IMPLEMENTATION

The private sector is internally organised around various sectoral boards including health, education, environment, transport, etc., representing various business productive and service sectors. The private sector through sectoral boards is represented in government public policy forums. Representatives of the members of the sectoral boards provide technical capacity/assistance to various public policy forums by participating in various government policy development

forums. The main forums include Ministerial Stakeholders Forum (MSF); Prime Minister's Round Table; Presidential Round Tables which discuss cross-cutting national policy issues such as security, energy, regional integration, etc.; Parliamentary and Senatorial Meetings. Apart from these forums KEPSA derives its power by virtue of being none political (not being affiliated to any existing political party); it has patrons in government; it is able to marshal all the members of the private sector which has 80 sectoral associations and 95% of the sectors are affiliated to KEPSA; and individual power. KEPSA also enjoys government invitation to participate in providing input to policy development.

Whenever conflict of interest has occurred during the policy development process the government has always had its way. For instance, there was conflict of interest between KEPSA and the government regarding the transport in Railway sub-sector, cement industry and Safaricom and Orange mobile telecoms. In some cases, the private interests override the public interest, in such cases, KEPSA input in policy decisions is not considered by the government. KEPSA has constantly advised the government without success to dissolve Energy Regulatory Commission (ERC) as it arbitrary fixes prices of oil that hurts the economy and particularly poor Kenyans who use Kerosene for lighting and cooking. However, when there is conflict of interest between KEPSA and its affiliate members, KEPSA interests prevail. For instance, conflict of interest regarding oil and gas companies, LPG and kerosene. KEPSA has also felt threatened by the County governments to the extent of initiating the signing of agreements with County governments stating that the County governments will stop being hostile to business and instead will be friendly to business community.

Regarding policy implementation KEPSA has had capacity challenges particularly for monitoring and evaluation. However, KEPSA has been sensitizing its members to use the opportunity provided by the Constitution on public participation and pressing the government to structure or formalize public participation.

NETWORKING WITH OTHER NON-STATE ACTORS

KEPSA has network links with various organisations including Coalition of Trade Unions (COTU); religious organisations; media owners association; development partners such as the World Bank, International Finance Corporation (IFC), Danish Development Agency (DANIDA) and DFiD. KEPSA works with these institutions on various policy issues including unemployment, security and economic growth. The links with development partners are one sided in the sense that they are funding links while the links with trade union and

other local organisations are based on the shared interests, policy view or agenda.

STAFF/MEMBERS TRAINING AND DEVELOPMENT

KEPSA regularly conducts staff/members training and development in various educational institutions including Kenya Law Reform and TCA. It also organises regular workshops to train its staff and members on various policy issues. KEPSA has a few policy analysts who conduct research and policy analysis to inform sectoral board's participation in the policy process.

DISCUSSION

In this study, the process tracing enables us to identify the intervening causal process, the causal chain and causal mechanism between an independent variable (non-state actor) and the outcome of the dependent variable (influence on policy process). It also enables us to take into account equifinality. That is, to consider the alternative paths through which the outcome could have occurred. It also offers the possibility of mapping out one or more potential causal paths that are consistent with the outcome.

In this case, power necessitates the formation of network links informed by policy learning which in turn allows effective persuasion to take place. The private sector by virtue of their attributes and components are able to influence public policy decision and delivery processes. The four attributes already discussed above are power, network links, policy learning and persuasion. The twelve components are spaces, forms, levels, domination, knowledge base, material interest, endogenous learning, exogenous learning, discourse, argument and intercommunication. This process is likely to result in improved contribution of the private sector in public policy processes, which in turn strengthens their democratic capacity and quality of policy outcomes. The relationships between the attributes and components enable us to develop a typology of influence that provides the study with a mechanism for testing the hypothesis of the study. This also enables us to suggest ways in which the private sector can strengthen its influence for public policy.

RESISTING DOMINEERING AND COERCIVE POWER RELATIONS

The results show that the private sector uses the available invited spaces to participate in the public policy formulation process. It is also evident that the private sector struggles to change government decisions but in many cases without success as the government has retained its initial decisions regarding some policy choices. This could

imply in general that the private sector is less effective in influencing public policy decision and delivery process in Kenya. If this is the case, the private sector may be forced to look for alternative options. The only option available for the private sector to influence public policy is the use of positive power including its invisible/internalized power to claim spaces for changing the initial policy decisions. Its invisible/internalized power is manifested in the collective actions of the members of the private sector as well as a force to drive the private sector development and growth. It can also draw on its 'power to' manifested in its capacity and agency as infinitely expandable resources. Still it can draw on two other forms of generative power these are 'power with' exercised through collaboration, social mobilization and alliance-building; and 'power within' manifested in its individual members some of who are distinguished personalities commanding high sense of self-respect in the Kenyan society. In order for the private sector to increase or sustain its influence in public policy process it needs to resist 'power over' manifested as constraint entailing process of coercion and domination.

The private sector has some network links, which it uses to influence policy decision and delivery. However, we are unable to show the strength or weakness of the connectivity of these networks. If these networks are strong, the private sector can also use them to build a strong force to resist domineering power relations. These will require that the private sector build a knowledge base that it can share with its networks. It also needs to share its material interests as well as resources. By sharing knowledge, material interests and resources the private sector is likely to increase chances of reaching a consensus with its members on alternative policy options which it can take forward to the policy debate for consideration by the government.

EXPLOITING POLICY LEARNING AND PERSUASION

There is little evidence of utilisation of policy learning to influence public policy, yet policy learning is a very important tool in public policy process. The endogenous learning identified in the private sector is quite limited and cannot speed up the process of social change in the society. Both endogenous and exogenous learning can be enhanced through high quality research and policy analysis that generates policy alternative options and inform the choice of policy instruments. This is likely to result in a paradigmatic change or a new pattern in policy process. Lessons learned from other countries and regions of the world could help strengthen the policy learning. For example, in the Caribbean structured policy dialogue referred to as Tripartite Consultative Mechanism (TCM) between the private sector and the public

sector proved to be very useful means of widening spaces for participation, policy engagement and influence (*Trade Wins*, Vol. 1 N° 12, 2002). TCM could also strengthen Public Private Partnership particularly in public policy implementation and development of the country as a whole.

PERSUASION

There is no evidence regarding the use of discourse and argument by the private sector to communicate policy options and recommendations. This might imply that regularised contact is rare among the private sector and reaching a common understanding is illusive. This can explain the existing observed conflict of interest among members themselves and between the private sector and the government. Dealing with conflict of interest between members is a serious challenge in public policy process. It can be addressed by encouraging regularised contact among the private sector members and fostering forums that reach a common understanding.

CONCLUSIONS

The paper confirms that despite the challenges, inclusive public policy process is important for the attainment of socio, economic and political development. The paper has examined the role of the private sector, one of the key non-state actors in public policy process in Kenya. Although the private sector has struggled to influence public policy decision and delivery through its participation in invited forums, the impact of its participation cannot be estimated. Its influence has been less successful due to conflict of interests between the state and the private sector on the one hand and within the private sector members on the other hand. To be more successful in positively influencing public policy decisions and delivery, the private sector needs to exploit the opportunities available to itself in form of invisible power, power to, power with and power within. It also needs to build its capacity for policy learning and persuasion.

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POLITICAL HORIZONS

INDIGENOUS CULTURE, DEMOCRACY AND CHANGE

An Overview of Matsés Native Community in the Peruvian Amazon

INTRODUCTION**

The Matsés native community of the Peruvian Amazon is located in the district of Yaquerana, Requena province of Loreto in Peru. It's an

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ethnic group that was in voluntary isolation until less than 50 years ago. This ethnic group is considered a 'mixed' village since they claim to have assimilated cultural goods and practices from surrounding towns. In the past, the social organization of the Matsés clan was distinguished by obeying the fusion model (grouping) and fission (dispersal), as proposed by Evans-Pritchard, under a dynamic and nomadic economy based on hunting, fishing and gathering, complemented with slash and burn agriculture. At present, it has become a much more sedentary society, mainly due to access to education and health services.

From the 'contact' with foreign elements, new dynamics emerge in the Matsés organization: their conversion to evangelism influenced by American nuns, conflict between natives and settlers, communication limitations with the state due to the low number of clan members who speak Spanish, the fight against the presence of illegal economic activities, etcetera.

Therefore, a number of questions arise: How has the political organization of the Matsés native community in recent years been re-configured as a result of contact with foreign influences? Under what conditions have the new political interests of foreign agents been deployed to influence this community? And, what are the consequences of these dynamics within the social organization of a native community with a dynamic political structure rather than a rigid one; considering that the Matsés still retain traditional mechanisms of governance, but these change from the introduction of new practices and foreign influences?

The answers to these questions are intended as a contribution to the research on issues of political anthropology, democracy, power and exchange between the cultures of the Peruvian Amazon. Within an intercultural context, given the complexity, cultural diversity and political moment in which Peru finds itself: as new relationships and interests between native communities and other influential actors are strained and new channels of representation for the communities of the Amazon to decide about their future as such become manifest; participating in state politics through entirely new institutions to the community. The relationship and political interests between indigenous communities, the state and westernized society is an issue of fundamental study to discuss in order to avoid political conflicts and

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governance crises that are related to encounters and disagreements between these actors in a context of democracy, not only in Peru but in other countries in the region.

STUDY PROBLEM

In Peru, the bulk of the indigenous population of the Amazon mainly speaks their native language, not Spanish. Only a small percentage of this population—mainly men and local authorities—speak Spanish, the official language in Peru. It is only since 1979 that the national constitution granted the vote to illiterate citizens, by this we mean the people who cannot read or write in Spanish, within which would be included indigenous population whose mother tongue is a native language.

With this change in the constitution, the problem of the distance between the state and the Amazonian populations has not been resolved, as expressed in the lack of voter turnout in rural areas of the Amazon. Additionally, this was not accompanied by the recognition of citizenship of the Amazon populations through delivery of national identity documents (NID) and the creation of appropriate conditions, such as providing transportation or ballots in strategic locations along the territories of indigenous communities, so that these populations, for many years excluded, can participate in the electoral process.

In the case of the Matsés, delivery of NID as a mechanism for recognition of citizenship did not help the people in to exercise their voting rights. First, because the distance between the villages and the place where the ballot is takes 2 days and 2 hours to reach, travelling across the river. Second, because the Matsés do not have the money to buy boats, engines and fuel needed to mobilize.

Within the legal framework, mechanisms that promote democracy and citizen participation at the local, regional and national level are introduced. New autonomous institutions are created like regional and local governments to decentralize the power, national politics, the decision-making process at the sub-national level and the public resources trying to involve indigenous communities in civil society.

The hypothesis of this work revolves around the idea that the 'contact' and the relationship between the Matsés, the state and civil society produce a number of changes to these groups of natives. Although there is a weak state presence and participation of other foreign actors, as much the latter as the first have an influence on the socio-cultural dynamics and policies that Matsés are incorporating in the configuration of their organization. Focusing on the political sphere, we have the political and economic interests of different actors and institutions that interact with the native community have an

influence on the dynamics of reconfiguring the form of political organization in the community.

This influence and implementation is different, depending on the village population and institution with which these external actors have contact and interact, such that the economic and political interests of these agents do not penetrate the whole community. But their interests and practices play out in isolation and differentiated in each village or institution by their respective numbers, which can benefit or harm their relationship with these external actors.

For this relationship to be established, it is essential to create communication channels between the community and the foreign agent. Channels like workshops, training, contracts, agreements, resolutions, statutes and regulations in general. These are completely new practices for the Matsés, especially considering that most were performed in Spanish, not in their native language, and through writing, a communications medium that they never used before.

From the above process, an analysis of the political anthropology is developed, taking into account two points: first, the dynamics of change in the political organization of the Matsés native community, and second, the importance of language education for the Matsés as promoted by the state in this dynamics of change, focusing on the transition from an oral tradition to literacy and use of the nation's official language: Spanish.

THEORETICAL FRAMEWORK

We take elements of political anthropology to organize the first axes of this investigation, then the anthropology of youth will help us to a better approximation of the age system and its relation to politics, and finally from the sociology and anthropology of communication we address the topic of writing culture and its importance in the political sphere. First, starting from Clastres (2001), we must understand that in so-called primitive or 'stateless' societies, power is not separated from the community as an entity apart, you cannot separate the sphere of social policy, and leaders usually remain devoid of all power, instituting the leadership away from the exercise of political power: the leader of the group is limited to speak for the community to which he belongs, never imposing his own decisions on the community, but instead, any determination, decision or judgment must respond to the desire or will of his community¹.

Balandier (1969) suggests that kinship is not opposed to politics, but rather manifest in their complex relationships. From this,

1 Clastres (2001: 112).

it makes sense to study the organization of lineages and their relationship to the space, which allows us to identify the political relations based on descent. Lineage that was founded in a genealogy with one trunk, which is composed of segments that share symbols and other distinctive practices while distinct units oppose, and still these elements and the interrelationships between segments as the space where politics exist. Besides the above, is essential to consider the dynamics of change in the political systems of societies called 'primitive', you cannot ignore that the dynamism over the last decades has been transforming the social and political organization of the native communities in the Amazon. This transformation is linked to colonization and understood as 'modernizing force'. The Matsés native community is a space of constant tensions and negotiations between various actors interacting within it.

The native communities in the Peruvian Amazon are in a re-configuration process of its policy influence on their organizational system based on age. Feixa (1999) argues that in most societies the age-class system is based on relationships between youth, adults and seniors who cover a conflicting and uneven character as 'age systems serve to legitimize unequal access to resources, productive tasks, the marriage market and public charges'. The relationship between power and age systems and the strain for political power between young and elderly adults changes from one society to another.

This time of change in the indigenous community has to do with a process of 'modernization', which one of its main components is communication, and within it, the adoption of writing by groups that until recently have been of a preliterate oral tradition. As Goody (2003) mentions the potentiality of writing affects all human activities: political, economic, legal, administrative, cultural and religious. This is for various reasons: a society acquires a different dynamic because of orality or writing; oral societies are more flexible in their systems of signs, while written societies are more rigid and strict in this aspect. Writing is also a means to exercise power, where the elite can restrict access to a writing system.

METHODOLOGY

The methodology consists of several stages. First, we have the pick of the literature on political anthropology, kinship, lineage, power relations, communication dynamics, age systems, democracy, mining, representation, electoral processes and ethnographies on the Matsés. All framed within the dynamics of change of native communities that deal with social, economic, cultural and political organization.

In parallel, ethnographic fieldwork was conducted for several months in the Peru-Brazil border area where the Matsés Native Community is located. During these months some of the elements that constitute the social, cultural, economic, political and religious dynamics could be seen in some villages of the community such as San Jose and Remoyacu Añushi, the capital district Yaquerana, Angamos Cologne, and a hostel in an area where previously there was a village community.

During the period of stay in these places, we participated in ceremonies, meetings, workshops and daily activities. Participant observation, unstructured and semi-structured interviews were applied as investigative instruments. Furthermore, information was collected through field notes from informal conversations with young people, community members, representatives and heads of the Matsés Native Community, settlers, local ex-government officials, civil servants, researchers and specialists in the Amazon, participation and indigenous communities.

CONTEXT

Yaquerana is a municipality founded in 1980, located in Requena province that is situated in Loreto region. It currently has a population of 2,396 inhabitants, between indigenous and settlers. Its territorial organization is composed of the district capital, Angamos colony, and 14 towns that make up the Matsés Native Community (MNC). According to the 2007 INEI census, 72 % of the population—1,724 people—live in rural areas, while the remaining 28%—672 people—are in urban areas. The capital of the Yaquerana district is Angamos colony, a small village with about 672 inhabitants². This is the economic, political and commercial centre. Is located on the border of Peru and Brazil, bounded by the Yavari River.

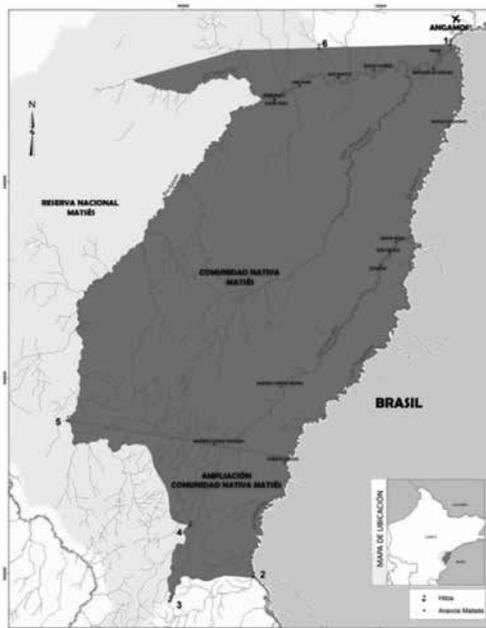
The accessibility to the district of Yaquerana and the Matsés native community is quite difficult. You can get there by air or river from Iquitos: there is no land road. By air, two plane flights leave each week from Iquitos. By river, trips are irregular and can last between 6 and 7 days.

The Matsés native community (MNC) and the Matsés National Reserve extend between the districts of Yaquerana, Soplín and Requena, which are within the province of Requena. The MNC is located in the area comprised by the course of the Yavari, Gálvez, Tapiche and White rivers. It has a territory of 452,735 hectares, which enables the provision of food and commodities, as well as the normal course

2 INEI (2007).

of the Matsés' traditional cyclical migrations. The population of the community is divided into 14 villages; within each reside between 15 and 100 families. Most villages are composed of 'malocas' (long-houses) in which several nuclear families can live. Only some of these villages have a multi-grade primary school and we find a multi-grade secondary school in two. None of them have the basic services of water, drainage and electricity. The village population distribution is shown in Table 1.

Map 1
Peru: Matsés Native Community Map



Source: Centre for the Development of Indigenous Amazon.

Table 1
Matsés Native Community Population

Matsés Group (Small Village)	Population		Total	Housings (average)	Location (watershed)
	<i>Man</i>	<i>Woman</i>			
Buenas Lomas Antigua	162	157	319	40	Choboyacu
Buenas Lomas Nueva	169	149	318	50	Choboyacu
Estirón	63	58	121	21	Choboyacu
Santa Rosa	49	43	92	15	Choboyacu
Puerto Alegre	123	128	251	36	Choboyacu
Nuevo Cashispi	46	33	79	20	Yaquerana
Paujil	30	21	51	13	Yaquerana
San José de Añushi	30	34	64	16	Gálvez
Jorge Chávez	30	28	58	13	Gálvez
San Mateo	28	24	52	12	Gálvez
Nuevo San Juan	26	17	43	12	Gálvez
Remoyacu	49	48	97	22	Gálvez
Buen Perú	50	63	113	23	Gálvez
San Ramón	19	25	44	12	Choboyacu
<i>Total</i>	<i>874</i>	<i>828</i>	<i>1700</i>	<i>305</i>	-

Source: Centre for the Development of Indigenous Amazon, CEDIA (2005).

Among those villages that are in the basins of the Chobayacu and Yaquerana rivers and those found in the basin of the Gálvez River there are some differences regarding the way of life, organization and relationship with foreign agents. As shown on Map 1, the villages that are in the first two basins have greater seniority in years and are further away from the Colonia Angamos capital, on average about two days by boat across the river.

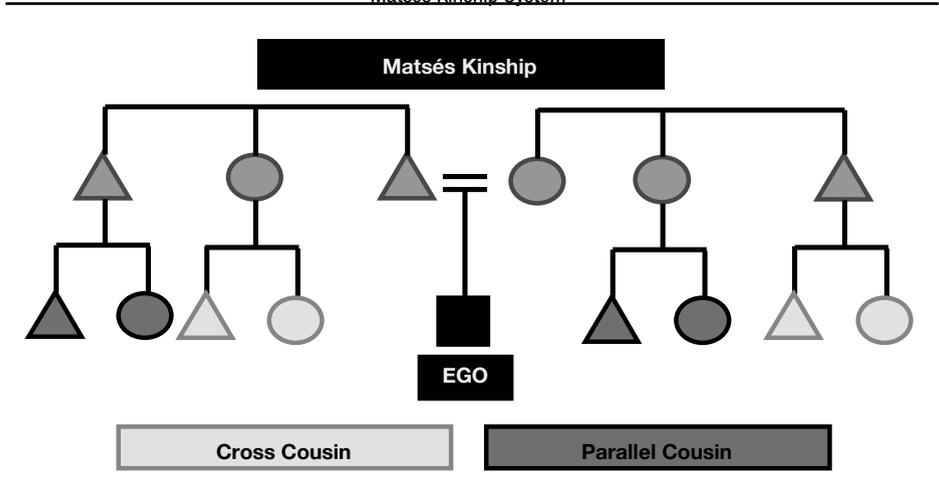
This makes the people of these villages keep traditional customs of Matsés culture—including the political organization—because of the weak relationship and influence of foreign actors or institutions on the community. Instead, the villages that are in the Gálvez River are geographically closest to the capital of the district and have a strong link with the foreign. This debilitates the Matsés tradition and practices, and reproduces practices and ‘modern’ discourses with proposals that stress the Matsés traditional organization.

MATSÉS SOCIAL ORGANIZATION

Matsés group belong to Pano ethno-linguistic families which are in turn made up of different ethnicities, consisting of the Matsés (Mayoruna), Nuquencaibo (Capanahua) and Pisabo ethnicities.

Characterized by patrilocal and patrilineal system, Matsés group recognizing descent through the male line. It is a closed system and exogamous—marriage ban within the group—where ‘Ego’ marries his cross-cousins. Until some years ago, they practiced the polygyny³. At present, the concept of brothers among Matsés covers a larger group of types of relatives, and the definition of carnal brothers includes siblings and parallel cousins. As shown in Graph 1 ‘Ego’ recognizes his father’s sisters as his mothers-in-law and his mother’s brothers as his fathers-in-law⁴. Parallel cousins are ‘brothers’ while cross-cousins are brothers and potential spouses. The father-virile-locality strengthens the cohesion of sibling groups. These aspects of social organization are still in force.

Graph 1
Matsés Kinship System



Source: own elaboration.

In the past, the Matsés thought has mainly been ethnocentric. Levi-Strauss (2004) reports that many societies see themselves as ‘the good

³ Polygyny is a form of plural marriage in which a man is allowed more than one wife.

⁴ Hence, matrilateral or patrilateral cross-cousin marriages.

ones' versus 'the others' within their narratives and identity discourses. This is confirmed between Matsés with the word 'Matsés' denoting the idea of people' as opposed to the name of other groups that bear the suffix 'nawa'⁵, denoting a pejorative 'foreigner' or the idea 'white crude state which holds them to a subhuman destiny'⁶. In the recent past Matsés had this form of ethnocentric identification about the 'other,' but now their social organization has improved the definition with a multi-ethnic composition, as a result of the successive incorporation of practices, technologies, words and beliefs of women and children captives of other neighbouring ethnic groups. This comes as a result of the Matsés' practice of abduction of women from other tribes⁷. The Matsés consider themselves to be a 'mixed' village⁸ and open to the convergence of patterns or models that influence their way of life. Romanoff (1984) speaks of the Matsés defining them by their constituent otherness.

Another important character of the Matsés organization is its dispersion (fission) and regrouping (fusion) dynamics linked to production and family life. In the past, this dynamic supposed that families build their longhouses to cluster around the farm and spend some time there⁹, as shown in Graph 2. Then they left the place and dispersed. Subsequently, these scattered groups regrouped in other settlements with other families—not necessarily those who were in the previous longhouse—they then return to repeat the same dynamic. Usually, a group of brothers who lived in one or several nearby longhouses formed the local group.

In the past, the authority and power was transmitted through lineage. Each village was a group of one or several families who had 'an adult', the son of a former chief, in charge of resolving family conflicts and directing Matsés wars. Above the 'adults' there was a great community leader who travelled and visited the villages of the community, in order to resolve tensions or conflicts among its members. This authority was not elected by the people, but was defined by lineage or

5 As Isconahuas, yaminawas, Sharanahua, morunahua, parquenahua, marinahua, Mastanahua.

6 Killing a corubo means vomiting blood on pain of death. Killing a nawa simply means vomiting water.

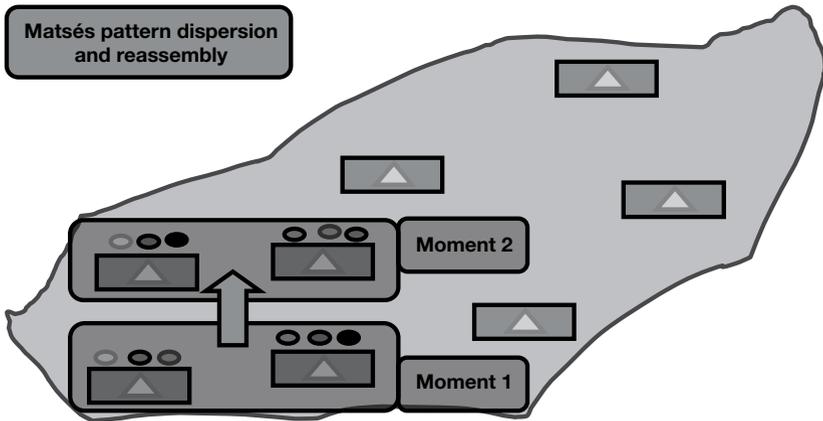
7 Romanoff found in a Peruvian side settlement (Choba) a group of prisoners that came from at least 10 different ethno-linguistic groups, including Matsés dialects.

8 They have taken from the marubo the bow and arrow, replacing their traditional use of the blowpipe, and from Paujiles, agriculture.

9 Clustering time varies between 3 and 26 years, increasing in recent years by new patterns of residence.

ancestry; it was a given power from father to son. A feature of this authority figure was to be a trusted member of the community, with concern for the common good rather than personal interests.

Graph 2
Matsés pattern dispersion and reassembly



Source: own elaboration.

This authority through lineage was not without a control to ensure good judgment when making decisions. The community has surveillance mechanisms that keep track of the boss. These mechanisms are based on fluid communication between members of the different villages, through the familial relations that unite them. Authority figures can make decisions but they must conform to the will of the community.

Currently, certain patterns of political organization such as the inheritance of power through the lineage are no longer followed, but remnants of this form of political order survive, as there are cases where members of prestigious families are called on to be village or community leaders. This feature is combined with others such as the requirement of good knowledge of the Matsés history, the forest (use of plants and animals, for example), the hunting and fishing and the agricultural production system. Although, this has changed with the influence of new foreign agents, the introduction of a new educational system and the need to reproduce patterns of political organization, as requested by the state. Now, the choice of an authority also de-

depends on other factors such as good understanding and use of Spanish, knowledge of the functioning of the institutions of the state and experience of the city dynamic.

DEMOCRACY AND REPRESENTATION IN THE CURRENT CONTEXT

The native communities in the Peruvian Amazon are in a process of change that coincides with an interesting context of democracy in Latin America. Cheresky (2012) argues that democracy of our time is based upon three principles: equality, liberty and fraternity (solidarity). These ensure the permanence of democracy to be adopted by more and more societies. However, democracy is mutating in a new era of a changing and conflicting society where groups hitherto excluded are demanding respect for their cultural particularities. Similarly, as De Sousa Santos (2006) mentions, the state risks losing its centrality due to the proliferation of local and regional powers and that the values of 'modernity—freedom, equality, autonomy, subjectivity, justice, solidarity—and the contradictions between them survive under increasing symbolic overload' (De Sousa Santos, 2006: 17).

At the beginning of the twenty-first century, Latin America was presented as one of the most democratic regions of the world after the countries with advanced industrial democracies, but also as one of the regions with the highest rates of inequality. The political changes in Latin America have belatedly turned its efforts to good governance, security, justice and social inclusion. In the mid seventies, almost all countries in the region were under authoritarian regimes. However, at the start of the new century, most countries were chaired by democratic governments, Peru being one of the last countries to follow this path after Alberto Fujimori's regime ended in 2000.

Peru and the Latin American countries have not yet reached full democratization (Munck, 2003: 568). However, in Latin America, democracy has never lasted so long nor have there been so many democratic countries. This does not mean that Latin America has overcome the problems that face it. The first of these is corruption; secondly we find violence; and finally the levels of poverty and inequality that in Peru have declined in recent years due to economic growth (Jaramillo, 2011; Yamada *et al.*, 2012; Escobal and Ponce, 2013) although at a very low rate (Panfichi, 2012)¹⁰.

10 In Peru, poverty and inequality has been moving to the rural highlands. Analysts and the public guess further increases of the perception of this fact. Panfichi mentions that while in Metropolitan Lima is 13% poor people; in the rural highlands it is 61.5% of the population; and in Cajamarca, the region that accounts for 11.6% of mineral production in Peru and the first gold producer in the country, 56% of the population lives in poverty and extreme poverty (Panfichi, 2012: 179).

Another major problem has to do with the past heritage and power of the political and economic elites of Latin American states. Democracy in Europe took place in a context of rule of law, dynamic economies, democratic transition, class compromise, workers' demands, distributive policies and fundamentally inclusive prosperity. Instead, this happened in Latin America in terms of conflictive political processes, patrimonial and non-bureaucratic states, economic and political elites opposing the rule of law, destruction of socio-political foundations of leftist groups and coalitions with military to conduct coups whose purposes were to avoid losing their privileges (Munck, 2003). This has led to a growing anti-political sentiment by a large segment of the population and therefore the search for new figures and new channels of political participation within the state.

In Peru, with the distrust of traditional political parties that revolve around representatives in Lima, the decentralization initiated in 2002 has allowed the emergence of regional elites and economic growth from foreign economic investment and mining royalties, which have had two essential consequences in the political order. The first is the victory of regional movements in regional and municipal elections in October 2010 and, the second, is the failure of traditional national political parties beyond the limits of the city of Lima (Coronel and Rodríguez, 2011).

In this sense, the study of Guibert and Tanaka (2011) shows the evolution of the elections of 2002, 2006 and 2010, in the regional and local governments. In recent years, the traditional national parties have been losing strength in the nomination and obtaining of valid votes in regional processes, while regional movements show an opposite trend, getting increasingly more nominations and votes in recent processes.

Focusing on native communities in the Peruvian Amazon, from the work of Espinosa and Lastra (2011), we have that there is a growing interest in regard to political participation through elections and other channels. However, there are limitations in the current electoral model and a weak representation of the indigenous population in the sub-national governments and political parties. First, because it is not easy to determine whether or not a candidate is indigenous. Second, because there is not a connection between political parties and communities, or at least it is sporadic and weak. Third, and this explains the above, because there are 'cultural dimensions and ways of understanding politics and participation (from native communities) which do not go through the western and modern democratic forms' (Espinosa and Lastra, 2011: 42). Fourth, and as a result of the above, the lack of a sense of being represented, since the political parties do not

have a genuine interest in their situation and respect for their rights. Finally, the high number of undocumented people¹¹ and the high costs for residents to navigate through the river to go to vote in the distant places where the ballots are.

NEW ACTORS AND THE NEW POWER DYNAMIC AMONG THE MATSÉS OF THE PERUVIAN AMAZON

Participation in decision making in the community is closely related to political organization and power relations that are woven throughout the community. These relationships change according to the conditions and elements that configure them. These conditions can be modelled by a number of components such as the presence of regulatory bodies, the economic model, health and educational systems introduced, policies implemented, and market behaviour, among others. These conditions support the social fabric, and are supported by different stakeholders or actors, who are involved in and interact with the community. Therefore, we focus on the analysis of these stakeholder groups. The elements that influence power can be extended to a wide range of possibilities.

The Matsés entered a rapid transformation and social, political, economic and cultural reconfiguration beginning in 1969, with the arrival of the Summer Institute of Linguistics (SIL). Since 2000, the community entered a restructuring process of its political organization by the need to adapt the legal framework that the state requested in order to access to certain rights. New political bodies within the community were created. Three major organizations are the Board of Directors with authority over the 14 villages, the Boards of Administration, with authority over each village in particular, and the Association of Youth. So, in 2001 the first Boards in the history of Matsés community were chosen.

Despite the institutionalization of these new political bodies, the community still maintains traditional mechanisms for making agreements. They have three ways to reach agreements; two are performed in every village and another at the level of the whole community with the meeting of 14 representatives from each village and other community authorities. The first way occurs within each village and it is traditional. This is influenced by kinship and marriage alliances, and is used to distribute specific economic tasks like hunting animals or the use of agricultural production areas. The second, also at the vil-

11 In the Yaquerana district where the Matsés is located, there are 643 indigenous people with DNI (ID) and 18 without it. In 2007, 15% of the indigenous population over 18 years had no national identity or citizenship. (Espinosa and Lastra, 2011: 53).

lage level, has the participation of village members in discussions and agreements on more everyday topics such as the use and management of natural resources, cleaning roads, picking of family farms, etc. The third process is at the level of the whole community, through the General Assembly of Delegates (heads of each village) which is convened by the Head of the Community, Chuiquid Tapa, at least three times per year.

NEW ACTORS, NEW POLITICAL INTERESTS IN THE COMMUNITY

In 1969, American religious missions of Summer Institute of Linguistics (SIL) came to provide health and education assistance to the people, evangelize the community and replace Matsés organizational model based on dispersion by one of permanent settlements that concentrate a large number of population. This is to ensure health and educational services for the Matsés people. Subsequently, Matsés engage in relations with a number of actors outside their community: colonists, institutions of the state (from sectors like health, education, sub-national governments, environment), business (construction or mining), NGOs, among others. Each actor enters the community for different reasons and interests.

I. The presence of the state

The government's vision is to take advantage of the existing natural resources in a clean way through a responsible treatment, both with the environment and with the native way of life. However, from the perspective of the Matsés, and Amazonian natives in general, the state does not see the community as protectors of their land, but as bellicose characters that violate laws and delay the progress of the companies involved in the extraction of natural resources. This dynamic had its turning point in 2009, during the government of Alan García with the fateful events of Bagua, a conflict between natives and police that resulted in the death of 33 people.

The relationship between the state and Matsés becomes tense due to the sense of a lack of consensus and not taking into account the way of communal life. The absence of the state in the district and the community creates a negative perception in native communities because it comes basically to tell them the activities that must be performed to obtain the means (money) to enable them to purchase goods and services, for their 'well-being'. The state, through bodies such as ministries, sub-national governments, agencies or specialized offices, delay, extend and fail in their programs, orders, processes or promises that the Matsés community expects to reach or get quickly in order to advance projects that involve their welfare.

In the 1990s, the Peruvian State recognized the territory of the Matsés community and subsequently required the creation of a representative organization of the indigenous community to resolve conflicts over natural resources within the territory. There is a need for a statute and a regulation to support the organization of the Board, which will represent the 14 villages of the community. This change is crucial because it has an impact on two axes: the socio-political organization and the form of communication.

The traditional political organization based on lineage, kinship, marriage and indefinite period of authority is displaced. A new form of organization is introduced based on the election of representatives for a determined short period, based on the accumulated prestige through knowledge of Spanish, their experience with the dynamics of the city, and knowledge of the functioning of state institutions, among others. While always maintaining the condition of knowledge of the forest, history and Matsés culture, as well as traditional economic-productive model and the system of customary rules.

II. The entry of companies

In this section, we will focus on the link between the community and two types of companies. One is the infrastructure builders and the other is the oil company. Not all villages that make up the Matsés community relate to the company in the same way, this depends on the families that make up the village and the location thereof.

The infrastructure construction companies hired by the municipality are not well regarded by the community due to a number of factors. First, because the companies, basically, are coming from Iquitos and therefore they introduce a foreign staff to the community that comes with different habits and in many cases negative. Companies and their foreign staff create discontent among Matsés, by hiring outside help to deny the possibility of the community work. In addition, retention of such personnel, mainly men in the villages during the execution of the works creates a conflict due to their relationships with native women, which often leave pregnant and unmarried mothers.

In the case of oil companies, the activities they perform are one of the most significant dilemmas concerning economic growth, reduction of poverty and inequality, social and environmental responsibility, and respect for the way of life of the ethnic groups in the Peruvian Amazon. As shown by Claps (2013), in recent years, petroleum extraction activity has had a significant growth and expansion. This growth has been accompanied by an increase in social unrest, environmental pollution, diseases resulting from oil contamination and a rupture of the traditional communal way of life.

Between 2002 and 2012, there was a sharp increase in existing contracts for exploitation and exploration of petroleum in Peru. The percentage of oil lots in Amazon territory has increased. While in 2004, this represented 9% of the Amazon territory; by 2009 it has increased to 72%. Concerning profits from mining activity, it was found that between 1999 and 2011 the royalties obtained from hydrocarbon activity reached just over \$8,385 million US dollars. These gains are not reflected in the situation of indigenous and peasant communities where many of the extraction activities take place. It is not a problem due to lack of financial resources, but rather a lack of effective redistribution policies and management of resources by the state.

The presence of mining companies within the native community is unanimously rejected by the population. In Assembly, there are several issues on which we can find different opinions and discrepancies. However, on the issue of the entry of extractive companies, the vision is common among the young people, adults and seniors of the 14 villages Matsés: do not allow the entry of mining or oil companies, to preserve the way of life, the forest, the environment and its resources, which allow the survival of the population.

III. The link with NGOs

In many cases, NGOs play roles corresponding to the state, as in the training of authorities and residents on issues such as knowledge and use of current regulations, the operation of processes for the proper use of resources and territory, the operation of health services, schools, municipality, electoral processes, the generation of sustainable economic activities that benefit the population, etc. Neither the state nor its various entities have been concerned about training programs of various kinds in the community.

In recent years, the NGO has played an important role in advising and training on key topics for Matsés ethnicity. One of these, for example, is the definition and recognition of the communal territory. It has focused on the residents of the community on issues such as bilingual education, land use planning, and management of natural resources and promotion of sustainable economic activities such as tourism research. One of the more elaborate themes has been the strengthening of the political organization of the newly created bodies: the Board of Directors, with authority over the whole community, and the Boards of Administration, with authority over each village.

This dynamic between the NGO and the community works while the NGO meets the objectives given to the community regarding work and effort in favour of it, and reconciles with interest is found; otherwise, the community is responsible for regulating and evaluating

the status of their relationship with the NGO. Furthermore, anyway, within Matsés there are always manifested groups in opposition to their activities moved by personal or family interests rather than communal or claiming that the NGO take advantage of the population.

FROM ORAL TO WRITTEN LANGUAGE, NEW SOURCES OF POWER

The political organization and form of participation within the Matsés community are based mainly on the management of the media and the information received from the outside to the family clans and vice versa. Those who better manage these elements will have greater opportunities to appear as representatives or authority figures in the community. This is accentuated by the introduction of the writing system in oral societies. The writing system can be used as a double-edged sword: it generates equality between members of a community, but also emphasizes and strengthens existing inequalities.

The communication system—whether oral or written—of a society permeates their very economic, religious, political and cultural dynamics. Goody (2003) suggests that oral societies are more flexible in their sign systems, while written societies are more rigid or stringent. A field where the media has direct influence within a community is the political power. There are officially literate societies but with mostly illiterate members, where access to the official communication system is restricted to an elite or it is made more complex to restrict the learning. The other side of the coin is the use of the formal communication system, such as writing, and literacy as channels to democratize power and promote equality. Goody (2003) mentions that the adoption of the Greek alphabet system has been one of the great democratic revolutions. A system allows easy access to knowledge for the great majority.

Despite democratic possibilities that appear when writing is introduced in native communities, we must be careful about transition from oral tradition to written one. In this process a number of factors affecting the different fields that make up the social, economic, political and cultural organization of these communities appear. One of these factors is the process of building an individual imaginary from a communal one.

Among Matsés, the more access and management of the Spanish language is a reliable source for exercising power and authority. This allows the understanding of the operation, the regulations and configuration of the state; the reading of processes and dynamics of the other stakeholders in the community¹².

12 As companies, NGOs, the church, settlers, etcetera.

The entry of the state and the introduction of Spanish as the official language of communication between the community, the state and the westernized society have created new forms of status or prestige marked by secondary and university education. The relationship and reproduction of 'habitus' (Bourdieu) and new ways of exercising power in new spaces and institutions such as schools, colleges, the military, local government, NGOs, etc. have an impact on its collective conscious and traditional practices.

Faced with this scenario, the Matsés community maintains mechanisms to protect its traditional political organization. They reject young people who live for long periods outside the community, split with the family situation or their village and return with ideas that are incompatible with the horizon outlined by the community. The presence of the person and their work within the community is essential. This ensures their concern and commitment to it, as well as knowledge of the culture, the traditional political organization, religion, production system, natural resources, etc. that shapes the Matsés' identity.

As noted by Goody (2003), another key point in this process from oral to written language systems is that 'for the preliterate societies, every social situation inevitably puts the individual in contact with the patterns of thought, feeling and action of the group : the option (with writing) is between cultural tradition or loneliness. 'In a society with written culture, the mere fact that reading and writing are solitary activities, usually makes it very easy to avoid the dominant cultural tradition' (2003: 69). The modernization, or break which means the passage of an oral communication system to one written, permeates the social and political organization of the native community. It is left aside the communal body politic posed by Clastres to move to a political system marked by the individuality of a leader, representativeness and recognition.

CHANGE AND POLITICAL ORGANIZATION OF THE MATSÉS: FROM ELDERS TO YOUTH

The notion of tradition is linked to the continuity and the transmission of standards, while modernity is associated with breakup of these elements. The transforming of communities is linked to a process of 'modernization' and often occurs in one direction: from the state to the native communities, and not vice versa. The question is whether the choice of 'modernization' should rest only on communities and not on a state that does not work well and does not include the Amazonian ethnic groups because it is built on outdated models of political organization.

Among the Matsés, political organization consists of a leader who speaks on behalf of the community in circumstances that put them

against foreign actors: either to strengthen alliance ties (with friend groups) or the successful resolution of the conflicts and tensions that may arise (with enemy groups). This condition to speak on behalf of the group is determined by the approval of the community, the leader never makes decisions to impose on their community.

To deprive the leaders of all kinds of power, the community ensures its lack of division between rulers and ruled. It is avoided to dissociate the political sphere from the social one, to not separate the power from society. This does not mean we are talking about non-political groups. On the contrary, power is decentralized and unfolds without being separated from society, which is appropriated and exercised as a whole, keeping your undivided being and avoiding the appearance of inequality among them. The leader is under constant surveillance by the community. When he shows a lust for power and threatens the cohesion of the community, they perform procedures such as the removal, the obligation to renounce his duty, separation of the community and even death.

In the Amazon, we find models of organization where the opinion of prestigious group takes priority. The Matsés do not escape from this model. A form of status is transmitted through the lineage: the genealogical descent and belonging to a particular recognized clan.

Before the introduction of the new model of political organization required by the state in the community, the communal authority rested with the elders. They oriented the future of collective, decision-directed agreements and making major decisions. The prestige and the confidence placed in them were based on several important elements: management of the Spanish language, traditional knowledge of forest use, plants, animals, etc., to convey the will of the community with clarity to the state during the time for dialogue between the two.

One of the main forms of prestige of the elders is their knowledge about nature, animals, plants and their use for health. This is pretty important in the context of a high mortality rate due to diseases such as Hepatitis B or malaria and lack of basic quality health services which address such ills¹³. This is not a knowledge imparted in institutions like school, but acquired during the months when children and young people are with their parents and grandparents hunting in the

13 The Matses people's perception is that the health service that exists in the district is not of good quality, and also, the mayor of the municipality does not support the sick nor cares to develop projects to decline the number of cases of Hepatitis B and Malaria, mainly. The Matses' knowledge of using the forest and plants for the welfare of the people in their community is essential.

forest. It is during this period in which the Matsés acquire items that allow them to identify more with their indigenous identity.

Currently, the way in which power is primarily configured had to do with the proper handling of Spanish, the most Western education and contact with institutions foreign to the community. All of this, while not forgetting the family ascendance, Matsés knowledge of identity and the community engagement. The headquarters of the community are no longer occupied by the elderly but youth or young adults who meet these requirements.

The exercise of power by the authority of young leaders works to carry 'modern' processes or transactions recently introduced by the state. For specific cases of making agreements and decisions that have to do with elementary topics for the future of the community such as land, the elders and seniors participate by contributing tales and stories that bring to mind past events that were beneficial or detrimental to the Matsés and other Amazonian communities.

Now the elderly Matsés are hardly involved in the exercise of power, mainly because they do not speak Spanish and do not understand the political system that the state has implemented because it is a culturally alien system. This result in the danger of losing their identity and political organization that takes care of cohesion and avoids the generation of inequality among members of the community, through a power exercised by the group as a whole. That idea of democracy, that for decades has been sought and discussed by the West, was put into practice long ago by the traditional societies of the Peruvian Amazon. The reflection that follows is about whom should be modernized in the field of political organization today: native communities or the state?

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DEVELOPMENT AND ECONOMICS

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NEOLIBERALISM, COLLECTIVE SELF-RELIANCE AND THE CHALLENGES OF AFRICAN INTEGRATION

INTRODUCTION

The idea of collective self-reliance as a counter-hegemonic ideology to Neoliberalism in Africa has remained at the forefront of many alternative efforts by Africans to transform their socio-economic and political plight over the years. Since the liberation of continent in the 1960s, the African leaders have been struggling for unity and economic development. Regional integration was identified as a strategy for promoting both unity and self-reliant economic development among the states in Africa. It is imbued in most of the instruments and policy documents that followed from the convergence of the African state on the need to collectively secure their independence and development. The Charter of the Organization of African Unity (OAU) conveyed the determination of the African leaders 'to safeguard and consolidate the hard-won independence as well as the sovereignty and territorial integrity of our states and to fight against Neo-colonialism in all its forms' (OAU Charter, 1963: 1). The idea was carried on a decade later in the 1973 *African Declaration of Co-operation, Development and Economic Independence*. Throughout the 1970s, the concept of collective

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self-reliance became the political and ideological tool of the Third World movement, as well as the non-aligned movement. It was also the bedrock of their development strategy (Matthies, 1979). The call for a New International Economic Order (NIEO) was part of the effort to actualize self-reliance dream of the developing countries. Africa's determination in that respect led to the 1979 Monrovia Declaration of the Heads of State and Government of the OAU on Guidelines and Measures for National and Collective Self-Reliance in Social and Economic Development for the Establishment of a New International Economic Order. The declaration stated amongst others the commitment of the African leaders to among other 'promote the social and economic development and integration of our economies with a view to achieving an increasing measure of self-reliance and self-sustained intercourse' (OAU, 1979: 2). The United Nations General Assembly was one of the sites for the articulation of the demands of developing countries, including African states, to alter the structure of the unfavourable global economic order. A number of institutions and programmes were established to assist developing countries, and specifically Africa, to deal with their development problems. Some examples of these efforts were the establishment of the United Nations Conference on Trade and Development (UNCTAD) and the United Nations Industrial Development Organization (UNIDO) in the 1960s; the formulation of the United Nations Programme of Action for the African Economic Recovery and Development (UNPAAERD) in 1986, which was to span the period 1986-1990, and the United Nations New Agenda for the Development of Africa (UNNADAF) of the 1990s. These UN intervention schemes were an acknowledgment of the fact that African societies for some historical reasons (colonialism) are disadvantaged within the international division of labour. In that they have been relegated to the production and export of cheap raw materials, and import and consumption of more valuable end products. The appreciation of this fact at the UN was made possible by the various dependency analyses of scholars like Raúl Prebisch, Paul Baran, Walter Rodney, Samir Amin and the like, who argued that developing countries have to restructure their relationships with the advanced capitalist world in order to end their marginalization and exploitation.

The Lagos Plan of Action (LPA) and the Final Act of Lagos of 1980 was an African initiative that sought to bring about this transformation in the African relationships with the outside world. The Plan proposed a blue print of action for the realization of the collective self-reliance initiative of the African states. The blueprint is based on the awareness of Africa's rich potentials and its dependent position within

the international political economy. Therefore, in adopting the plan of action, the leaders admitted that:

The effect of unfulfilled promises of global development strategies has been more sharply felt in Africa than in the other continents of the world. Indeed, rather than result in an improvement in the economic situation of the continent, successive strategies have made it stagnate and become more susceptible than other regions to the economic and social crises suffered by the industrialised countries. Thus, Africa is unable to point to any significant growth rate, or satisfactory index of general well-being, in the past 20 years. Faced with this situation, and determined to undertake measures for the basic restructuring of the economic base of our continent, we resolved to adopt a far-reaching regional approach based primarily on collective self-reliance (OAU, 1980: 1).

The LPA which was to operate between 1980 and 2000 did not realize its objectives. The unrelenting struggle for collective self-reliance has continued into the twenty-first century with the recent call for an African Renaissance by Thabo Mbeki of South Africa and the formation of NEPAD initiatives. These African efforts however, have largely not been a success a story. Despite the strong belief among African leaders and scholars about the potency of the idea of collective self-reliance, Africa's socio-economic development and integration has remained largely elusive. The question therefore is why has it failed to work? Why is the collective resolve of the African leaders not manifesting in improved socio-economic conditions and better position within the global political economy? These are the questions that this paper seeks to address.

METHODOLOGY

The paper relies heavily on secondary data and qualitative analysis. The analysis will be based on critical political economy perspective, which argues the need for a radical revision of conventional economic concepts. Unlike in political economy, which simply incorporates economic approaches in an unchanged form, or even is subordinated to such approaches in the sense that they become its organizing principle, critical political economy demands the transformation of the economic. From that perspective, the Gramscian conception of hegemony and world order is used as the conceptual frameworks related to this transformation of the economic and socio-political relations. Hegemony, in Gramscian view, is a form of power that is related to the relations of dominance and subordination, leadership with a supporting social basis. It consists of a mix of consent and coercion, where the

consensual aspect in the forefront and the coercive dimension latent, applied in marginal, deviant cases (Cox, 1993: 52). World order is a system of hegemony which though it may be challenged to give concessions, nevertheless, ensures the preservation of the dominant order (Cox, 1993: 51). Neoliberalism is described as a hegemonic world order in Gramscian view. This view is taken as a framework for explaining the quest for collective self-reliance and integration of Africa. In the next section, the concept of collective self-reliance is examined as a counter-hegemonic doctrine to Neoliberalism.

COLLECTIVE SELF-RELIANCE: A COUNTER-HEGEMONIC DOCTRINE TO NEOLIBERALISM

Self-reliance, like self-help, mutual-help, has come to be associated with the discourse of community development (Fonchingong and Fonjong, 2003), which is a form of development that is based on the mobilization of local skills, resources and reduction of external dependence in the process of economic growth (Omotayo, 1996). Beyond that however, the idea of self-reliance has a much deeper discourse and application. From a critical international political economy perspective, self-reliance is not merely 'a way of organizing the economy with heavy emphasis on the use of local factors, but a highly concrete fight against any kind of centre-periphery formation' (Galtung, 1976: 2). It is, therefore, a counter-hegemonic ideology that seeks to replace the hierarchical organization of the global economy in which the advanced countries placed themselves at the centre of industrialization and development and the developing countries at the periphery/receiving end of development. For Galtung (1976) the basic idea of self-reliance is to get out of the centre-periphery relationship, which places the former at the centre of development and change and the latter at the receiving end. The principles of collective self-reliance counteract the assumptions of Neoliberalism.

Neoliberalism, as a political and economic doctrine, is the contemporary version of capitalist hegemony that dominates the world. It developed out of dissatisfaction with the doctrine of embedded liberalism that emerged from the post World War period. Embedded liberalism is a political economic system that allows for the state or government to play an active role in the market promoting the interest of capital and protecting the welfare of the citizens (Slaughter, 2005; Soederberg, Menz and Cerny, 2005; Ruggie, 1991). This system is associated with Keynesian economics in which the *laissez faire* market is seen as incapable of self-balancing and therefore requires government intervention using taxation and expenditure to influence market outcomes that would ensure full employment and economic growth

(Slaughter, 2005: 26). The system collapsed due decline in economic growth, increased inflation and the United States withdrawal from the dollar-gold standard in the 1970s (Slaughter, 2005: 27). Neoliberalism emerged to replace embedded liberalism. The main idea of the neoliberal doctrine is the promotion of free market and a minimal state. State intervention in the market under embedded liberalism was blamed for stifling the productivity and innovation of the market, which ultimately resulted in the decline of economic growth and rising inflation. Therefore, from the 1980s, Neoliberalism has become a global doctrine, which argues for the deregulation of markets as most effective and efficient means of promoting self-sufficiency, where individuals can pursue their wants and needs through the mechanism of price (Springer, 2013: 149). This economic ideology was popularized by the policy of TINA (There Is No Alternative) championed by President Ronald Reagan of the USA and Prime Minister Margaret Thatcher of Britain. Through the International Monetary Fund (IMF) and World Bank, the ideology was imposed on Africa and many developing countries.

Consequently, the notion of self-reliance espoused by the developing countries, including Africa, came under attack both ideologically and empirically. Ideologically, the radical transformative overtone of self-reliance, which challenges neoliberal capitalist world order by advocating endogenously determined autonomous development, was attacked and transformed by neoliberal thoughts (Cox, 1993). The counter-hegemonic tone of self-reliance was watered down by neoliberal thinkers and policy makers. The concept has now been co-opted and transformed by the agencies of the world economy, such as the World Bank and IMF, to mean:

[...] do-it-yourself welfare programmes in the peripheral countries, for rural population to achieve self-sufficiency, to stem the rural exodus to the cities, and to achieve thereby a greater degree of social and political stability amongst populations, which the [capitalist] world economy is incapable of integrating. Self-reliance in its transformed meaning becomes complementary to and supportive of hegemonic goals for the world economy (Cox, 1993: 63-64).

Empirically, self-reliance is said to be loaded with difficulties when applied in reality given the lack of capacity for sacrifice and political will on the part of most of the African governments (Omotayo, 1996). The economic and political costs of severing long-term ties with foreign partners have been seen to be too high for these countries. This is more so that many years of unfavourable terms of trade has made them to acquire huge amount of external debts, which often get ser-

viced through foreign aid and other external inflow of funds. Therefore, these erode the capacity of the countries to initiate autonomous growth (Omotayo, 1996: 24). This type of criticism takes a rather narrow and static view of the self-reliance doctrine. Narrow in the sense that it only focuses on the economic dimension of the position. Static because conditions do not remain or are not given, but they are outcomes of processes of struggle between social forces. Therefore, a much more elaborate explanation of self-reliance reveals a rabid notion attached to the concept. It also reveals the capacity of the neoliberal hegemony to a counter and adapt to challenges.

Johan Galtung therefore provides an elaborate discourse on the concept of self-reliance as a strategy for fighting the centre-periphery formation of global capitalism. Galtung identifies three mechanisms that support the centre-periphery hegemony: penetration, fragmentation and marginalization (Galtung, 1976: 2). Penetration or dependency is a power relation that situates the cause of events in the periphery in the centre. In other words, the fortunes of the developing countries is very much tied to the developed world through the application of three forms of power: normative/ideological power which erodes the confidence and faith in one's own values, culture and civilization; remunerative power, which involves the use of economic incentives, threats and sanctions and; punitive power, that is the use of persuasion and coercion (carrot and stick). In order to overcome this type of power relations, Galtung (1976) argues that the developing countries need to have faith in their own values and cultures; they need not to establish absolute self-sufficiency or autarchy, as some economic analyses may suggest, but develop capacity for the satisfaction of basic needs; they need to fight against cultural, ideological and economic penetration through struggle for independent taste formation, being less susceptible to 'taste' generated from the centre and satisfiable with centre goods only and; they need to develop certain fearlessness against coercive power both in terms of attitude and in terms of defence structure (Galtung, 1976: 3). In summary, the self-reliance doctrine espoused by Galtung is situated in psycho-political analyses rather than economics alone. Hence, he emphasizes on self-confidence, ability to be self-sufficient and fearless, and not just proposing economic formula for 'bridging the gap', 'catching up' in the sense of equalizing GNP/capita or some similar measure (Galtung, 1976: 3). The sense in which self-reliance should not be taken in purely economic way is the argument that 'Self-reliance cannot be at the expense of the self-reliance of others; it only implies the autonomy to set one's own goals and realize them as far as possible through own efforts, using one's own factors' (Galtung, 1976: 4).

Most of the critiques of the self-reliance doctrine tend to focus on the economics of it, the short-term cost-benefit analyses rather than the political and psychological struggle being wielded against a system that ensures the reproduction of dependency and marginalization. As a practical example, the case of China, and to some extent Vietnam and Cuba, illustrate how the doctrine of self-reliance has been put to practice. The leaderships in China, beginning from Deng Xiaoping, have been adopting an autonomous stand in appreciating the need for, and identifying and implementing, reforms in their country that is not dictated by models elsewhere. Indeed, the strength of self-reliance lies not in disengagement of a country from the existing global political and economic relations but in the effort to build new relations by counteracting fragmentation and marginalization, which is the hallmark of the current neoliberal global system (this will be illustrated further in the next sections). Galtung therefore argues that

[...] the point is to break up the Centre monopoly, or near-monopoly, on interaction by initiating new patterns of cooperation, and to break up the Centre near-monopoly on organizations by creating new organizations. These are both active, outward oriented aspects of self-reliance, showing clearly how different it is from self-sufficiency as a concept (Galtung, 1976: 4).

It may be argued that alternative fora of co-operations, such as the South-South Cooperation and the BRICS, are examples of counter to the near-monopoly of such organisations and groups of powerful countries like the Organisation for Economic Co-operation and Development (OECD) and the G8 that engage in organizing and ordering the global political economy.

The idea of collective self-reliance is an extension of individual self-reliance to encompass cooperation and integration between the countries of the Third World (Amin, 1989). Regional integration is thus, a key strategy of building new forms of relations and cooperation by weak or developing countries. The idea of collective self-reliance in integration is for these countries to initiate or negotiate engagements with powerful countries or groups by wielding their collective resources. As mentioned earlier,

the concept of collective self-reliance was a development strategy for developing countries which would build on the indigenous needs, capabilities and resources of the societies of Asia, Africa and Latin America and not be determined by extraneous ones...in its collective dimension it envisaged in the short term a united and coordinated stance of the developing countries in the NIEO negotiations with the industrial-

ized countries. Over the longer term, the CSR concept entailed the systematic evolvement of interdependent and symmetrical political, economic and socio-cultural structures and interchange relations between developing countries which were to bring about gradual qualitative modification and partial elimination and replacement of the dependent and asymmetrical structures and relationships between developing and industrialized countries (Matthies, 1979: 75).

From this point, collective self-reliance is thus a politico-ideological and economic stance that is aimed at restructuring asymmetric relations between countries in a global system that places some at an advantage and others at a disadvantaged position. The regional integration project in Africa has persisted in spite of slow progress. This is especially so in the face of failures of alternatives that has been imposed on the continent by external forces. At almost every juncture in the history of African socio-economic and political development, the idea of self-reliance through regional integration keeps propping up. The adoption of the Lagos Plan of Action in 1980, the enactment of the African Economic Community (AEC) Treaty in 1991 and the adoption of the Constitutive Act in 2000 are testimony of the enduring legacy of collective self-reliance (Kouassi, 2007: 1). Collective self-reliance has also remained the buzzword of the African states for confronting the challenges of globalization and for building their capacity of negotiation and competition in the global system. The African integration process that ought to give practical expression to the idea of collective self-reliance has been slow and precarious. In the next section, we try to explain why the collective self-reliance doctrine has failed to thrive as an alternative to Neoliberalism.

THE 'FAILURE' OF COLLECTIVE SELF-RELIANCE

Contrary to the analyses that depict the concept of collective self-reliance as a 'failure' or what one may describe as 'dead on arrival', there is historical evidence that reveals the sustained battle to suppress the counter hegemonic fervour of the doctrine. As earlier mentioned, the dominant neoliberal hegemony has proven to be resilient in the face of rivalry or counter-hegemonic attacks. Neoliberal thinkers and policy makers have been able to subvert any attempt to alter the structure of the global political economy in order to bring about another rival system. Through the application of normative/ideological, economic, and political powers, advanced capitalists countries have ensured the perpetuation of the global economic and political system that maintains the centre-periphery relations. This is evident throughout the history of Africa's efforts to bring about collective self-reliance through regional integration.

In the 1970s, there was an upsurge in the growth and development process of poor nations, occasioned by their awareness of the inferior economic and political status in the world (Thirlwall, 1989). Their desire for material improvement and greater political recognition through economic strength led to the calls for New International Economic Order. This call followed the failure of the first development decade declared by the UN General Assembly in 1961 (Encyclopaedia of the United Nations, 2013). The call for a NIEO was in opposition to capitalist character of the world economy. The economic order, supported by the Bretton Woods system, was only serving the advanced capitalist countries since the post War reconstruction, 1946-71 (Singer, 1978). But that system did not favour most of the developing countries (the exceptions were Brazil and Mexico in Latin America and Korea/Taiwan/Singapore/Hong Kong in Asia), which saw increase in poverty level and deterioration of terms of trade (Singer, 1978). The developing countries were therefore dissatisfied with the system. That dissatisfaction largely informed the North-South Dialogue, which started taking shape in the 1960s and became a hot matter within the UN General Assembly. In 1974, the General Assembly passed some Resolutions [3,201 (S-VI)] containing some radical demands for reform of the world's economic and social system in order to redress inequality and injustice in the world economy (UN, 1974). This resolution was, however, quickly countered by the North led by the US, who called for the Seventh Special Session of the UN General Assembly in 1975. The Resolutions (3,362), which was adopted by consensus retained most of the demands of the earlier Resolution 3,201, but provided a leeway for the US and the Northern delegates to attach reservations to the resolution (Looney, 1999). In addition, the militant tone of the 1974 resolution was watered down. The proposals of the US ensured that the NIEO would not bring about any radical transformation of the global economic system, and hence the perpetuation of centre-periphery structure would continue. On the US proposal Robert Looney writes

These US proposals were centred on the basic principle of **maintaining the existing economic system** and the provision of development assistance through increased trade liberalization, the transfer of aid and technology through international organizations outside the direct control of the United Nations and the creation of some programs for the stabilization of commodity prices and the creation of some buffer stocks, of a fund to stabilize export earnings of developing countries and of agreements on coffee, cocoa and sugar (Looney, 1999: 3; emphasis added).

The struggle between forces of change from the South and the forces of status quo continued within the UN General Assembly into the 1980s. In 1980, African leaders adopted the Lagos Plan of Action for the Development of Africa under the auspices of the OAU. The Plan consisted of a strategy based on collective self-reliance and the establishment of an African Economic Community by the year 2000. But hardly had the Plan been put to use, it was countered by another plan from powerful neoliberal interests. The consequence of this neoliberal hegemonic move has remained with the continent since then. John Spykerman writes:

World Bank officials were skeptical of the plan, arguing that African leaders had not paid sufficient attention to economic reform and private-sector development. Unhappy with the Lagos Plan, the World Bank appointed Berg, an influential economist, to head its first study of development in Sub-Saharan Africa [...]. The Report named after its author, Elliot Berg, and issued in 1981 by the World Bank recommended neoliberal policies by insisting that African countries move away from state-run economies and toward free market systems.

Berg's report, officially titled 'Accelerated Development in Sub-Saharan Africa: A Plan for Action,' asserted that African governments could increase exports and better develop rural economies through swift implementation of better governance and market reforms. Berg recommended a significantly smaller role for governments in the national economies and proposed greater private-sector involvement in key industries.

Following the release of the report, the World Bank and Western nations placed conditions on the aid they gave to African countries based on Berg's recommendations. These conditional aid packages became known as Structural Adjustment Programs (SAPs) and emphasized liberalization of interest and exchange rates, among other reforms (Spykerman, 2011: 1).

The contending positions of the African countries and the capitalist countries also manifested in the UN Programme of Action for African Economic Recovery and Development [UNPAAERD] (1986-1990). Within the UN General Assembly, the two groups defined the African economic and social problems of the 1980s differently (Ratsimbaharison, 2003: 11). On the one hand, the group of African countries, supported by the Group of 77 and the group of the Non-Aligned countries, in explaining the causes of socio-economic crises in Africa underscored the persistence of *exogenous*, initial or structural conditions (that is the continued existence of inherited colonial structures of dependency) typified by lack of infrastructures and diversification

of the economies. On the other hand, the group of developed capitalist countries backed by the powerful Bretton Woods institutions (IMF and World Bank) emphasized the *endogenous* factors such as deficiencies in institutional and physical infrastructures, poor economic strategies and policies, insufficient managerial and administrative capacities, lack of financial resources, decline in commodity prices, protectionism, demographic factors and political instability (Ratsimbaharison, 2003: 14). This lack of consensus jeopardized the UNPAAERD.

Since aid packages were conditional on the implementation of SAPs, by the end of the 1980s, at least 29 African countries were implementing SAP (Ratsimbaharison, 2003:17). The OAU and UN Economic Commission for Africa (UNECA) did not fail to express their strong opposition to SAPs due to its high political and social costs associated with its measures of cuts in social programmes, increase in unemployment due to closing of inefficient public enterprises... (Ratsimbaharison, 2003: 20).

By 1990, the UN again came up with another development programme, the United Nations New Agenda for the Development of Africa (UNNADAF). The programme was aimed at addressing the same critical socio-economic conditions that prevailed before the earlier programme, the UNPAAERD. The difference in interpretation of the causes of the problems between the African countries and the advanced capitalist countries reappeared. Again, the African emphasized the lack of structural transformation aggravated by external constraints including poor commodity pricing, unfavourable terms of trade, inadequate resource flows and heavy debt and debt-servicing burden; while the advanced capitalist countries blamed the crises on lack of good governance, accountability and democracy (Ratsimbaharison, 2003:44). The ideological rivalry continues. The World Bank and IMF continued to promote the hegemonic discourse of development in which the African countries were blamed for their own misery (Hettne, 2005). The capitalist hegemony seems to be prevailing over time.

The analyses of 'failure' of collective self-reliance therefore need to be reviewed against the background of the sustained resilience of capitalism. The rule of the norm of the 'individual' over the 'collective', the 'private' over the 'state' has enjoyed considerable historical advantages. The end of the Cold War, for instance, effectively gave an undue advantage to the neoliberal agenda. The collapse of the Soviet Union and its communist model provides the agents of capitalism with the arsenals to destroy the state redistributive/welfare system of the socialists/communists and its associated state authoritarian legacies. The free market ideology was to slowly conquer the policy domains of

the African states. In the next section, we examine how the forces of Neoliberalism employ fragmentation and manipulation to thwart the African initiative for regional integration and development.

AFRICAN INTEGRATION AND DEVELOPMENT UNDER NEOLIBERAL HEGEMONY

African Integration and Development projects have seen the counter-acting influence of Neoliberalism. Neoliberal forces, such as the US, the EU and the Bretton Woods institutions, have never ceased to exert their influence on Africa's political economy. Therefore, now and then, in the name of 'external assistance', one sees different strategies and policies being promoted by these forces, most of which preclude any attempt by the African states to pursue their own policies or programmes. These policies only increase the dependency of the African countries on the advanced capitalist countries, and also on the global economic system that marginalizes them. The distorting influence of Neoliberalism can be seen from the frustrations that efforts of the African countries to chart an autonomous course for their development face.

In 1991, African leaders again took the decision to push forward their agenda of integration and development based on collective self-reliance. The decision saw the signing of the Treaty establishing the African Economic Community (AEC). Among the objectives of the treaty are:

To promote economic, social and cultural development and the integration of African economies in order to increase **economic self-reliance and promote an endogenous and self-sustained development**; To establish, on a continental scale, a framework for the development, mobilisation and utilisation of the human and material resources of Africa in order **to achieve a self-reliant development** (OAU, 1991: 9; emphasis added).

The Treaty, therefore, re-affirms the commitment of the African countries to their resolutions, declarations and plans of the past to pursue their development based on collective self-reliance. A gradual stage-by-stage programme, with timelines, was set by the Treaty for the establishment of the economic community. The community was envisaged to be built on some eight regional economic communities (RECs) over a period of 34 years (OAU, 1991). These RECs were to be strengthened within five years and have their internal policies harmonized within eight years in the two first stages respectively. However, during the period the continent was besieged by violent intra-state crisis that prevented progress. The violence, which some analysts blamed

on the power vacuum left after the end of the Cold War, raged on in many parts of the continent, from Liberia and Sierra Leone to Burundi and Rwanda, thereby unsettling the security and socio-political stability of the region (Fawcett and Sayigh, 1999; Falk, 1997; Hogan, 1992). However, as the dust of the political instability was settling by the turn of the millennium, the unrelenting struggle of the forces of neoliberalism began to unfold.

The US Congress, on May 18, 2000, signed into law the Africa Growth and Opportunity Act (AGOA). The objective of the act is to boost exports from sub Saharan Africa to the US by eliminating tariff barriers on large number of their export. The act therefore is a preferential trade arrangement that, at least on the surface, seeks to assist *eligible* sub Saharan countries to develop their export sectors. However, a closer look at the conditions attached to benefiting from AGOA reveals that the act is nothing more than a tool for perpetuating the unhealthy North-South, centre-periphery relations. The Acts eligibility tests ensured that prospective beneficiary countries accept to submit to US hegemony and eliminate barriers to US trade and investment (Williams, 2013). The US President was given the power to determine annually which country should remain a beneficiary of the preferential treatments offered by the act. For instance, Williams writes:

At the conclusion of the most recent annual review on December 20, 2012, President Obama issued a proclamation in which, among other things, he revoked AGOA eligibility for Mali and Guinea-Bissau, and granted it to South Sudan (Williams, 2013: 8).

AGOA is therefore, a US foreign policy tool that has been used to promote neoliberal agenda. The Act offers tangible incentives for African countries to continue their efforts to open their economies and build free market (US Department of Commerce, 2013). Its introduction into the African policy circle has as distorting effect on the African solution being pursued through regional integration and collective self-reliance. Many African states now compete to get listed in the AGOA beneficiary form, in the process deferring to US interest and sidestepping the African agenda for integration and development.

In a similar manner, the EU signed a Partnership Agreement with members of the African, Caribbean and Pacific (APC) Group of States on 23 June 2000 in Cotonou, Bénin—hence the name ‘ACP-EC Partnership Agreement’ or ‘Cotonou Agreement’ (Europa-EEAS, 2013). Like AGOA, the Agreement is aimed at maintaining and improving EC economic and development cooperation with the countries in the

APC regions. The agreement seeks to, among others, establish free trade regime between the parties and promote the integration of the regions into the world capitalist economy. The EU provides substantial funding under the European Development Fund (EDF), which is used to systematically bring on board countries from these regions. These objectives of the EPA run counter to the ideals and vision of the collective self-reliance effort of the African countries. More specifically, they challenge the implementation of the AEC project by diverting the attention of the African countries and the RECs from concentrating on strengthening internal cooperation. The destabilizing effect of the EPA manifested in the way the common position of the members of the Economic Community of West African States (ECOWAS) was shattered, when the EU threatened to withdraw its preferential trade regime if the West African body refuses to implement the partnership agreement by the end of December 2007. Afraid that their economies might suffer from such prompt withdrawal of preferential regime, Cote d'Ivoire and Ghana were compelled to initiate the signature of interim partnership agreements with the EU, against the position of the ECOWAS negotiators whose mandate was to do promote the region's economic interests (Oxfam, 2008). Other sub regional negotiations of the EPA also suffered the same fate: Cameroon signed interim EPA from Central Africa; Mauritius, Seychelles, Zimbabwe and Madagascar did the same from Eastern and Southern Africa; Botswana, Lesotho, Mozambique and Swaziland, all members of South African Development Community (SADC) signed the interim EPA with the EU in 2009 (EC, 2013). The dimensions of fragmentation and manipulation of the EPA, therefore, became manifest by that incidence. The power play exhibited by the EU towards ECOWAS exposed the 'partnership' rhetoric of the EU *vis-à-vis* the ACP countries. Consequently, African relationships with the advanced capitalist countries have continued to retain its character of inequality and exploitation.

Fortunately, the African leaders have not completely rested on their oars throughout these years of struggle against capitalist hegemony. Thabo Mbeki's African renaissance speech to the South African Parliament in May 1996 entitled *I Am an Africa*, evoked emotions that long subsist in Africa and in the South about the need to reposition the continent within the rapidly globalizing world economy (Ajulu, 2001). The New Partnership for Africa's Development (NEPAD), was an African initiative that emerged out the efforts of some Africa leaders: The Millennium Africa Programme initiated in 1999 by Thabo Mbeki with presidents Abdulaziz Bouteflika and Olusegun Obasanjo, and the Omega Plan of President Wade (Gattamorta, 2005: 86). Although, NEPAD was acclaimed as an Africa's own initiative, it lacks the trans-

formational aura of the collective self-reliance doctrine. The initiative focuses more on attaining some superficial progress in certain important issues, like economic growth, child education and health, women empowerment and environment. However, the fundamental condition that brings about crises left untouched. It is no wonder that NEPAD has been well received by neoliberal agencies, and is enjoying substantial funding. But these issues are only symptoms of the inequality and unfairness that the global system of capitalism brings about. As Robert Cox argues, it is part of the dynamism capitalism or its capacity for self-reproduction that certain social demands are co-opted and given a place within the system. The concept of corporate social responsibility and poverty reduction are good examples of this strategy.

The civil society in Africa too is not left out in the struggle against neoliberal policies. The market democracy promoted by Neoliberalism inadvertently opened up some limited space for public expression. This space has been used by trade-union leaders to express their dissatisfaction and rejection of neo-liberal policies. In Nigeria and Ghana, unprecedented national strikes and protests followed the removal of subsidy on fuel in 2012. Similarly, in the mines of South Africa and Zambia, there were violent clashes between the state authorities and mine workers over remuneration and condition of service. Many mine workers were brutally killed which sparked international outcry. Aside from these pockets of resistance, a regional movement against Neoliberalism is already in place in Africa under the African Social Forum (ASF). The local, national and regional movements against Neoliberalism need to be organized in order to break the back of the strong forces of Neoliberalism on the continent.

CONCLUSION

Collective self-reliance has been described by some scholars as a failure. But what this paper has been able to show is that the idea of self-reliance, promoted by African policy makers and dependency scholars in the developing world as a counter-hegemonic doctrine, has never been allowed to take root or to survive. It has always been subjected to the heavy onslaught of the capitalist world order supported by the US, the EU and the Bretton Woods institutions (IMF and World Bank). Within the context of the UN General Assembly from the 1960s to the 1990s, the development debates of Africa and the developing world were almost entirely settled in favour of sustaining the capitalist world order. The advanced capitalist countries and the Bretton Woods institutions, using multilateral and bilateral avenues, have continued to challenge any attempts to transform the existing capitalist/neoliberal economic system. The position of the African countries, as well

as other developing countries of the South, is that the current system is unfair and unjust. Therefore, they constantly demand and strive for a new order. Nevertheless, their demands are often ignored, challenged or transformed by analyses, interpretations and policies that support the status quo. Often, some slight adjustments, such as the fight against poverty and corporate social responsibility, which appear to be in the interest of change, have been nothing more than mainstreaming the struggle for change into the existing system. External assistance packages dished out by the advanced capitalist countries have undermined the collective self-reliance aspiration, as well as the integration and development projects of the African countries. These packages are imbued with neoliberal agenda. Consequently, Africa has become more dependent on external resources and political economy.

Although, the struggle for change and against global capitalist hegemony has been sustained for decades by some section of the African leaders, policy makers, scholars and civil society, it is not yet Uhuru. Neoliberal/capitalist hegemony has continued to be a factor in the pursuit of alternative paths of development. The hope for the present and future lies in sustaining the struggle, the South-South cooperation and drawing examples or lessons from other countries or sub regions in the South. The Latin American examples, typified by the popular resistance to neoliberal globalization in Bolivia, which saw the successive fall of two Presidents within months, and the ascension to power of other socialist, social democratic and populist presidents in Argentina, Brazil, Chile, Peru, Uruguay and Venezuela (Kohl and Farthing, 2006:2), ice-capped with the rhetoric of Bolivarian revolution at the regional level (Riggirozzi and Tussie, 2012), are good cases demystifying the invincibility of neoliberal hegemony. These Leftist movements show that there are other alternatives, as against the ideological posturing of TINA.

The World Social Forum (WSF) is another example of the possibility to challenge the capitalist monopoly of organization. The WSF promises to be a global epicentre that can tie the various local, national and regional resistances to neoliberal globalization (De Sousa Santos, 2006). The resistances in Ghana and Nigeria over fuel subsidy removal and in South Africa and Zambia against exploitation by foreign capital of labour and other forms of counter-hegemonic resistances in the countries of the South (and North) can be organized globally to bring about transformation in the global political economy. The struggle must continue even in the face of strong hegemonic normative, economic and coercive forces. In a dynamic world, and given the internal contradictions of capitalism, one thing that is certain is that those conditions that allow for the survival of the global economic

system may give way for the opportunity of transformation to come up. The global financial and economic crises that started in 2007 with the collapse of the subprime lending system and housing in the US and Europe is an indicator of how flawed capitalist system is. Sustaining the fire of counter-hegemonic forces is a task that must remain if Africa and the regions in the South hope to change their conditions in the global system.

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REGULATORY REGIONALISM AND HIGHER EDUCATION IN MERCOSUR

FOSTERING DEVELOPMENT OR ENHANCING MARKETISATION?

INTRODUCTION

During the nineties, it was commonly addressed by scholars that the novel regional integration agreements (RIAs)—defined as ‘new regionalism’—focused only in trade liberalization policies. Such an appreciation was grounded on the fact that those RIAs were part of the broader process of implementation the neoliberal structural reforms (lock in effect) within the new international economic and political order after the Oil Crises and the fall of the Berlin Wall. Indeed, as South America was the first vivid laboratory where the recommendations of the Washington Consensus were set in force, the RIAs created confirmed the rule.

In this context, the Common Market of the South (aka MERCOSUR) was created by the Asunción Treaty between Argentina, Brazil, Paraguay and Uruguay in 1991. During the first ten years of development, MERCOSUR, indeed, focused on trade liberalization policies—fulfilling the free trade area, first, and the customs unions, af-

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terwards. By the end of the twentieth century, the neoliberal project did not prove that the development had been accomplished and was highly contested. Since 2002-2003 new political leaders supported by massive social movements have come to office—some have referred to this process as the arising of New Left Governments (Sader, 2009; Vilas, 2011); though we prefer to use the category of redistributionist governments as their main policy goal is the redistribution of wealth. Such a political twist impacted directly on the policy orientation of the RIAs: MERCOSUR incorporated a wide range of social policies (social development, family farming, cooperatives' agenda, etc.) as well as included provisions for citizenship participation and productive integration. In addition, new agreements were set in force: the Bolivarian Alliance for the Peoples of Our America - Treaty of Trade of the People (aka ALBA-TCP), in 2004; the Union of South American Nations (aka UNASUR), in 2008; and the Community of Latin American and Caribbean States (aka CELAC), in 2010. As for UNASUR, the region has been able to tackle three main issues: political autonomy, socio-economic development and strengthening geopolitical power as a result of the commitment to discuss problems among parties and the protection of Democracy within the RIA (leveraging the Organization of American States, OAS, influence), the creation of agencies and networks in social agendas that aim at reducing poverty (as the case of UNASUR Health; see: Riggirozzi, 2013) and the establishment of the South American Council of Defence, which is the first attempt to cooperate in defence policies.

In addition, negotiations for the Free Trade Agreement of the Americas (FTTA) ended in 2005, during the Mar del Plata Summit (Argentina), because of a coordinated effort of South American political leaders against the hegemonic influence of the United States (US). It must be quoted that after the demise of the FTAA, US' strategy towards the region changed and started to negotiate unilaterally free trade agreements (FTAs) with some countries. Such a situation indicates that there are contesting models of regionalism within the region: the renewed scenario for autonomous and developmental projects and the perpetuation of trade-related schemes. Those contesting regional projects are also present—even though less evident—within RIAs.

Therefore, current trends that shape the political landscape for regionalism in South America question scholars for new conceptualizations of the process, especially due to the new social policy provisions. However, the current tension between models of integration (overlapping and/or contesting) does not allow—yet—a comprehensive category that could reflect such a complex scenario. José Sanahu-

ja argues that both UNASUR and ALBA-TCP are cases of post-liberal regionalism (Sanahuja, 2008, 2012). Meanwhile, Diana Tussie and Pia Riggirozzi (2012) propose the category of post-hegemonic regionalisms. We agree with their argument:

Latin America today represents a conglomerate of post-trade and political integration projects, and trans-societal welfarist projects reclaiming the principles of cooperation and solidarity. In this overlapping and sometimes conflicting scenario the term regional governance is being redefined as each project is faced with substantially divergent visions of what regionalism is and is for. [...] By post-hegemonic we mean regional structures characterized by hybrid practices as a result of a partial displacement of dominant forms of US-led neoliberal governance in the acknowledgement of other political forms of organization and economic management of regional (common) goods (Riggirozzi and Tussie, 2012a: 11-12).

As mentioned, the current map of Latin American regional integration reflects the existence of contesting processes: the ones that are still tied to the neoliberal paradigm *vis-a-vis* the ones that are discursively in clear opposition and are building a wide range of regional policies to fulfil the demands for development and autonomy—with divergent degrees among them about how deep they are contesting the basis of the accumulation models. Such a complex map also highlights the fact that every RIA—as regions are socially constructed and therefore politically contested (Hurrell 1995)—is not exempt of tensions and divergent interests and values are held by an array of actors within its boards. All in all, the regional agenda for social policy is widespread considered to be a phenomenon of the twenty-first century regionalism.

Even though regional social policies are a mayor trend of current regionalism schemes in South America, educational policy has been present in MERCOSUR for more than two decades now. In fact, during 1991, several meetings of Ministries of Education of the four member states were held so as to accomplished the creation of MERCOSUR Education Sector (aka SEM), which started operations in 1992 and has increased its performance ever since. Higher education (HE) is the most developed area for policy delivery: advances have been done in issues such as quality accreditation of degrees; academic mobility; recognition of diplomas for academic purposes and; recently, research networks. However, not much research has focused on assessing them, especially in relation to the main political goal of current regionalism in South America: fostering development, enhancing political autonomy and reinforcing geopolitical power.

Therefore, this article introduces the assessment of MERCOSUR's HE regional policies in order to discuss policy diffusion processes and regulatory regionalism and its possible contribution to fostering the region's development and autonomy. The aim is twofold: on the one hand, to assess whether regional integration policies have diffused to the domestic policy arena, generating policy impacts and institutional changes in the member states; on the other, to evaluate whether the regional policy is prompting a regulatory framework for HE that could improve overall socio-economic development of the region or is perpetuating inequities and differences within and between countries. In other words, the problematic research questions that would lead the inquiry are: Is MERCOSUR creating a regulatory framework for HE that is by-passing the territorial politics of the nation state? And, who is being benefited by such regulations?; i.e. which project of regional integration is SEM enhancing for the HE sector?

We argue that HE regionalism within MERCOSUR in the policy area of accreditation and quality assurance (AQA) reflects the tension between contesting projects of regionalism as a consequence of two convergent elements: first, the trade-oriented institutional framework that constraints alternative policies and secondly, the inherent marketisation bias that results from the fact that the policy goal and the timing of the process relates to commercial MERCOSUR and HE neoliberal reforms. Those two elements within a global context of commodification of the education and privatization of knowledge merged and crafted the regional policy that diffused to countries that had no previous regulations. In this sense, MERCOSUR's provisions for HE are by-passing national policy-making dynamics and are crafting paths for further integration. Finally, we argue that even though the regional policy under analysis is predominantly oriented to enhance top universities (in a competitive global market), indirect effects prove that renewed linkages among institutions and scholars are shaping alternative paths to internationalization and regionalization based upon solidarity and mutual understanding of asymmetries. Such a model could also promote regional policies and foster a regulatory regionalism aimed at fulfilling developmental goals.

The methodological strategy was qualitative and we assumed a flexible research design. In order to tackle the objective, the policy selected in our case study is MERCOSUR's regional policy for the accreditation and quality assurance of undergraduate university degrees, which was implemented in two phases. The pilot phase was launched in 2002: the experimental mechanism for the accreditation of undergraduate university degrees in MERCOSUR, Bolivia and Chile (aka MEXA). The experimental mechanism ended in 2006 and

was submitted to an evaluation process in order to assess the possibilities of implementing a permanent system. After two years of negotiations, the second phase was agreed in 2008 with the creation of the accreditation system of undergraduate university degrees for the regional recognition of their academic quality in MERCOSUR and Associated States (aka ARCU-SUR).

The field work conducted between 2008-2012 was both intensive and extensive (Perrotta 2013) and multiple sources were triangulated. The documentary researches covered are: 120 records of meetings of the SEMs bodies; around fifty decisions of the Common Market Council (CMC) and/or resolutions of the Common Market Group (aka GMC); domestic HE legislation—in particular, AQA regulations. We proceeded to a qualitative analysis of statistical information obtained from various sources (ECLAC and UNESCO Statistics Yearbooks / Synopsis; national statistics). We conducted twenty interviews with key players in the four countries at various stages during the development of research. We also introduced as primary data (academic) documents made by officials that participated in the regional bodies (that is to say, national representatives from Ministries of Education and AQA agencies or similar bodies). This material was selected as a means to study socialization process and dissemination of norms through process-tracing (Checkel 1998, 1999).

The paper organizes in three main sections: the first one is guided to introduce the case and its development; secondly, we address how asymmetries among parties explain policy outcomes, specially focusing in divergent policy diffusion experiences. We conclude with a discussion that pinpoints the arguments expressed and provides some questions for further analysis.

1. AQA REGIONAL POLICY: FROM MEXA TO ARCU-SUR

The AQA regional policy was first discussed in the late nineties: the goal was to establish a procedure to evaluate undergraduate degrees to promote the recognition of diplomas as a way to increase regional mobility of workers. The policy was a request made from the GMC in 1996 in order to expedite cross border professional mobility. The underlying idea was that a procedure to homogenize degrees would allow mutual recognition¹.

1 These ideas recall in the initial stepping-stones of the European Higher Education Area and the creation of the Bologna Process. Indeed, the EU tried to promote the creation of a system of credit transfers but MERCOSUR's position was not in favour of such a homogenization and settled, instead, a mechanism based upon quality assurance that could respect of both national and institutional particularities. In broad terms, we can say that the European model prioritized

However, MERCOSUR did not undertake the homogenization path because of two main reasons: first, the strong autonomy of public universities and the consequent strong opposition to control mechanisms. Second, the role of professional associations: in many countries, the exercise of professions is regulated by permissions obtained by different types of mechanisms settled by associations: the creation of a comprehensive regional accrediting body would largely reduce the sovereignty of states, the autonomy of universities and the professionals associations' prerogatives².

By the year 2000 (while a pre-test was conducted) the Argentinean National Commission of University Evaluation and Accreditation (aka CONEAU) begun to participate regularly in the regional negotiation as the agency had completed the first domestic accreditation process (Medicine). Since then CONEAU moved from a situation of indifference (as it was not relevant to its domestic agenda) to leadership in the process.

In 2002, MEXA was passed, which incorporated MERCOSUR's Associated States (Chile and Bolivia) and the original goal of recognition of degrees for enhancing the labour market shifted towards a more precise and reachable objective: to assess regional quality standards as a stepping stone for degree recognition and validation. There was a need to assure academic quality and not to interfere with the regulation of the professions. Thus, freedom of movement of professionals was set aside: the Ouro Preto Protocol consolidated (leaving no space for advancing in the common market) and the 'quasi-automatic' recognition of diplomas implied undermining sectorial interests (universities and professional associations) was left out of discussion. Consequently, the initial trend was disrupted: the validation would only be academic and would not interfere in the certification for professional practice. MERCOSUR reproduced the domestic differentiation between recognition of degrees and permits for professional practice: SEM is in charge of recognition of degrees while the professional practice—and therefore labour mobility—is under the Group of Trade of Services (within the GMC).

homogenization in order to promote a high mobilization of students. In contrast, MERCOSUR countries have not opted for the homogenization of criteria and, therefore, academic mobility is reduced. All in all, MERCOSUR promoted an autonomous way to encourage HE policies and separate from some of the ideas prompted by the EU as a normative power.

2 The 1998 Memorandum stated that the dictum of the experts would have a mandatory character if the decision was reached by unanimity. Such a situation would create a supranational agency—above the national AQAs—which was not viable then.

As a result, the creation of 'MERCOSUR's quality stamp' (or 'MERCOSUR Brand') strengthened some universities' position within a regional and global HE market. However, there is also a cooperative goal so as to promote regional integration within institutions that collides with the creation of competitive institutions. Such a tension between a cooperative and a competitive model of HE regional integration relates to the more general trend of MERCOSUR's integration path (Perrotta, 2011) and South American regionalism.

MEXA was implemented and, by 2006, 55 undergraduate degrees/diplomas obtained MERCOSUR's quality stamp: Medicine, 8; Engineering, 33; Agronomy, 19. Argentina accredited 14 diplomas; Bolivia, 9; Brazil, 12; Chile, 5; Uruguay, 8 and Paraguay, 7. First, the decision to proceed to the accreditation of the quality of professional diplomas relates to the fact that the productive model of MERCOSUR's and its parties was to be reinforced: stimulate intra-regional labour mobility, especially in those areas that are crucial in terms of the economic structures of the countries, on one side, and the particular needs posed by an underdevelopment context—such as a demand for health assistance—, on the other. It must also be considered that one of the most salient characteristics of our HE systems is the influence of the professional model of university; MERCOSUR re-enforces that trend.

Secondly, the mechanism was based on a particular logic: the club logic. As the original goal had shifted towards a more practical—and competitive—one related to improve the recognition of undergraduate degrees within the region so as to strengthen a regional HE market and enhance HEIs on the global market, quotas per country were established. There are two reasons that explain why not all HEI could apply for the regional AQA procedure. On one hand, alike the functioning of a club—in this case, a group of HEI that share certain characteristics and whose organization reports them benefits—, there are conditions for membership: only the most prestigious universities could obtain MERCOSUR's quality stamp and therefore fulfil with the goal of enhancing top HEI to compete in the global market. On the other hand, the establishment of quotas also worked as an instrument to deter a massive participation from Brazilian HEI: the idea was to prevent Brazil from obtaining all the benefits of the quality stamp itself and leverage the distribution of benefits per country. Therefore, the distribution of quotas per parties relates to the competitive bias already discussed. However, the 'club logic' of functioning had a positive consequence in terms of regional cooperation: a club is also based on the principle of solidarity. The value of MERCOSUR's quality stamp relates to the fact that all

the parties comply with the procedures, especially during the experimental mechanism—because all the undergraduate degrees under assessment were subject to a regional discussion and the dictum was decided within that common space. As a result, the more developed members (in terms of technical expertise, material resources and institutional capacities) ended contributing to the less developed ones in order to implement the procedures. Such contributions resulted in transferring know-how, financing activities and organizing the regional meetings in strategic locations.

In 2008, MEXA became a permanent system that expanded not only to other diplomas (Veterinary, Architecture, Nursing and Dentistry) but also to other Associated States. ARCU-SUR was signed as an international treaty, which locked in the focus of the regional policy on quality assurance, leaving aside the original goals of recognition of degrees and mobility of workers.

By the first semester of 2012, the results of ARCU-SUR were that 109 degrees obtained MERCOSUR's quality stamp: Argentina, 36; Bolivia, 10; Chile, 5; Colombia, 10; Uruguay, 14; Paraguay, 23; Venezuela, 11 and Brazil, none. During the first semester of 2012, 38 undergraduate courses were implementing the procedure: Argentina, 18; Paraguay, 4; Uruguay, 2 and Brazil, 113. As it is noticed, Brazil only started to implement ARCU-SUR in 2012 to fulfil the regional commitments. Such a situation generated tensions with the rest of the members—and mainly with Argentina, one of the main promoters of the regional AQA policy.

All in all, three are the major changes from MEXA to ARCU-SUR are: first, convergence of policies proved to be crucial for AQA agencies in order not to duplicate efforts. That is to say that, currently, regional schedules match national ones. The underlying motto is that, as the AQA process is expensive and demands an important technical effort, national calendars meet regional ones. Secondly, that need for time convergence have affected negatively the AQA regional policy: it has led to the mechanization of the implementation, leaving aside the important effect in terms of region-building (as experts per discipline do not currently meet to discuss the situations of the diplomas under assessment). Third, the policy has been broadened as new members are participating: Colombia, Ecuador and Venezuela. The enlargement of the mechanism poses new challenges: for instance, Argentina's position could be challenged by the Colombian delegation, as it is a country that has been implementing AQA policies for a long time but stands for a more privatized HE system.

2. AQA, POLICY DIFFUSION AND REGULATORY REGIONALISM: CONSIDERING ASYMMETRIES AS A STARTING POINT

In order to comprehend the main characteristics of the AQA regional policy it should be acknowledged: i) the varied ways in which public policy attempts to tackle structural and regulatory asymmetries between the HE systems; ii) the different academic cultures and university traditions of each country and; iii) the divergent capacities of the governmental agencies. These elements provide an understanding of the process of accommodation and/or domestic change.

To begin with, structural asymmetries in HE relate to the size of the national systems (institutions, students, professors, etc.) and the amount of public expenditure on HE as part of overall public expenditure and the gross domestic product (GDP). Regulatory asymmetries in HE pinpoint to the divergent policy instruments and regulations regarding the provision of education—accession, permanence and completion conditions via scholarships, quotas for minorities, etc.—as well as scientific and technological development—priority areas, policy promotion instruments, intellectual property rights regulations, etc.—(Perrotta, 2013). Third, we add the consideration of different academic cultures and university traditions that predominate in each country. Shortly, we highlight two broad topics, of many, that form peculiar university traditions: the defence of public HE and guarantee of the right to education, on one hand, and the strong defence of university autonomy, on the other. These two trends proved to be determinant when choosing specific paths of action regarding the AQA regional policy of MERCOSUR and explain the differences among countries in terms of domestic change.

The four countries present both divergent and convergent characteristics that, in terms of asymmetries, pose challenges for the configuration of a regional policy and explain the possibility and intensity of domestic change. To begin with, Argentina, Paraguay and Uruguay share the Hispanic origin of universities—during the Spanish colonization—while in Brazil—as a former Portuguese colony—the foundation of university is a phenomenon of the twentieth century. Secondly, even though the four countries have signed several declarations that affirm that access to HE, is a human right (and therefore the state is to guarantee such condition), the map is rather complex. For instance: the composition of the students' enrolment shows that only Argentina and Uruguay have public HE systems (the enrolment rates in the public sector are 79.5% and 86.2%, respectively); while Brazil and Paraguay are the most privatized systems of the region (with enrolment rates in private HEIs of 72.2% and 80.8%, respectively).

Another difference between countries relates to governments' capabilities—especially of the agencies in charge of the implementation of AQA policy. By capabilities, we refer to the tangible and intangible resources of the state (i.e. Ministries of Education and National Agencies for AQA) in terms of human resources (technical expertise as well as bargaining experience at the regional arena), material resources (equipment) and financial resources (public expenditure or access to other sources of funding). Furthermore, the support of other government agencies and relevant stakeholders (power resources) is important to comprehend such capabilities. The starting points of the four governments were dissimilar; for instance: some countries had previous experience in the field of AQA—regulation, agency and technical resources with expertise—; while for others it was the first time such policies were being discussed.

All in all, the differences of size, policies and traditions explain the multiple and varied policy decisions (and consequently policy products or domestic impact) regarding MERCOSUR's HE policy. As the regulatory starting point were dissimilar, and the most important feature of such contrast was the existence or not of AQA regulations, the impact of the regional police must be addressed separately.

2.1. THE EFFECTS OF THE REGIONAL AQA POLICY IN EACH MEMBER STATE

2.1.1. Argentina

Argentina was the only of the four Member states that already had an explicit AQA regulation: CONEAU was created in 1996—as it was introduced in the HE Law N° 24,521 in 1995. Therefore, by the moment of implementation of MEXA (2002), Argentina had already settled the AQA process and, as a result, CONEAU influenced the process of establishing the mechanisms and instruments for the AQA regional policy. Therefore, we argue that the typical features of the domestic AQA policy were transferred to the AQA regional policy model.

The procedures, instruments and methodologies of MEXA and ARCU-SUR are alike the national model of AQA: the emphasis is placed on professional degrees and the two main stages are self-evaluation (HEIs) and external evaluation (experts).

The first undergraduate AQA procedure was implemented in Argentina in the year 2000 (medicine), CONEAU's officials were the most experienced during the negotiation of the regional AQA model. The incorporation of Argentina to the discussion of the pre-tests and procedures was done from a preponderant position as officials had technical expertise and had gained experience in the field. In this sense,

Argentina became the leading voice—‘they knew how to do it [...]’ quoted both the Paraguayan and Uruguayan actors interviewed—and influenced the overall configuration of the AQA regional policy. But mainly, the Argentinean delegation became a crucial policy transfer actor as CONEAU officials started transferring expertise to the other members—and continue doing so nowadays as more associated states are participating of ARCU-SUR—by offering courses, technical support, etcetera.

As a result, there is harmony between domestic and regional regulations and such a harmonization did not imply nor policy neither institutional changes. On the contrary, the AQA regional policy, according to CONEAU officials, is considered less exhaustive than the national policy (the quality standards diverge).

2.1.2. Brazil

In the case of Brazil, by the moment of the regional negotiation, there were no specific AQA regulation nor did a national agency exist. Instead, there was a strict regulation regarding the evaluation of the HE system: institutions, courses, scholars, students. It is a comprehensive model of control that started in the decade of the eighties, which continues nowadays and has even been reinforced: the HE evaluation system (aka SINAES). This regulatory framework was adapted to cope with the provisions established in the regional mechanism without creating major institutional innovations³.

During the experimental phase, Brazil contributed to the implementation of the AQA policy by assuming a technical and financial support to the process. Brazil indeed became a paymaster by means of its material and financial resources in order for the mechanism to be fulfilled. The position changed after the signature of ARCU-SUR treaty because domestic implementation of AQA policy stopped until 2012. This situation caused some misunderstandings and mistrust between the national delegations, as attempted the prevailing ‘club logic’—in order for the quality stamp to be worthy all members should participate. On the Brazilian side, it was argued that national provisions impeded the application of AQA procedures.

It could be argued, especially during the period of stagnation (2008-2012), that Brazil did not consider AQA regional policy a political priority. Such a statement is supported by the fact that, in quantitative terms, the number of HE institutions that could participate and obtain the MERCOSUR quality stamp is insignificant due to the

³ However, since 2012 it is being discussed at the parliamentary level a project to create a national AQA agency.

size of the system. But, by broadening the lens of analysis, the fact that only the most prestigious institutions would effectively participate—as mentioned before—reinforces the idea that the quality stamp is worthy in a highly competitive HE market; and, therefore, important for the country in terms of a national strategy that accounts for the settlement of globally recognized institutions, which relates to the consideration of Brazil as an emergent power.

During Luiz Inácio Lula da Silva's presidency, Brazil pursued explicitly the rapprochement of bilateral relations with Argentina and the strengthening of MERCOSUR. The latter goal meant that Brazil became a paymaster as, for instance, is the member that delivers more money to MERCOSUR's structural fund. Focusing only on the HE agenda, several bilateral programs were launched related to the creation of research networks, the promotion of mobility of students and scholars, the establishment of reciprocal courses at the postgraduate level, among others. Because of the bilateral cooperation, the policies were regionalized: according to an Argentinean official 'if the bilateral programs prove to be effective, then they are developed at the regional level, including the other parties'. Therefore, bilateral programs diffuse to the regional arena.

All in all, we argue that Brazil did not have to undergo major changes to cope with regional AQA policy and depended strongly on the national structure and regulation. It is neither a priority policy issue—unlike unilateral HE internationalization's policies, which have been strengthened. However, we pinpoint that there is a process of coordination with Argentina (the leading voice in AQA).

2.1.3. Paraguay

The major impact of AQA regional policy in terms of domestic change is observed in the case of Paraguay. The experimental mechanism (MEXA) indicated that the process was to be organized by national agencies of accreditation and that the countries that did not have such a body should proceed to create it. Paraguay had no AQA regulation, so they passed a new HE law and set in force the national agency for the evaluation and accreditation of HE (aka ANEAES). Consequently, the process of domestic change could be partly explained by the policy diffusion process from the regional level and the socialization of actors within this arena.

First, domestic political actors used the 'regional obligation' to install the discourse of AQA policy and the need to improve the HE regulatory framework. Before MEXA, the process of reform had been difficult and there was no political consensus to advance in the discussion of a HE law (Rivarola, 2008). Therefore, when MEXA was signed,

local decision-makers realized there was a window of opportunity to force the discussion and change the regulatory framework.

Secondly, the characteristics of MEXA (procedures, instruments, methodologies) shaped the configuration of the national AQA policy. It is clear that Paraguay's current AQA procedures are similar to the regional ones. This relates to the fact that Paraguay first advanced with the regional accreditation of undergraduate degrees by implementing MEXA. However, if we take into consideration that the regional AQA policy was built upon the Argentinean AQA policy: was the policy diffusion process top-down (from MERCOSUR to Paraguay)? Or, was the policy diffusion process horizontal (from Argentina to Paraguay)? What was CONEAU's role in this process?

The answer is not univocal: the policy diffusion process developed in this case relates to both situations (top-down and horizontal influences). On one side, as mentioned, the existence of the regional policy was used as a catalyst to promote domestic change by national policy-makers. In this process, the Paraguayan HE sector fully adopted the regional trend in AQA. On the other side, the data collected evidences that the National Model of Accreditation—AQA regulations and the creation of the ANEAES—is the same as the Argentinean framework. An interviewee from Uruguay highlighted it in this term: 'Paraguay's agency law is a copy of the Argentinean CONEAU'.

In fact, CONEAU had an important role during the implementation of the regional AQA policy by training the national delegations of other countries, especially the ones that had no agency and formed ad-hoc commissions (Paraguay, Uruguay, Bolivia). Therefore, Argentina was able to impose the domestic AQA model in the regional negotiation and to legitimate such a position from a discourse of being the only one with the expertise to do so. Meanwhile, an epistemic community regarding AQA became more visible as the experimental mechanism was being implemented and it was crystallized with the creation of the Iberoamerican Network for Quality Accreditation in Higher Education (aka RIACES). The existence of this epistemic community collaborated in the dissemination of the AQA procedures, which were applied following the peculiarity of each state. At the same time, this process fed back to the regional policy. This epistemic community included, among its members, the presence of European scholars and practitioners on the field; and was supported by UNESCO's International Institute for Higher Education in Latin America and the Caribbean (aka IESALC) and bi-regional experiences. The socialization process that was generated as a result of the intensity of contacts within the regional framework also favoured the creation of this epistemic community,

which even resulted in joint academic productions between officials of different countries.

All in all, in Paraguay the diffusion process derived in the convergence of policies that led to a harmonization of procedures.

2.1.4. Uruguay

The case of Uruguay is quite unique and such novelty relates to its university tradition. As a result of the regional AQA policy there is a current situation of peaceful coexistence between the regional policy, on one side, and the segmentation and differentiation of national policies alongside the self-regulation of the University of the Republic (aka UDELAR), on the other.

In order to comprehend such complexity, it must be highlighted that the National Constitution states that UDELAR is regulated by its own organic law—therefore it could be considered as a Ministry of Higher Education itself. Therefore, the national Ministry of Education has no binding power over UDELAR. Thus, UDELAR has composed the national delegation of SEM accompanied by governmental officials and representatives of the private HEIs.

Unlike Paraguay, that created a national accreditation agency, Uruguay set in force an ad-hoc commission with presence of the three actors (government, UDELAR, private institutions) which continues up to present. Several projects to create an agency for the promotion and quality assurance of tertiary education (aka APACET) have been discussed, but none of them could be adopted (and would not be adopted in the medium term). The APACET project was introduced, similarly to the Paraguayan case, based upon the condition established in MEXA: national agencies should be in charge of the AQA regional policy. The discourse about the need to adjust to the regional requirement was prompted by the government and the private sector but it did not lead to domestic change, as the contesting position of UDELAR is stronger. Both the government officials (Ministry of Education) and the private institutions advocate for the creation of an agency because their interest is to control UDELAR: the government has never been able to exercise any control over UDELAR; representatives of the private institutions demand that the same controls and regulations they must fulfil should be applied to all institutions, including UDELAR. As for UDELAR's position, the university rejects the creation of APACET because its autonomy would be significantly reduced.

However, in this scenario the AQA regional policy was implemented in Uruguayan HEIs, both public and private ones. The interesting results are: first, UDELAR submitted to the AQA policy of MER-

COSUR even though it rejects to do the same at the national level. Therefore, UDELAR considers that 'MERCOSUR's stamp' is valuable and they should not be left aside⁴. Second, it was the first time that the three actors sat together at the same negotiation table to discuss HE public policies.

As a consequence, the domestic regulatory framework remains the same while coexisting with the regional policy requirements.

Finally, the Uruguayan case adds another element of analysis: the state capabilities to set a particular policy agenda and fulfil it. So far, we have mentioned two governmental capabilities, material and financial resources, on one side, and human resources with technical expertise, on the other. Nevertheless, the study of Uruguay and Paraguay demonstrates that the possibility to lead a domestic change (for example, to create an AQA agency) does not rely only on such capabilities (it is necessary but it is not sufficient). It depends deeply on the policy space to develop such changes.

Consequently, even though Uruguay had better material capabilities and more trained human resources than Paraguay, there was no policy space for government officials (at the Ministry of Education as well as the Legislative Power) to succeed in passing the AQA agency law. One of the reasons of this lack of political space refers to the strong opposition of one of the most important actors of HE governance: UDELAR's autonomy and, therefore, its capacity to block the AQA law. As mentioned, such a situation is fully understood if the creation of the public HE sector is taken into account (the Constitutional supremacy of UDELAR, its history and its strong autonomy). On the contrary, Paraguay that presented weaker capabilities in terms of material resources and expertise, could indeed promote a domestic change, as there was policy space to do so.

3. DISCUSSION

As a result from the analysis, we are able to discuss our main problem-question: is MERCOSUR fostering development or enhancing marketisation of HE by means of establishing regional regulations? The answer is not univocal and we observe that the regional AQA policy reflects the tension between contesting projects of regionalism: commercial project *vis-a-vis* a welfarist project. The idea of tension therefore reflects the competing and contesting interest, values and ideas

4 UDELAR has been very active regarding the regional integration of higher education institutions. An example of this is the creation of the Association of Universities of the Montevideo Group (aka AUGM), a network of more than 20 public institutions in 1991.

that craft South American Regionalism and could be addressed as post-hegemonic (Riggirozzi and Tussie, 2012b).

The most salient characteristics of the regional AQA policy reflect the commodification bias:

- a. The original goal oriented towards the free circulation of workers (which for the economical literature means a more developed RIA) shrank towards the consolidation of a quality stamp profitable in a highly competitive market of HE. Therefore, MERCOSUR's strategy aims at creating world-class universities in line with foreign policy goals of becoming more competitive economies. This is the case of other RIAs, such as South East Asia and the European Union. Actually, the EU fosters mechanisms of enhancing HE markets and became a normative power to diffuse the model to other regions. The case of North America is different as the hegemonic power (USA) concentrates the most prestigious HEIs within international rankings (rankings that were created by this hegemonic and neo-colonial powers that feedbacks the procurement of top positions by the same HEIs).
- b. The peripheral position of SEM also contributes to the creation of an alternative (to trade) model of HE regionalism. Many institutional features of MERCOSUR and SEM constraint the fulfilling of a welfarist political project even though there has been a radical change since the beginning of the twenty-first century (alongside the arising of Latin America 'New Leftist' governments) that posed an influence on the overall orientation of the RIAs. The concentration of the decision-making in the GMC and CMC, the informal articulation among agencies, the lack of clear social participation, the absence of nurtured regional funds and the failure to create a permanent secretariat for SEM impede the consolidation (lock in effect) of a progressive agenda for educational policies. So far, SEM has relied on the favourable political context but such a situation does not assure mid-term sustainability.
- c. The diplomas that are submitted to the AQA process are all professional careers aligned with the productive model of the region and the most important sectorial interest groups.

However, we also pinpoint that indirect and unintended secondary effects prove that renewed linkages among institutions and scholars—as a consequence of MEXA and ARCU-SUR—are shaping alternative

paths to internationalization and regionalization based upon solidarity and mutual understanding of asymmetries. Those unintended consequences reflect that several actors are reclaiming a welfarist project for the region based upon socio-economic development, political autonomy and geopolitical power.

- a. The club logic, as stated, has crafted solidarities that also enhanced a socialization process within experts and officials. As a result, several programs of academic mobility have been established as well as inter-institutional cooperation networks.
- b. MERCOSUR could create an autonomous path or model to regionalizing HE: contrary to the Bologna Process set in Europe, MERCOSUR focused on a more qualitative policy goal instead of setting a massive mobility programme based upon the homogenization of credits. This could be considered as a goal in terms of political autonomy of the countries and the MERCOSUR region, but also regarding universities autonomy.
- c. To tackle the geopolitical objective, we came to another tension: how is it possible for MERCOSUR (and MERCOSUR member states) to enhance developmental goals without taking into account the need to be more competitive globally? It is a problematic situation because in order to promote development (by achieving top-class universities) national and international asymmetries are reproduced, which in turn reflects the challenges of current 'New Leftist' governments: how to redistribute benefits within a neoliberal model still ongoing?

The case of AQA regional policy reflects the contradictions that are also present at the national level and further analysis is needed so as to tackle their difficulties. A question that arises is: why if—it is true—national governments in many MERCOSUR countries (Argentina and Brazil, mainly) have promoted inclusive domestic policies for the HE, at the regional level little has been done? So, if MERCOSUR is shaping a regulatory process that is by-passing national policy-making dynamics, how could regulatory regionalism diffuse a policy project that contributes to a developmental model of integration?

AQA regional policy has placed the stepping stone, if participation of non-governmental actors (students, teachers, institutions) is broadened, we could imagine mid-terms results in terms of reclaiming a renewed welfarist project that could target both improving South America geopolitical power (being knowledge one of our most important resources) and, consequently, broadened our political autonomy.

The discussion of the national cases shows the different elements of the political context (policy space) we should consider in order to do promote regional policies based upon mutual understanding and the consideration of HE as a human right.

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CURRENT DILEMMAS IN DEEPENING REGIONAL FINANCIAL INTEGRATION

INTRODUCTION

Given the persistence of the global economic and financial crisis, a debate on the deepening of financial integration in Latin America is fundamental. This is important not only to address the serious crisis that afflicts the New International Financial Architecture (NIFA) but also to renew the regional financial integration agenda.

Undoubtedly, there are several questions that arise when considering these issues since they are about the viability and sustainability of emerging regional initiatives over time. First, in light of the global crisis, it is important to clarify the real nature and limitations of the NIFA, and if it was partly responsible for its creation. In the

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event that this agreement was engulfed by the crisis: Are we living in a time of institutional heterogeneity that opens up opportunities for the Southern countries? In the scheme of financial integration, it is not clear whether joining the NIFA or seeking its transformation is enough, nor how to balance their sovereignty goals in both strategic options.

Also, critical issues at the regional level have not been defined, for instance what would be the stance towards the tens of millions of users of banking and financial systems. It implies an understanding of the changes that characterize 'global finances'. Another important issue to point out is the monetary aspect of regional integration. Linked to the latter, are the proposals to address the current global monetary chaos, which today has several economies in the continent in bad shape. Beyond the technocratic and functional positions of financial integration, this article aims to reflect on those issues.

THE NATURE AND LIMITATIONS OF THE NIFA LAID BARE

The continuation of the global crisis, concentrated in the advanced capitalist countries, is a major test for international financial architecture; one built for a period of many years after the breakdown of the Bretton Woods system to supposedly safeguard the stability of the global financial 'order'. Although the causes of the crisis are still being debated, there is agreement that it exposed significant deficiencies and limits in the regulatory and supervisory schemes of the NIFA.

A major shortcoming, as Wade points out, has to do with that it tends to treat each national economy as a single unit and does not give enough attention to the contradictions of the world economy as a whole and the effects of monetary and financial policies of the economic powers over other economies¹. The so-called 'global imbalances' that preceded the outbreak of the crisis and policies of 'quantitative easing' applied in subsequent years by the Federal Reserve and other central banks, are a clear example of that.

Furthermore, the handling of each economy has never been equitable in the NIFA; whether it's in terms of the nature of their agreements, which give a 'structural advantage to banks and other financial entities in developed countries', to the detriment of developing countries, 'particularly due to the high cost of its capital requirements'²; or with respect to the construction and configuration of its agenda, where representatives of the Southern countries and their banking organizations had practically no involvement. They have

1 WADE (2007).

2 Op. cit. (2007).

not been involved in the International Monetary Fund (IMF) and the World Bank either, or in the wide variety of unofficial international standard organisms.

Interestingly, this is despite the NIFA proposal to move towards financial ‘standardization’ at a global scale, which involves the standardization of its institutions. But it soon became clear that the purpose was more in line with a particular set of policies belonging to ‘Anglo-Saxon capitalism’. It was to create a ‘level playing field’ in line with financial ‘globalization’, which now embraces the so-called ‘emerging markets’³.

This multi-storey architecture is also evident when considering its numerous regulatory bodies and standards, as mainly the larger institutional frameworks governing the mobility of capital and the stability exchange rates become more relevant. In this sense, both the Basel Accord and the Central Banks play a leading role in the execution of these functions⁴.

On the one hand, the Basel Accord is a key in this story, as it represents a new way of regulating transnational capital flows, now converted into a technocratic exercise, with complex mathematical models that replace real regulatory oversight. Following the approach of ‘national economy’, the agreement rests upon the principle of ‘internal control’, where national regulatory schemes and private financial institutions must assume responsibility for the dissemination of international banking standards and monitor compliance. In particular, and most importantly, the decision to regulate banks according to their capital reserves ultimately represented the transfer of authority from the state to private players in the market.

On the other hand, central banks also take on a higher profile in the international monetary field, dealing primarily with the excessive volatility of exchange rates that followed the end of the Bretton Woods agreement. In order to do this, these institutions, now with a higher degree of autonomy from other state agencies and legislative bodies, promoted inflation-targeting regimes through formal and informal channels around the world⁵. This task involved seeking international cooperation and cohesion between them, including the central banks of Latin America.

Until 2007, it was understood that the NIFA had jurisdiction over the entire financial system, but in fact, the onset of the cri-

3 Op. cit. (2007: 7).

4 Major (2012: 542-543).

5 Baker (2006).

sis showed that we were facing the collapse of a system with other characteristics, where traditional and ‘modern’ banking coexisted. The latter, known as ‘shadow banking’, existed outside the traditional banking system of developed countries—but at the same time in close connection with it—and was not under the bubble of ‘public’ supervision⁶. They had an instrumental role in the financial collapse. These banks are characterized ‘by a lack of disclosure of information about the value of its assets, its management and property, or by a virtual absence of both capital to absorb losses and cash for bailouts, and a lack of liquidity to prevent ‘liquidations’ or forced sales of assets’⁷.

In short, we were facing a new deregulatory phase of global finance but now not completely ‘against’ the state, since its spread meant on the one hand a significant increase in the ‘intervention’ of governments and supranational institutions to ensure the aforementioned financial ‘standardization’, mainly in the ‘emerging economies’. However, on the other hand, it required avoiding state action through ‘shadow banking’ in the advanced countries to enable financing transactions based on the creation of private money. All this linked by a ‘de-politicization’ discourse; whose contents are given by simple technocratic reactions to the transformation of regulatory activities, with ‘public’ actors insulated from political pressures⁸ or by the recognition that certain private monetary markets can inevitably operate autonomously.

THE NIFA IN CRISIS AND ITS TENDENCY TOWARDS FRAGMENTATION

To the surprise of most economists and financial experts, the crisis erupted in the United States and is developing with greater ferocity in the economies that have greater ‘financial depth’ (double than in emerging economies), more innovation, and where the main financial centres of the world are located. This ends the myth propagated by international financial institutions that with greater financial development would have greater stability and therefore lower the risk of a credit crunch⁹. Furthermore, it clarifies the big mistake made by

6 According to the Financial Stability Board (FSB), in the years before the crisis, the ‘agents’ of ‘shadow banking’ had greatly increased their influence on financial intermediation, going from \$26 trillion in 2002 to \$62 trillion in 2007, equal to a 27% of the total.

7 Kodres (2013: 43).

8 Major (2012: 541).

9 Häusler (2002: 11-12).

these institutions in highlighting the vulnerability of the financial systems in emerging economies to prevent crises.

However, it is not only about myths and mistakes in anticipating the worst crisis in 80 years, but also about the contribution made by the main pillars of the NIFA to its unleashing. As demonstrated by the work of Major, while the Basel Accord helped unleash a wave of asset securitization that overshadowed the solvency of bank balances; the atmosphere of low inflation and low interest rates, provided by central banks, contributed to the further development of the asset-backed securities market. It is precisely this market, accompanied by major credit rating agencies, which also did not show concern about the technocracy of the NIFA, which would be instrumental in the creation and spread of the financial crisis. In other words, the international financial architecture itself is partly responsible for the crisis, since it is dragged by it.

With the crisis in full swing, cross-border capital flows collapsed from \$ 11.8 trillion in 2007 to an estimated \$ 4.6 trillion in 2010. This means that they are still more than 60% below its previous high, due in large part to the debacle plaguing Western European banks¹⁰. Meanwhile, global financial assets have increased by only 1.9% percent per year since the crisis, compared with an average annual growth of 7.9% percent from 1990 to 2007. This loss in importance of the largest economies in both global financial assets and cross-border capital flows further weakens the representativeness and legitimacy of the now 'old' global financial architecture.

In contrast, and unexpectedly, the huge transactions of 'shadow banking' amounted to 67 trillion dollars by the end of 2011, although its global financing fell by two percentage points (to 25%). The United States and the Euro Zone lead in this type of activity, with 23 and 22 trillion dollars, respectively¹¹. Thus, the shadow banking system has become the main driver for the creation of marginal credit money (in Europe) and its destruction (in the USA), escaping public regulation even today.

Due to the continuing crisis with the indicated characteristics, according to the McKinsey Global Institute 'global financial markets are at an inflection point. One path leads to a more balkanized structure that relies primarily on domestic capital formation and concentrates risk within local banking systems, while another points toward

10 McKinsey Global Institute (2013: 5).

11 In certain economies, such assets have grown to such a high level that the situation is highly alarming. In Hong Kong, the amount is 520% of GDP, in the Netherlands 490%, in Britain 370% and in Singapore 260%.

a healthier model of financial globalization that corrects the pre-crisis excesses¹². According to this institution, the latter approach supports robust economic growth, while the former, although it may reduce the risk of another financial crisis, provides very little funding for long-term investment.

Beyond the simplicity of such findings, other authors see several indications that the global financial architecture is now evolving into a new structural heterogeneity due to the emergence of policies and institutional innovations that are much less US-centric and IMF-centric. Also in the global South, especially in Latin America, similar institutional changes can be seen, leading to an expansion of the mission and scope of some existing regional agreements or to the creation of new ones¹³. They are all faced with the dilemma of complementing global financial governance, as argued by the neo-structuralist positions, or rather push for its transformation.

THE GLOBAL CHALLENGES OF THE REGIONAL FINANCIAL ARCHITECTURE

While the NIFA did not contemplate the creation of a new regional financial architecture, in recent years several Latin American governments have chosen this path. Its objectives and ways of implementation have been addressed in a systematic and increasing way by various regional entities and forums (CELAC, UNASUR, etc.). Specifically, by various initiatives such as the Bank of the South, the Unified System for Regional Compensation (SUCRE for its acronym in Spanish), the Local Currency Payment System between Argentina and Brazil (SML) and the Bank of ALBA. They are added to other institutions that previously existed in the continent, with varying degrees of success¹⁴.

Consensus exists between member states of the Latin American Economic System (SELA, for its acronym in Spanish) that the new regional financial architecture should consider a Regional Development Bank, a Regional Contingency Fund—that would deal with national liquidity problems—and a Regional Monetary Space, which would include a Regional Clearing House, a Common Account Unit, a Regional Monetary Council and, eventually, a Common Currency¹⁵. This third pillar is the key element in responding to both the now long decline of

12 McKinsey Global Institute (2013: 6-8).

13 Grabel (2012).

14 Including the Andean Development Corporation (CAF in Spanish), the Latin American Export Bank (BLADEX), the Latin American Reserve Fund (FLAR) and the Central American Economic Integration Bank (BICE), among others.

15 SELA (2012a).

the International Monetary System, as well as the evidence that it is not being multilaterally dealt with in this time of crisis.

Beyond the consensus, it has been the countries that make up ALBA that have most advanced in its implementation. Since February 2010, part of their trade began to be billed in terms of SUCRE, a new unit of currency, conceived 'as an instrument to achieve monetary sovereignty, the elimination of the dependency on the US dollar in regional trade, the reduction of asymmetries and the gradual consolidation of a shared economic development zone'¹⁶. These mechanisms are based on the workings of the UNCTAD (United Nations Conference on Trade and Development), since the vision of neo-Structuralism and agencies such as ECLAC seems to exclude the monetary aspects of the regional financial architecture. According to the UNCTAD, regional financial integration is unattainable without a currency zone, which in turn should be the basis for a new global monetary system¹⁷.

However, these theoretical developments, similarly to the primary focus of monetary theory, detach money from the 'real economy', assuming that it is only a standard measurement and a unit of payment. Moreover, they create the impression—using balance of payment accounts—that money and the movement of goods are determined in reference to national units.

These theoretical findings do not seem to correspond with the recent internationalization of capital that makes economic processes increasingly globally integrated. South American countries are no exception to this phenomenon, far less since opting in the early 2000s for re-primarization strategies whose products (with prices fixed in US dollars) mainly depend on Chinese demand. It is true that this accumulation of 'eccentric' nature has generated large surpluses in these countries, allowing a huge accumulation of international reserves, which in turn feed the speculative markets of the main financial centers (and therefore the dominance of the dollar); but at the cost of maintaining intra-regional commercial trade at very low levels (less than 20% of the total). These conditions do not seem to be optimal to form a strong and significant regional currency (sub) zone.

Similarly, the various financial integration institutions and schemes existing in the region do not pay enough attention to the contradictions of global money nor to the impact of monetary policies by the global powers on Latin American economies. This posture is striking, especially since right from the beginning the cost of the crisis was sought to be unloaded on underdeveloped countries through the

16 SELA (2012b).

17 UNCTAD (2007: 154).

so-called ‘quantitative easing’ (QE) policies, persistently applied by the Federal Reserve of the United States as well as the central banks of Europe, England and now, Japan. These policies did nothing but exacerbate the instability of foreign exchange (which for several years remained at higher levels that existed before the Great Recession), explaining in large part the great movement of capital towards our economies and speculative activities surrounding the US dollar (the so-called ‘curry trade’).

The decision by the Federal Reserve of gradually withdrawing the huge monthly assets program (‘tapering’) has led to a higher worsening volatility in the economies of the region, but now with opposite effects: the abrupt devaluation of currencies and the portfolio of capital outflows. Furthermore, in a recent February 2014 paper entitled ‘Global Prospects and Policy Challenges’ the IMF estimates that the greatest risks are due to foreign holdings on sovereign bonds of ‘emerging countries’ and the growing leverage of private companies on these economies that took advantage of the unprecedented liquidity of the last five years. In the region, Brazilian, Mexican and Chilean companies are the most exposed.

As Barry Eichengreen acknowledges¹⁸, ‘Fed officials have copiously commented on the reasons for reducing QE, but have said nothing about the impact on the emerging economies’. This silence is even more remarkable in view of the refusal by the United States Congress to authorize an increase in the subscription fee of that country to the IMF and the decision to make permanent the currency swap agreements put in place during the crisis by the Feds, the European Central Bank and the central banks of Canada, the UK, Switzerland and Japan. This aims to strengthen the role of the US dollar in global financial markets.

In this context, in order to avoid experiencing impotence and frustration, regional financial integration schemes must play a more active role in seeking to substantially transform the international financial architecture, particularly in terms of monetary policy. This is a goal parallel to the establishment of a regional currency zone and not one that comes after.

THE NEED TO BROADEN THE AGENDA OF THE NEW REGIONAL FINANCIAL ARCHITECTURE

Even though the financial meltdown spread to the ‘emerging markets’ in late 2008, they recovered quickly, attracting a huge wave of foreign capital. In fact, investment in Latin American economies exceeded

18 *Diario Financiero* (2014).

300 billion dollars in 2012 and 2013, according to estimates by the International Institute of Finance (IIF), far surpassing the record high before the crisis of 208 billion dollars in 2007.

However, the new regional financial architecture not only requires attention to the payment pledges associated with capital flows, but also to the field of social relations and practices within and across societies that make them possible. The same abundance of foreign capital has led to booms in both domestic demand and credit in most of the economies in the region, as well as greater disintermediation of its financial markets.

In effect, domestic demand has tended to increase (to some extent, with the help of heavy government spending) well above the product's evolution during these years of favourable financial conditions. The same trend has been followed by credit loans from banks, which reached 12% in 2013, according to Deutsche Bank¹⁹.

This extraordinary credit expansion shows not only the rapid extension to the working class, but also the particular transformation of banks, that go from a business model of relationship banking to multi-service banking. Furthermore, as recognized by the OECD and ECLAC, the credit boom 'has focused on consumer and mortgage loans and not on business loans'²⁰. This is demonstrated by the high growth rates in loans to consumers (as seen in Peru and Colombia) and especially in mortgage loans, with rates at around 25%. This extraordinary dynamism has risen to the point of forming real estate market bubbles, particularly in the two aforementioned countries in addition to Brazil and Chile.

Another significant change has been the gradual shift from cross-border funding in favour of local funding, which has allowed the expansion, deepening and diversification of domestic capital markets, thereby reducing their dependence on financing through banks²¹. In this way, institutional investors multiply—especially, in Chile—with private pension funds playing a major role, along with insurance companies and investment funds. This trend meant the subsumption of paid work to the imperatives of finance, in order to channel their savings to institutional investors, especially to pension funds.

19 The increase recorded in Peru in the year ending in March 2013 remained the highest in Latin America (16.8%), closely followed by Brazil (16.7%), Colombia (14.9%), Chile (13.3%) and Mexico (10.5%). In terms of volume, bank loans totaled nearly \$2 trillion by the end of 2012, accounted for 54% by Brazilian Banks.

20 OECD / ECLAC (2012: 73).

21 Tovar y Quispe-Agnoli (2008).

Both the peculiar characteristics of the banking and financial markets in the continent again look to personal income as a source of profit, a situation which has been accentuated during the years of crisis by increasing concentration and conglomeration of wealth. The multi-service banks have become powerful conglomerates that in addition to traditional banking activities (deposit-taking and credit loans), now also deal with stock market assurance transactions, leasing, mutual investment funds, pension funds, retirement insurance, among others.

These financial conglomerates fiercely compete for regional market dominance, deepening to unthinkable limits the asymmetries of credit relationships. Debtors are left totally exposed to financial expropriation, abuse and usury; even more so if there is no state regulation for such holdings. An example of this is the high cost of consumer loans that people take on²², while banks achieve extraordinary profits—in highlight those of Mexico and Brazil that averaged increases of about 25%—several times higher than in developed markets²³.

This is why the new regional financial architecture should include in its agenda the needs and interests of users of banks and financial institutions (including pension funds); it is the only real way to democratize the integration and to regain its 'public' nature. In short, the new regional financial architecture must be built 'from the South', betting on the transformation of the 'old' global financial architecture, and 'from below', alongside the expropriated by financial conglomerates.

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22 These vary annually between 18.7% (cheap) and 30.6% (expensive) in Colombia, between 21.9% and 39% in Chile, between 19.5% and 59.2% in Peru, with Brazil showing the highest rates between 25.2% and 125.5%; according to data from the comparabien.com company, which based it on a credit of \$5,000 for a period of 12 months in the four countries on July 11, 2013.

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Malini Chakravarty*

PUBLIC FINANCE POLICY AND INEQUALITY

A REVIEW OF THE CONTRASTING EXPERIENCES OF INDIA AND ECUADOR

ONE OF THE BASIC PLANKS of neoliberal economic policies, which have been in vogue in different parts of the Global South since the 1980s and 1990s, has been to circumscribe the role the State is supposed to play in the arena of economic activities. While many have viewed these policies as reflection of ‘withdrawal’ of the State, in effect, it involves a change in the nature of the State to an ‘entity acting exclusively to promote the interests of finance capital’ (Patnaik, 2006) in particular and the interests of large capital in various forms in general. Since finance capital in general is opposed to active State intervention, changes in public finance policy, in order to curtail the size of the fiscal deficit relative to GDP or to ensure fiscal discipline, have been a common feature in almost all developing countries adopting neoliberal economic policies.

The changes in the policies with regard to domestic revenue mobilisation and public expenditure to ensure fiscal consolidation were

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first initiated in Latin America and Africa in the 1980s as part of the neoliberal strategy of growth. In the 1990s, many Asian developing countries also adopted similar policies geared towards ensuring fiscal consolidation. In terms of expenditure, these policies, through the 1980s and 1990s, have led to severe cutbacks in delivery of public services, increasing commercialisation of such services and/or handing over of service provision and its financing to private parties. With respect to revenue generation, taxation policies became increasingly regressive and placed excessive burdens on poorer sections. Thus in different parts of the Global South, patterns of revenue generation and public spending became more inequitable and less democratic.

In effect then, these changes in policy greatly reduced the distributional potential of public finance policies. As has been often noted, in addition to labour market policies, public finance policy provides the main tools to influence income distribution. Resource mobilisation through more progressive taxation, for instance, can help to reduce inequality in the distribution of income and wealth. Similarly, greater fiscal space afforded by the increase in tax to GDP ratio helps to carry out public expenditure, such as the provision of social goods and services necessary to alleviate 'the effects of socially undesirable distributive outcomes arising from market forces and from unequal initial endowment' (UNCTAD, 2012: 114).

While the belief that there is no alternative to these policies has continued to be prevalent in India through the decade of 2000s and beyond, countries in Latin America have seen a shift in both taxation and expenditure policies during the period. As Cornia *et al.* (2011: 12) note, 'the growing call for equity in the aftermath of the steep increase in inequality which took place during the 1980s and 1990s, including because of the failure to promote redistribution via taxation and social transfers, [...] acquired strength with the gradual consolidation of democracy and the parallel shift of political preferences toward left of centre parties more sensitive to distributional issues' in the 2000s. As a result, several Latin American countries instituted changes in their strategies of public spending and taxation policies, with redistribution, once again, becoming the 'primary goal of tax design' (Cornia *et al.*, 2011: 15). The new 'fiscal pact' of the last decade has not only brought about significant increase in revenue and public expenditure, but is also said to have had favourable distributional impacts.

It is in this context, in this paper, we carry out a review of public finance policy in India, seen as one of the successes of neoliberal policies and Ecuador, which has brought about notable changes in its public finance policy, and assess the likely impact on inequality. Due to paucity of space, the focus is on taxation although issues related to

public expenditure are also looked into. The paper discusses mainly the broad issues related to taxation, but does not delve into issues such as tax evasion and tax expenditure in detail. The analysis also does not discuss in detail other sources of revenue such as pricing of natural resources and land; privatisation; the issue of user charges, etc., that have important bearing on inequality. Finally, because of data problems, in the case of Ecuador only central government taxes and expenditure are considered, whereas in the case of India both central as well as total taxes and expenditure are considered. The paper is organised into three sections. The first section discusses the public finance policy in India and the attendant implications for inequality, the second section looks at the case of Ecuador and the third section concludes the discussion.

THE CASE OF INDIA

As in many other countries around the world, the neoliberal era in India has been associated with significant changes in the public finance policy as well as a considerable increase in inequality. In India, inequality is measured in terms of distribution of consumption expenditure, which, as is known, tends to underestimate the extent of inequality by excluding the very rich and the very poor. Even when seen by this measure, inequality (measured by the Gini coefficient for consumption) increased from 0.31 in 1993-94 to 0.36 in 2009-10. Over the same period, the ratio of urban to rural consumption increased from 1.62 to 1.96, with the gap widening fastest during the period when the Indian economy entered a high growth phase after 2003-04. Further, it is the top decile of the urban population which gained most in terms of increases in consumption expenditure in the period over 1993-94 to 2009-10 - rising from 7.14 times to 10.33 that of the bottom urban decile and from 10.48 to 14.32 times that of the bottom rural decile. Other indicators, like the movement of factor incomes, too point to the increase in inequality under the neoliberal regime (Ghosh, 2012b). Similarly, studies based on tax returns, reveal that in the 1990s, the real incomes of the top 1% of income earners in India increased by about 50% and, among this top 1%, the richest 1% increased their real incomes by more than three times during the 1990s (Banerjee and Piketty, 2004). It has been argued that this rise in inequality was broadly consistent with the evolution of economic policy in India, whereby the adoption of neoliberal policies since the 1990s 'allowed the ultra rich to increase their share substantially' (Pal and Ghosh, 2007: 5).

Among other factors, a part of the rise in inequality can be explained by the changes in public finance policy brought about in the

pursuit of neoliberal policies since the early 1990s. Policies such as internal liberalisation of the economy to give greater leeway for the play of market forces; trade and financial liberalisation meant to pave the way for greater integration with the world economy; the reduction in the role of the state in economic activities and the associated obsession to curtail fiscal deficit, have all resulted in fundamental changes in the revenue mobilisation and public expenditure policies of the government. The changes on the front of revenue generation policies have involved significant reduction in the marginal rates of the personal and corporate income taxes¹, based on the arguments that doing so would encourage growth—as low corporate tax rates are supposed to encourage investment, while lower individual income tax rates are supposed to lead to better compliance—as well as increase tax collection—an argument based on the infamous Laffer curve hypothesis. Similarly, in order to incentivise private consumption and create ‘appropriate’ climate for private capital, both domestic and foreign, a range of concessions and tax incentives have been provided through the liberalisation years. As part of trade liberalisation policies, taxes on trade have been continuously reduced to remove ‘distortions’ created by such taxes and also to abide by the World Trade Organisation (WTO) commitments, with weighted average tariffs sometimes being much below the tariff bindings allowed under the WTO. Further, some taxes affecting high-income groups—such as wealth tax, capital gains tax—were reduced or abolished in the 1990s and 2000s². At the same time, in order to offset the loss of revenue from trade and direct taxes, regressive taxes on mass consumption goods, such as the Value Added Tax (VAT), has been introduced in the 2000s. While some attempt has been made to tax the services sector (which comprises the largest sector of the economy) and increase its coverage as well as tax stock market transactions in the 2000s, even in these cases, the rates have been low and the concessions in other areas that have ac-

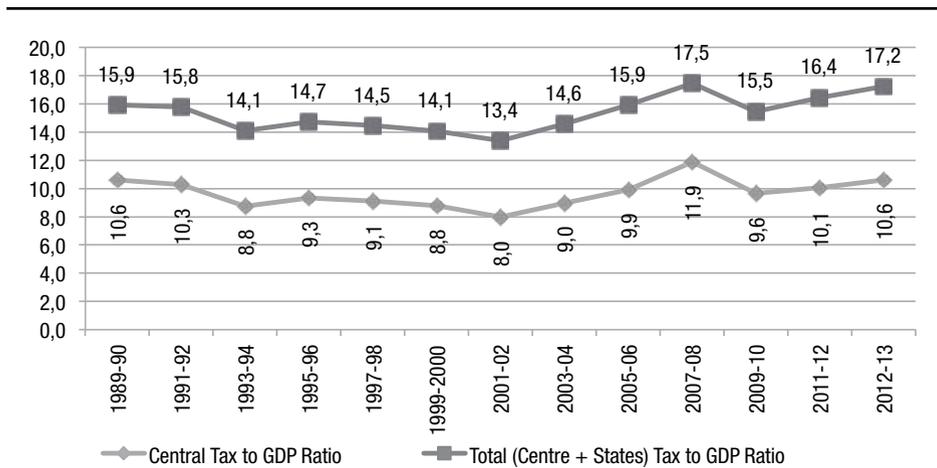
1 Marginal rate of taxes on personal income were brought down from 62 to 50% and the corporate tax rate from around 60 to 50% in 1985-86. There has been further reduction in these rates in 1992-93 and 1997-98. The number of tax brackets, which were brought down from eight to four in 1985-86, too were further reduced to three in 1992-93, and the rates for each bracket were reduced further in 1997-98, with the highest tax rate declining from 40 to 30%. In subsequent years, a general surcharge and additional surcharge of 2% dedicated to primary education—the latter being applicable on all taxes—were introduced (Rao and Rao, 2006).

2 The maximum marginal rate for wealth tax too was reduced from 2.5% in 1985-86 to 1% in 1992-93 (Rao and Rao, 2006). For details of other tax reforms since the reform period, see (Rao and Rao, 2006).

companies these measures have greatly reduced the impact of such taxes (Chandrasekhar and Ghosh, 2004). Further, many tax holidays have been provided as incentive to particular sectors, along with tax subsidies like depreciation allowance.

The initial impact of these policies was a sharp long-term decline in the tax to GDP ratio in India witnessed in the 1990s and the initial few years of the 2000s³. During this period, the centre's gross tax revenue to GDP reduced from about 10.6% in 1989-90 to 8.8% in 1999-2000 and further to 8% in 2001-02. Similarly, the total tax to GDP ratio reduced by 2.5 percentage points from 15.6% in 1989-90 to 13.4% in 2001-02 (Chart 1). This was the result of a sharp decline in indirect taxes such as customs duties, excise duties, etc. and less than commensurate increase in direct taxes, despite significant cuts in rates for direct taxes.

Chart 1
Trend of Centre and Total (Centre and States) Tax to GDP Ratio



Source: Indian Public Finance Statistics, 2012-13, Ministry of Finance, GOI.

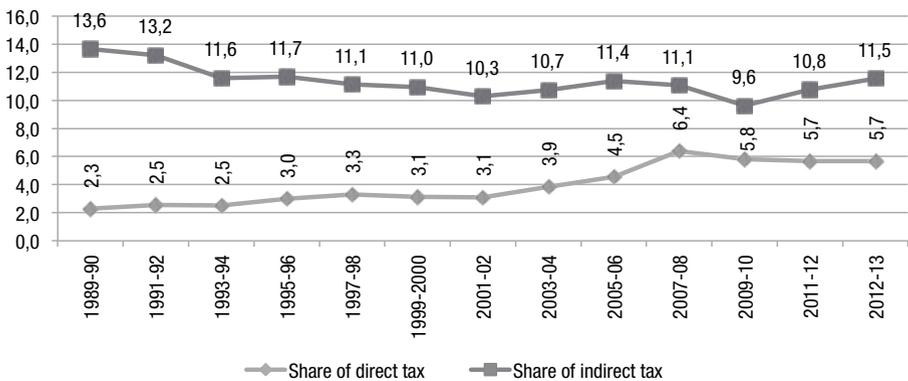
Notes: The figure for 2011-12 is revised estimate. The figure for 2012-13 is budget estimate.

³ These were consequences both of direct effects of the tax policy changes and the indirect effects of the detrimental impact of deflationary policies on growth and the consequent reduction in revenue generation.

While there has been a turnaround in total tax to GDP ratio from 2002-03, the recovery has been extremely slow, particularly in the case of central government taxes (CBGA, 2010). What is of significance is that despite the fact that in the 2000s the Indian economy witnessed unprecedented high and sustained growth over a number of years preceding the global financial crisis, the total tax to GDP ratio increased by only about 1.5 percentage points compared to the level reached in 1989-90. In fact in the case of central government's tax-GDP ratio, after having reached a peak of 11.9% in 2007-08, it has once again fallen sharply and at present stands at a level lower than that achieved in the year prior to the beginning of full-scale neoliberal reforms.

The changes in policy mentioned above have also impacted the composition of the tax revenue. During the 1990s the bulk of the total tax revenue came from indirect taxes, although its share in GDP has been on the decline because of the sharp cuts in indirect taxes such as customs duties, excise duties, etc. While consequently the share of direct taxes went up, the rise was very gradual and did not change the regressive pattern of revenue generation much. In the 2000s, on the other hand, there has been some change in the pattern with the rise in the share of direct tax in GDP, before it registered a decline with the onset of the recession (Chart 2).

Chart 2
Composition of Total (Centre and States) Tax Revenue (as percentage of GDP)

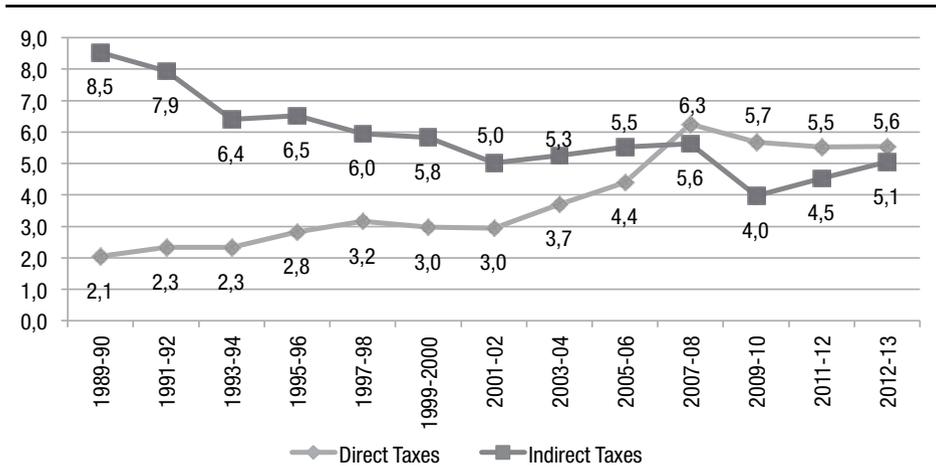


Source: Indian Public Finance Statistics, 2012-13, Ministry of Finance, GOI.

Notes: The figure for 2011-12 is revised estimate. The figure for 2012-13 is budget estimate.

This change has been largely driven by the change witnessed in the composition of central government taxes, in which the share of direct taxes not only increased phenomenally, especially in the period over 2003-04 to 2007-08, but also surpassed that of indirect taxes. But even this apparent trend of progressivity in taxes has been somewhat reversed with the slowing down of growth since 2009-10 (Chart 3).

Chart 3
Composition of Central Government's Tax Revenue (as percentage of GDP)



Source: Indian Public Finance Statistics, 2012-13, Ministry of Finance, GOI.

Notes: The figure for 2011-12 is revised estimate. The figure for 2012-13 is budget estimate.

However, even the apparent progressivity of taxes masks the fact that while on one hand the rise in the share of direct taxes in GDP has been driven by growing inequality witnessed in the economy, on the other taxation strategy itself has contributed to increasing inequality. As analysts point out, the phenomenal rise in the share of direct taxes, driven mainly by increase in corporate taxes, is in fact a reflection of the increasing inequality witnessed in India in the neoliberal era, especially in the decade of 2000s. As the analysis by Chandrasekhar and Ghosh (2012 b) based on Annual Survey of Industries shows, compared to the 1980s even the period of the 1990s was marked by significant rise in the share of profits in net value added in the organised manufacturing sector. However, the years since 2002-03 saw

the ratio of profit to net value added rise at a much higher rate, from about 24.2% in 2001-02 to a peak of 61.8% in 2007-08, i.e. just before the onset of the recession. Even in the period after the global recession, although with the slowing down of economy, the share of profit has declined from the peak reached in 2007-08, it remained as high as 54% in 2011-12⁴. Clearly then, the sharp rise in the share of direct taxes in GDP witnessed since 2002-03 has occurred largely because of a sharp rise in inequality reflected in the growing share of profits in the national income of the economy.

At the same time, what needs to be noted is that the taxation policy by itself, with its plethora of tax concessions and incentives given to the corporate sector, has contributed to the worsening of income distribution. In the year 2005-06, for instance, the net profit earned by top 20 corporations (which accounted for the bulk of the profits and the greater amount of the tax payable) grew by as much as 46.5%, whereas the taxes paid by corporations grew only at the rate of 25%⁵, implying that the growth in taxes on profit have not kept pace with the growth in profits. That this trend has since continued is exemplified by the fact that while the share of profit in national income has remained extremely high⁶, because of significant tax concessions and incentives given to companies in the central tax system, the effective tax rates paid by the corporate sector (which in any case tends to be much less than the statutory tax rate) has been going down over the years (Bandyopadhyay, 2013).

Similarly, even in the case of personal income taxes, the changes in tax rules have contributed to increasing inequality. Studies show that between 1990-91 and 1999-2000, there has been a sharp decline in the average incidence of income taxes for those whose incomes fall in the taxable bracket (Table 1). 'The extent of inequity in the income tax structure is evident from the differential multiples of increases in incomes assessed' and in taxes paid by those falling in the middle and highest income tax brackets (Shetty, 2009: 51). Thus for these two categories, while their assessed incomes increased by 30 to 32 times, their taxes payable increased by only 14 times between 1990-91 to 1999-2000 (Shetty, 2009). In concrete terms, for those in the top income brackets, the tax payable as percentage of income returns dropped from about 45% in the early 1990s to 20-21% in the late 1990s. While the data on income tax revenue statistics is no longer available, it is

4 Annual Survey of Industries, (2011-12).

5 See Chandrasekhar and Ghosh (2006), for details.

6 Chandrasekhar and Ghosh (2012a).

likely that, because of the changes in tax rates brought about in the subsequent years, the incidence would have come down even further (Shetty, 2009, 2010).

Table 1
Average Incidence of Income Tax on Different Income Classes

Tax Payable as Percentage of Income of Returns			
<i>Year</i>	<i>Lowest Income Tax Bracket</i>	<i>Middle income tax Bracket</i>	<i>Highest Income Tax Bracket</i>
1990-91	40.9	46.6	45.3
1991-92	39.8	43.0	45.0
1992-93	39.8	49.6	44.9
1993-94	40.6	51.0	47.8
1994-95	31.3	30.5	45.5
1995-96	28.2	30.5	28.0
1996-97	28.2	30.5	28.0
1997-98	28.6	31.4	28.2
1998-99	19.3	22.7	20.2
1999-2000	18.1	20.7	21.4

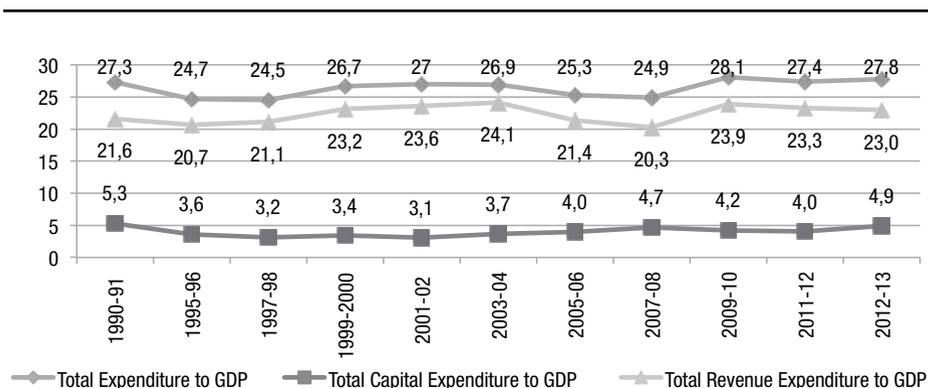
Source: MoF (2005); Indian Public Finance Statistics 2004-05 (cited in Shetty, 2009).

Note: The government of India has not published data on income tax revenue statistics for the period after 2000.

In addition to these, there are several other ways in which the taxation strategy has contributed to the growing inequality. A case in point relates to the concessions accorded to returns on stock holdings, such as exemptions on dividends and long-term capital gains, in the late 1990s and mid-2000s. It is known that in India, a miniscule proportion of the population that invests in equity belongs to the upper income groups. Several analyses show that the main beneficiaries of the moves like dividend tax exemption and the abolition of long term capital gains tax on shares, at a time when the returns from these assets have been booming, have been high net worth domestic investors, promoters, and foreigners (ERF, 2006; Bagchi, 2007a, 2007b). At the same time, in the aftermath of the global financial crisis, indirect taxes were raised on universal intermediates like petroleum and diesel, which are inflationary and affect the lower income groups disproportionately (Chandrasekhar, 2010). These measures not only reversed the progressivity of tax revenues but likely have also contributed to inequality.

On the whole, therefore, the taxation strategy has contributed to the rising inequality and resulted in significant loss of revenue. As a result, India continues to remain one of the lowest taxed nations. Further, policies relating to other sources of revenue, such as concessional pricing of natural resources and land for the private sector; selling off of public sector enterprises at throwaway prices to private buyers, levying of user charges for raising more money, etc., that have been imposed during the neoliberal era, are also known to have altered the distribution of the fiscal burden in an inegalitarian direction. In an atmosphere where containing the fiscal deficit at all costs has become the established norm, the inability of the state to garner resources through taxes and other sources even in periods of high growth has meant that the principal means by which fiscal deficits have been contained is by the reduction of government expenditure, leading to severe negative distributional impacts. During the 1990s the government undertook major expenditure cuts, the brunt of which was borne by capital expenditure (Chart 4 a). As a result, total (centre and plus the states) government capital expenditure, as a share of GDP, declined steadily from 5.3% for in 1990-1991 to 3.1% in 2001-02. Although there has been some increase in capital expenditure thereafter, it still remains lower than that achieved in 1990-91.

Chart 4 a
Trend of Government Total Expenditure (Centre and States) to GDP Ratio and its Composition

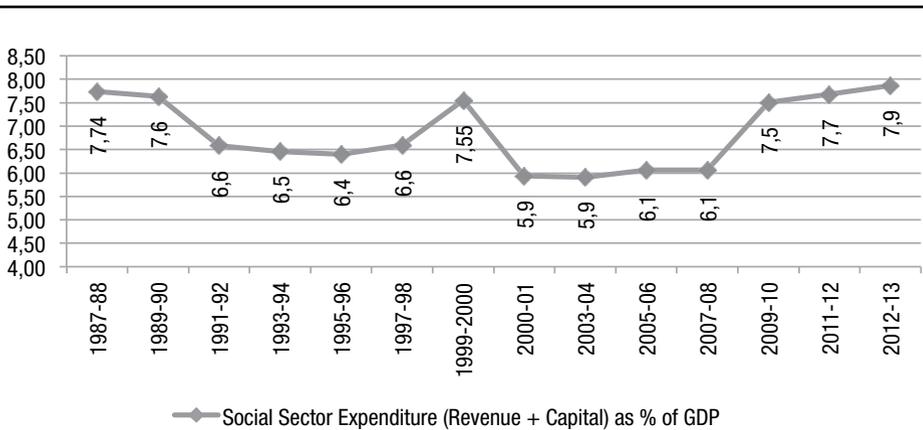


Source: Indian Public Finance Statistics, 2012-13, Ministry of Finance, GOI.

Notes: The figure for 2011-12 is revised estimate. The figure for 2012-13 is budget estimate.

Areas such as agriculture, rural development, infrastructure development, etc., were worst hit by the drastic cuts in public investments. The decline in public investment in infrastructure, in turn, resulted in a near collapse of public services in social sectors like education, public health and sanitation (Pal and Ghosh, 2007). In the case of revenue (current) expenditure, which had been on the decline in the 1990s, a growing part of it was accounted for by rising interest payments, while the rest of revenue expenditure was on the decline (Chandrasekhar, 2000). This in turn meant that in the 1990s social sector expenditure as share of GDP was lower than that in the late 1980s (Mooij and Dev, 2004). The scenario has been even worse in most part of the 2000s, with government social sector expenditure as share of GDP being lower than that achieved in the 1990s. While in the late 2000s there has been some rise in public social sector expenditure, the rise has been very modest (Chart 4 b).

Chart 4 b
Social Sector Expenditure by Centre and States as percentage of GDP



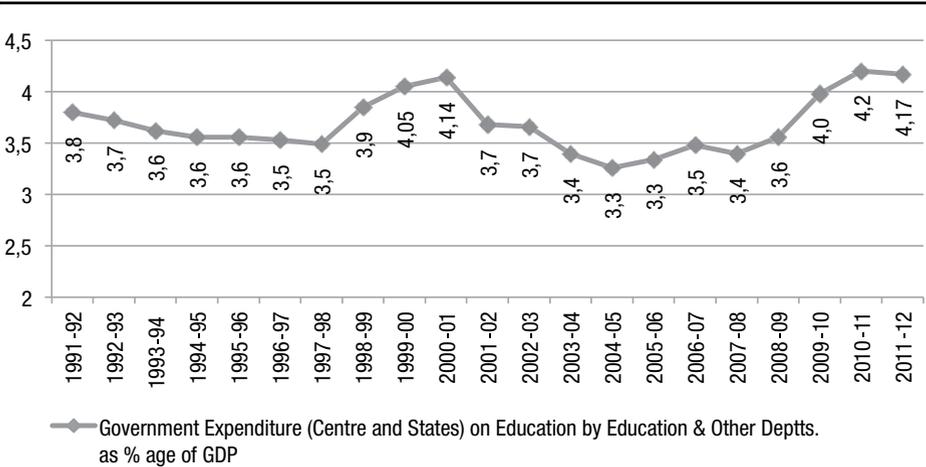
Source: Mooij and Dev (2004) and Indian Public Finance Statistics, various issues, Ministry of Finance, GOI.

Notes: The figure for 2012-13 is revised estimate.

Social sector expenditure: refers to expenditure on social services, rural development and public works.

As a result, public expenditures on education, health, etc., have seen only minimal increases. Thus, barring four years in the decade of 2000s, public spending on education has stagnated at around 3.3 to 3.7% of GDP, i.e. below the peak reached of 3.93% in the late 1980s (Chart 5).

Chart 5
Government Expenditure (Centre and States) on Education as percentage of GDP



Source: Analysis of Budgeted Expenditure of Education, various issues, Ministry of Human Resource Development, GOI.

Note: The figure for 2011-12 is revised estimate.

A similar trend is visible in the case of public health spending, which has barely increased in the neoliberal period. Low public financing and the resultant high out-of-pocket expenditures have contributed to rising inequality as it is the poorer section that have inevitably borne the disproportionate brunt of these processes. Studies based on the national sample survey of expenditures, for instance, show that during the past two decades the proportion of money spent on health has increased most for the poorest households (Balarajan *et al.*, 2011). Similarly, in the area of education, high out-of-pocket has been a deterrent to educational attainment for the economically disadvantaged sections (Save the Children, 2013).

The cuts and/or inadequate rise in other social sector expenditures and the attendant increase in commercialisation of services also resulted in rising out-of-pocket expenditure, particularly for the poor, and thereby increased inequality and exclusion. For instance, privatisation of basic services, like electricity and transport, that led to a rise in prices of these services also ‘contributed to the increased inequality observed during the 1990s’ and beyond (Pal and Ghosh, 2007: 19)⁷.

⁷ See Save the Children (2013) for details.

Similarly, as part of the expenditure cutting exercise, the earlier universal public distribution system (PDS) for food, which provided fair-priced food items to a very large number of low-income households, was converted into a targeted scheme with different price rates operating for different groups. A number of studies show that this move led to a large-scale exclusion of the needy⁸. While some positive moves by the central government after 2004 such as the Rural Employment Guarantee Act and associated programmes, and enhanced spending on rural areas and on education operated slightly to reverse this process, it could not effectively counter the continuing low levels of public spending on essentials that have exacerbated the inequalities generated by market processes. What is significant is that despite attempts to curtail expenditure⁹, because of the inability to increase tax revenues sufficiently, the government has failed to bring down the fiscal deficit much. Overall, changes in public finance policies in India implemented since the 1990s have, through both taxation and public expenditure strategies, contributed to rising inequality.

THE CASE OF ECUADOR

The case of Ecuador, in particular since 2007, provides a completely contrasting experience with regard to public finance policy and its impact on inequality. As in the case of India, in Ecuador too, as part of the public finance policy reforms initiated in the 1980s and 1990s, corporate taxes were cut and personal income taxes¹⁰ without any expansion in the tax base¹¹, while taxes on foreign trade were reduced. In order to offset these measures, the rates and the coverage of VAT were increased in the 1980s and 1990s, making it the government's primary source of revenue. While some changes in taxation were brought about from time to time¹², on the whole since the 1990s and until 2007, public finance policy was guided by the basic aim of containing the fiscal deficit. In the period since the dollarization of the economy,

8 See Save the Children (2013) for details.

9 Studies show that neoliberal policies, such as financial liberalisation that have lead to rising interest payments of the government and the failed attempts to reduce food subsidy because of the high holding costs of unsold food stocks, are some of the reasons that lie behind the government's inability to reduce expenditure sufficiently. See Pal and Ghosh (2007) for details.

10 See Shome (1999); Gwartney and Lawson (2006).

11 See Jiménez, Gómez Sabaini & Podestá (2010).

12 For example in 1999, 'a fiscal package was passed that reinstated a 15% income tax rate, eliminated some of the exemptions from the value added tax (VAT) and, for 1999 only, levied a tax on corporate equity and luxury automobiles' (Economic Survey, 2000: 197).

laws were issued to restrict public expenditure. For instance, under the Organic Law for Fiscal Responsibility, Stabilization and Transparency (LOREYTF), issued in 2002 (amended in 2005), growth in current expenditure in real terms was restricted to a maximum of 3.5% annually (SENPLADES, 2010). In sum, therefore, the concept of progressiveness that characterises direct taxation and pro-poor public spending was largely abandoned in favour of neutrality and efficiency.

Much has changed in the approach to public finance policy since the country adopted a new constitution in 2008. The constitution based on the concept of '*Buen Vivir*' emphasises equity and access to essentials services and requires that the tax system should be based on equity and redistribution. To this end, a series of tax reforms have been introduced since 2008. These include creation of new income groups for taxation and the introduction of new individual income tax rates at 30 and 35% respectively; removal of income tax exemption in the case of dividends received by individuals; compulsory redistribution of 15% of profit, which 12% is going to the government to invest in social programmes (and the remaining 3% is going to employees); reduction in tax on profits by 1% each year from 25% (in 2010) to 22% (in 2012) and a series of increases in tax rates on currency transferred abroad (Unternaehrer, 2013). New taxes were introduced on luxury consumption goods, plastic bottles and vehicular pollution and financial services (under VAT at 12%) and rates of taxes increased on specific goods such as cigarettes and alcoholic beverages (ECLAC, 2012, 2013a). Apart from these, the other important reform in 2012 was the introduction of the Organic Law for the Redistribution of Income for Social Expenditures, which raised the human development bond from US\$35 to US\$50. This increase is to be financed by higher taxes paid by financial institutions in Ecuador' (ECLAC, 2013b: 2).

These measures were in addition to the dramatic increase in the windfall profits tax on oil companies introduced in 2007, which raised the rate to 99% of the differential between the realized price and the price established by contract¹³ (adjusted for inflation)¹⁴ and the in-

13 See: <<http://www.revenuewatch.org/countries/latin-america/ecuador/transparency-snapshot>>. However later on, this windfall tax was reduced to 70% in October 2008 (Weisbrot and Sandoval, 2009).

14 This was also the time when the government 'announced a change in contracts governing oil production, from existing production sharing agreements to service contracts, under which companies are reimbursed for their costs and receive a fee, but production is owned by the state'. See: <<http://www.revenuewatch.org/countries/latin-america/ecuador/transparency-snapshot>>. Further, a new law in July 2010, which brought about a change in the terms of the contracts, increased the government's share of the gross oil revenues from 13 to 87% (on average) (Ghosh, 2012 a).

crease in the rates of estate tax, inheritance tax and gift tax in the same year (ECLAC, 2008).

Moreover, efforts have been made to make tax collection more efficient through measures such as the systematic use of information technology, more detailed reporting requirements for companies and stricter laws to punish tax evaders (Ghosh, 2012a)¹⁵.

These policy changes have brought about major changes in the level as well as structure of taxation in the country. While the period of the 1990s was characterised by a gradual increase in the tax revenue to GDP ratio, rising by about 2 percentage points between 1990 and 1999, the early part of the 2000s till 2005 saw a jump in tax revenue to GDP ratio, owing largely to growing exports, rising international commodity prices and a turnaround in economic growth recorded during this period. However, the high central government tax revenue to GDP ratio of 9.7% reached in 2001 could not be sustained and there was a decline in the ratio in the subsequent years, falling to 9% in 2005. Following the reforms initiated in 2007/2008, however, not only has the central government tax revenue to GDP ratio witnessed a more or less sustained increase over the period 2007 to 2012, there has in fact been a quantum jump in the ratio, rising by more than 5 percentage points over the period 2007 to 2012 (see chart below).

Studies demonstrate that taking into account other levels of government as well, the tax to GDP ratio has increased from a low of 10.7% in 2007 to 14.5% in 2011¹⁶. Further, the drive to increase taxes has meant that despite the large increase in oil revenues in the period over 2007-10, the share of non-oil revenues (mainly tax revenues) in total revenue has actually gone up with the latter accounting for nearly three quarters of government revenues over this period (Ghosh, 2012 a).

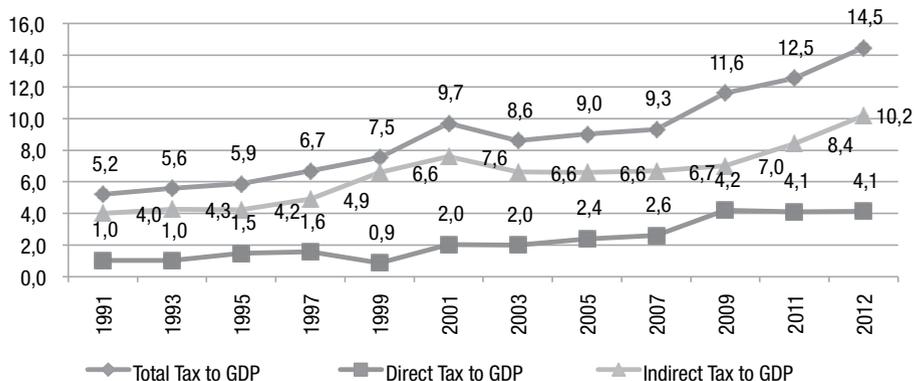
As the chart below shows, following the reforms introduced in public finance policy since 2007, the composition of taxes too has changed significantly. The rise in the central government tax to GDP ratio during the 1990s, driven as it was largely by a rise in indirect taxes, resulted in the tax structure becoming increasingly regressive. While in the first part of the 2000s, there was some decline in the share of indirect taxes, it was only since 2007 that the dependence on indirect taxes came down substantially. Thus, while indirect taxes accounted for 65% of total government tax revenue in 2006, the proportion came down to 58% by 2011 (Unternaehrer, 2013). This was

15 In fact, these steps themselves helped garner increased corporate taxes without any increase in tax rates as well as reduce tax evasion.

16 Unternaehrer (2013).

mainly because of a significant rise in central government direct tax collections (largely on account of corporate taxes), which increased from 2.6% of GDP in 2007 to more than 4% of GDP in 2011.

Chart 6
Trend of Central Government Tax (excluding social security contributions) to GDP Ratio



Source: ECLAC (2012) Retrieved from: <<http://www.cepal.org/>>.

While there has been a sharp increase in the share of indirect tax revenues in GDP in the year 2012 compared to 2011, a part of it can perhaps be explained by the tax reforms enacted in late 2011, whereby 'sin' taxes on commodities such as alcoholic beverages were raised and financial services were brought under the tax net¹⁷. In effect therefore, even the rise in indirect taxes is likely to have been less regressive than it seems as the government made a greater use of progressive indirect taxes, such *Impuesto a los Consumos Especiales*, a tax on luxury items introduced in 2008, and the reliance on highly regressive excise duties was reduced (Cornia *et al.*, 2012).

In this context, it is important to note that in contrast to the experience of India, the rise in the share of direct taxes in GDP in Ecuador has occurred precisely when economic inequality has been on the decline. Inequality¹⁸ (as measured by the Gini coefficient), which had

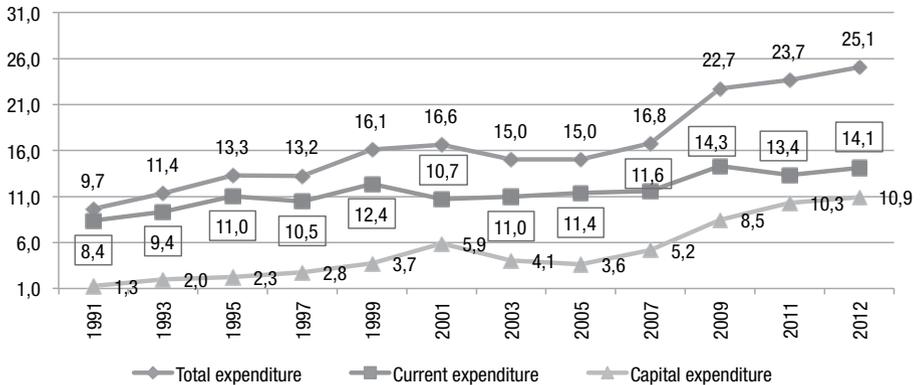
17 It is, however, difficult to measure the contribution of such taxes on the basis of data provided in ECLAC- CEPALSTAT.

18 Inequality is based on income data.

risen in the 1990s, decreased slowly from 56.6 in 2000 to 54.3 in 2007. Thereafter, when the reforms in public finance policies began, there has been a sharp fall in inequality with the Gini coefficient declining from 54.3 in 2007 to 49.3 in 2010 (Unternaehrer, 2013)¹⁹. During this period, the urban Gini coefficient declined from 51.0 in 2007 to 44.0 in 2011 and the rural Gini coefficient went down by 4 percentage points to 46 in 2011. Mirroring this trend of slow decline in inequality in the 2000s prior to the alternate policies adopted in 2007 and the substantial decline thereafter, the proportion of income held by the poorest quintile of the population, which rose from 3% in 2000 to only 3.3% in 2007, went up to 4.35% by 2011.

Even more importantly, the rise in the tax to GDP ratio has helped to increase government spending in this period. Public spending, especially public investment, which was abysmally low in the 1990s and the early 2000s, witnessed a sharp jump in the years since 2007 (Chart 7). The rise was spearheaded by substantial increases in public investment in infrastructure, an important part of which has been devoted to public housing infrastructure for the lower income groups (Weisbrot and Sandoval, 2009; Ghosh, 2012a; Ray and Kozamaeh, 2012).

Chart 7
Trend of Central Government Total Expenditure to GDP Ratio and its Composition



Source: <<http://www.cepal.org/>>.

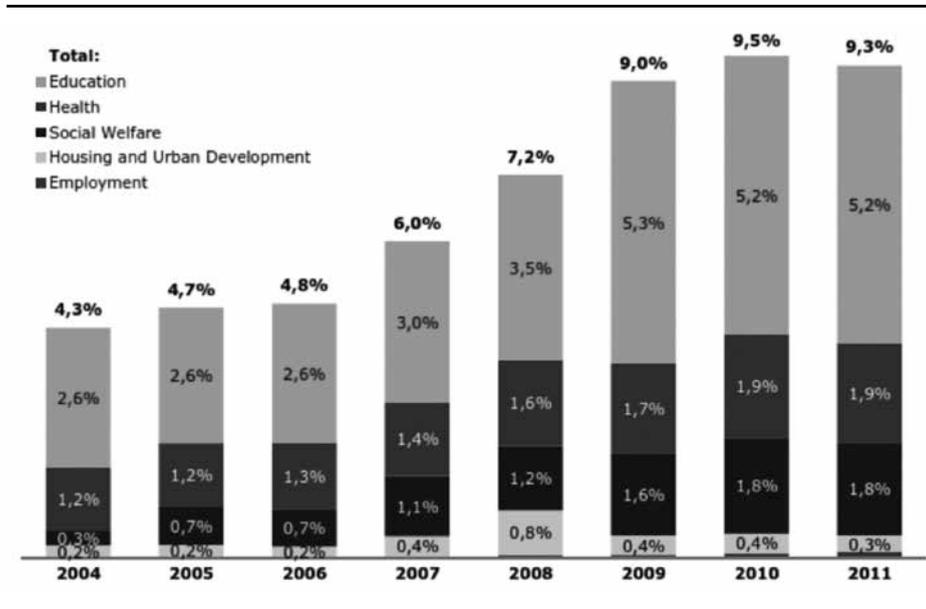
¹⁹ Based on data provided by Ministerio de Industrias y Productividad (2011) 'Informe dde Coyuntura Industrial - Noviembre 2011', Ministerio de Industrias y Productividad, Quito, Ecuador.

Further, in contrast to the 1990s and the early 2000s during which social spending became less of a macroeconomic priority, with the adoption of the new *Constitution* which requires that government expenditures achieve specific social spending targets (such as an annual increase of 0.5 percent of GDP to the education budget mandated under the *Ley Orgánica de Financiamiento y Educación* (Law of Financing and Education) until 2012, or until the education budget reaches at least 6 percent of GDP), public social spending has increased sharply (Chart 8). Public spending on education as percentage of GDP doubled between 2006 and 2011. Similarly, public spending on health as well as housing increased dramatically, with the spending in terms of GDP more than doubling in the case of the former. With regard to social assistance programmes too, such as *Bono de Desarrollo Humano* (BDH) a cash transfer programme meant for the bottom two quintiles of income distribution, there has been significant rise in public expenditure as well as substantial increase in coverage (ECLAC, 2010). These increases in public expenditures are known to have brought about substantial progress towards providing free education at all levels and access to free healthcare for all citizens. Significantly, simply because these expenditures were largely funded by increased tax revenues (and revenues from oil) that provided an enlarged fiscal space, neither the fiscal deficit nor public debt have increased much.

Even more important is the impact these steps have had on reducing inequality witnessed during this period. It is generally accepted that taxation in the 1990s was regressive (Cornia *et al.*, 2012). In this context, it needs to be noted that there is lot of disagreement among experts regarding the potential of taxation, especially corporate and personal income taxes, as a redistributive tool in Latin America. It is generally argued that corporate tax, because of the fact that these 'can be transferred to prices or factors, thereby transforming it into an 'indirect tax' (Jiménez, Gómez Sabaini & Podestá 2010: 24) does not provide much scope for redistribution. Therefore, the few available studies on the impact of direct taxation in Ecuador relate to the impact of personal income taxes on distribution. These studies show that in the early to mid 2000s, even though modest, the country's progressive personal income tax had contributed in reducing inequality (Cornia *et al.*, 2011 and ECLAC 2013a). However, what needs to be noted is that most of these studies refer to the period prior to the tax reforms undertaken since 2007. As has been pointed out by several analyses, several changes have been brought about since 2007 to reduce the shortcomings that have restricted the growth of personal income taxes. Among these, two specific changes refer to the introduction of additional tax rates and the move to remove tax exemption in the

case of dividends received by individuals. In addition, as noted above, changes in other aspects of taxation have generally strengthened the move towards progressive taxation. While some of these changes are too recent to impact the tax burden significantly, given that even in the period prior to 2007 some of these taxes have contributed to reducing inequality (albeit minimally) implies that the positive distributional implications of the tax reforms in the recent period are likely to be stronger. Further, the increase in revenues owing to changes in the distribution of royalties from oil, by providing an enlarged fiscal space for carrying out necessary public expenditure, is also likely to have had positive distributional impact.

Chart 8
Public Social Spending (Central Government), as percentage of GDP



Source: Ray and Kozamaeh (2012).

A clearer verdict is available in the literature regarding the contribution of public social expenditure to reducing inequality. Studies show that government spending, in particular higher and more progressive government transfers, was among the top most important factors (along with an increase in hourly earnings for workers at the bottom

of the income distribution) that lie behind the decline in inequality witnessed in the period over 2003 and 2010 in Ecuador (Lustig *et al.*, 2013). Analysing the contribution of different sources of income to overall inequality at three points in time (around 1990, 2002 and 2011), Amarante (2013) also shows that transfers, including non contributive public transfers, have played an equalizing role in the period over 2002 and 2011. Similarly, decomposing the recent decline in inequality in 14 Latin American countries, Azevedo *et al.* (2013) show that in the case of Ecuador, among all the factors considered, income from transfers contributed to reducing inequality by at least 15%, as the share of transfers in total household income of the poorest 20% has increased and that of the richest 10% has gone down between 2000 and 2010. Similarly, the higher public spending on education and increase in education coverage is likely to enhance the distributional impact that had been set in motion during the 2000s, by reducing further the skill-premium²⁰. To sum up, the alternative public finance policy adopted in the recent past has brought about significant progressive changes in the taxation structure as well as helped to increase public expenditure in crucial areas and these factors are likely to have contributed to declining inequality observed in the last few years.

CONCLUSION

The reforms of public finance policy in Ecuador in the recent past clearly shows that even for a middle income developing country with an open economy operating within the restrictions of a globalised world, it is possible to bring about significant changes in the strategies to mobilise resources and public spending that can have far reaching positive distributional impacts. It exemplifies that these changes need not necessarily lead to either an increase in the fiscal deficit or unsustainable public debts. In fact, in opposition to conventional wisdom that underlies neoliberal policies, the case of Ecuador shows that increase in direct taxes, specifically corporate taxes, can be brought about by sheer political will to enforce proper tax collection and taking steps to reduce tax evasion, even while reducing tax rates. And these steps need not necessarily result in either decline in private investment or outflow of capital. Finally, it shows that increases in tax and other revenues that help to increase the fiscal space can be used for increasing public spending in ways that alter the distribution in favour of the lower income groups. Although Ecuador needs to do much more in terms of reducing tax evasion and tax expenditures as well as increase coverage of essential public services, these

20 See: Cornia (2012).

accomplishments provide important policy lessons for a country like India, which remains one of the lowest taxed nations despite years of witnessing extraordinarily high rates of growth. As is clear from the discussion above, in India, adoption of neoliberal public finance policy has not helped in increasing resources much. Instead due to the obsession to curtail fiscal deficit, public expenditure that are crucial for alleviating negative distributional impacts generated by the market processes, have either been curtailed or has stagnated as share of GDP. Furthermore, in the period following the global financial crisis, faced by low tax to GDP ratio, the government has relied on cutting public expenditure further and increasing regressive taxes in order to reduce the fiscal deficit. These are likely to worsen the distribution of income even further. This means that in order to fight increasing inequality, India needs to adopt alternative policies that can help garner resources through progressive taxation and increase public spending. The case of Ecuador and its alternative policies show that a wider, potentially more successful set of policy options is available than is commonly believed in India.

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**GENDERED RESPONSES
AND ADAPTATIONS TO CHANGING
CONTEXTS OF DEVELOPMENT
AND NEOLIBERALISM IN PARTICULAR**

**A CASE STUDY OF TANZANIAN RURAL
AND URBAN WOMEN'S NETWORKS**

INTRODUCTION

Neoliberalism continues to be one of the powerful forces that manipulate, control and recreate men's and women's local and global interactions in today's world. Within that context, women as a group and grassroots men suffer disproportionately (Meena, 1991; Chachage & Mbilinyi, 2003; Mbilinyi *et al.*, 2003). Among other things, there have been increasing inequalities between the poor and the rich, increasing environmental degradation of countries and declining value of education for children and adults and all in the name of the market. In other words, Neoliberalism is an inhumane doctrine embedded on maximization of entrepreneurial freedoms through private property rights, individual liberty, unencumbered markets, and free trade. Here, the government's role is ideally expected to be at its lowest (Harvey, 2007: 22-23). Realistically, the practice concentrates wealth into the hands of a few elites (Harvey, 2005, 2007; Eisenstein, 2010; Simon-Kumar, 2010). In this study, Neoliberalism refers to the Tanzanian neoliberal context that concentrates wealth into few foreign and local elites.

It is acknowledged in this paper that Neoliberalism should come to an end. Nevertheless, there cannot be a single universal alterna-

* Tanzania

tive to the problems of Neoliberalism for all countries of this world, including Tanzania, because Neoliberalism has been—like a bad virus—uniquely transforming local contexts of various countries of the world in an attempt to pave way for global elite's exploitation (Hayter & Barnes, 2012). In other words and as stated by Veron (2010: 2,835), Neoliberalism, 'is not a homogenous, immutable policy approach' but instead it exhibits, 'locality-specific forms and trajectories.' Here, it can be argued that what exists in different countries of the world is 'hybrid Neoliberalism', which is not necessarily an exact replica of Western Neoliberalism. Global south arguments such as those by Domingues (2011, 2013) appear to support this view. In so doing, the crisis of Neoliberalism has been localized. As a result, the problem of Neoliberalism requires context specific solutions and alternatives.

What is important, Neoliberalism, in whatever form, is indeed in crisis and calls for alternatives are increasingly becoming common (Mbilinyi *et al.*, 2003). For instance, it is argued by Sheppard and Leitner (2010: 193) that there must be alternatives to Neoliberalism, which, [...] create space for variegated trajectories, uneven connectivities and ineluctable difference, instead of stageism, flattening and commodification'. Likewise, anti-neoliberal forces such as the 'post-Washington Consensus' and a revamping of Keynesian principles are increasingly becoming prevalent (Sullivan & Sheffrin, 2003; Sheppard and Leitner, 2010). Even more, some scholars have gone further by dismissing globalization and Neoliberalism as the *Zeitgeist* of the 1990s, not today (Rosenberg, 2005: 2). Surprisingly, the adoption of neoliberal policies in majority of developing countries, especially those in Africa, has been rapid in what is being referred to as globalization. How? The collapse of socialist block and the rise of western neoliberal capitalist hegemony through organs such as the IMF, among other things, played a key role in the spread of Neoliberalism as a development doctrine in continent and the rest of contemporary world. The situation has not changed yet (Stiglitz, 2006; Harvey, 2007).

Similarly, Tanzanian, in contrast to the existing socialist constitution, has systematically adopted neoliberal policies and, as a result, a unique and specific unconstitutional Tanzanian 'hybrid neoliberal context' has been created and formally documented in Tanzania Development Vision 2025 (URT, 1999). On one hand, a shift from socialist developmental policies of 1960s and 1970s to today's neoliberal capitalist development policies since mid 1980s, in what is being referred to as Neoliberalism has led to notable macro development advances of the country, increased accessibility to some social services by some Tanzanians, conspicuous establishment of an autonomous civil society that enjoys relative freedom of speech and finally crea-

tion of a class of new entrepreneurial elites which powers the macro-economic development. On the other hand, the neoliberal context has failed to adequately uplift majority of Tanzanians who continue to rely on the informal economy and a peasant mode of production. Besides, increased financial responsibilities tied to the neoliberal context have led to increased burden on grassroots women and men who suffer disproportionately (URT, 1999; Chachage and Mbilinyi, 2003).

In an attempt to have a better understanding of the 'hybridism' of Neoliberalism within the Tanzanian context, this study employed what might be referred to as a 'critical gender approach' to explore gendered networking so as to understand how Tanzanian men and women respond and adapt to the existing neoliberal context. This is an attempt to come up with alternatives. Here, women's networking, as one of the alternatives and anti-neoliberal gendered practises, defines how men and women relate to each other in their attempt to respond and adapt to the neoliberal context. Specifically, the objective of this study was to explore anti-neoliberal alternatives by focusing on women's networks as a space for responding and adapting to the fast changing neoliberal contexts in rural Tanzania from 2000s to 2010s.

MATERIAL AND METHODS

Generally, this study is a longitudinal ethnographic case study that has been taking place from 2006. In other words, the researcher has been revisiting the study populations as a follow up of old data and at the time gather new data. This article is the first attempt to publish the findings of the study in relationship to a search for anti-neoliberal alternatives. More to the point, this study had been employing an exploratory research design using an embedded multiple-case study research method. A research design guides collection, analysis, and interpretation of findings in an attempt to establish causal relations among variables under investigation (Nachmias & Nachmias, 1992; cited in Yin, 2009: 26). An embedded multiple-case study research method has been used for its ability to gather compelling evidence on a phenomenon under investigation (Yin 2009: 54). Here it has been used to facilitate a thorough understanding of the neoliberal context and gendered alternatives in rural and urban Tanzania. Stated differently, a social cultural context of women network members in rural Singida and urban Iringa regions of Tanzanians who are networked at various levels (i.e. clan, women and tribal networks), may not be understood through a quantitative cross-sectional survey, with a representative sample, because such methodology cannot respond to key qualitative question: 'why' and 'how' (Yin, 2009: 25; McClean, 2000: 185). What is most important is that case studies facilitate an under-

standing of complex issues such as Neoliberalism and gender networking (Moser, 1989, 1993) affected by context. Here, a narrowed, as opposed to statistical generalizations, and in-depth analysis of fewer key issues is not an option (Yin, 2009: 3-21 and 129; LeCompte and Schensul, 1999). Specifically, the researcher was able to retain holistic and meaningful characteristics of real-life events to incorporate the local context (Yin, 2009).

Similarly, case studies require one to come with a concrete Unit of Analysis (Yin, 2009: 29-33). The primary unit of analysis for this embedded multiple-case are women networks. These are located in Iringa and Singida. Although individual beneficiaries of the networks can serve as unit of analysis and in so doing easily give their views, the networks provide formal structure for networking. In so doing, networks, as a unit, can be a reliable source of data for this study. The secondary unit of analysis for this study was a household hosting individual male and female beneficiaries of the networks. A household was selected, as a secondary unit of analysis, because it would allow the researcher to examine gender relations among networked families as well as women's and men's responses and adaptations to the neoliberal context as they attempt to come up with alternatives to Neoliberalism. Finally, an embedded multiple-case study has been selected to make this study a focused one by ensuring that the study focuses on major units instead of multiple units of analysis and risk collection of unreliable data (Yin, 2009: 52).

Two sources of data have been used in this study including secondary and primary. Secondary data have been obtained through a review of documentary data and archival records from Tanzania National Bureau of Statistics and the Bank of Tanzania. Secondary data from the field sites (Iringa and Singida) include memoranda, agenda, minutes of meetings, written reports of events, proposals and progress reports. These are being treated as secondary data because they were collected by others, to serve different purposes. Therefore, they had to be rigorously analysed for them to suit the objective of this study. Primary data will be collected using a variety of research methods to include focused interviews, key informants' in-depth interviews, observations, members' general meetings and focused group discussion. Focused group discussion took place on years 2006, 2007, 2011 and 2012. Key informants' in-depth interviews and observations have been ongoing since 2006. Moreover, a total of 10 knowledgeable individual members from the field, including network leaders (5 from each network) served as key informants and participated in in-depth interviews and Focused Group Discussions. Over 10 civil society executives and ac-

tivists at the national level were interviewed in 2010. Here, the researcher conducted informal face to face interviews, listened and recorded speeches of the executives and activists in Dar Es Salaam, Bagamoyo and Zanzibar. At the time, the author was one of the participants of the 2010 Workshop on Global Perspectives on Politics and Gender, convened by the American Political Science Association (APSA) in Dar es Salaam, Tanzania from July 19 to August 6, 2010. The programs sponsored academic visits to mentioned sites. A prolonged study of study populations allowed the study to be more focused.

Focused interviews and general members' meetings at the field sites were largely done in years 2012 and 2013. As far as focused interviews are concerned, a sample of 40 households was selected. Here, a total of 20 households from each of the networks in Iringa and Singida participated in formal and focused interviews. A purposive sampling was used to select households. The selection criteria for the household members to participate in the study were as follows: those who are 18 years or older; with primary education or above and who know how to read and write; and who had been members for over five years.

In 2011, the researcher secured a grant worthy \$25,000 from the United States Department of State Alumni Engagement Innovation Fund and found a not-for-profit organization to empower grassroots men and women in the mentioned field sites through microfinance and counselling¹. He then established a five years Memorandum of Understanding (from year 2011 to 2016) with networks in two study areas. The two networks are required to write monthly reports and send photos to the researcher on a monthly basis. Similarly, the researcher provides technical support and frequently visits networks to counsel, train and learn from people's interventions.

Several data analysis methods were used. Qualitative data was compiled from information obtained from interviews, diary (observations), life stories (in-depth interviews), focused group discussions, archival records and documentation into a form, which is easily comprehensible and integrative. Data originally reported in Kiswahili was translated into English and paraphrased while preserving the original details and meaning as accurately as possible. Content analysis was used for its ability to analyse words, meanings, pictures, symbols, themes or any message communicated during the study into meaningful manner for the academic audience (Mouton, 2001). Computer-assisted qualitative tools cannot answer the research questions by themselves (Yin, 2009: 127-129) and were

1 Details can be found at <www.agentz.org>.

not used. However, the study equally benefit from use of grounded theory to analyse existing data obtained from documentary review and field research. As the researcher interacted with individuals and various documents during the data gathering period, he developed a context specific Grounded Theory to guide analysis. In particular, grounded theory is not a 'ready made' established theory but it is developed during a study at which a researcher continuously and repeatedly interacts with both participants and data. It is like knowledge gained through prolonged experience of performing a certain task. Ideally a researcher should firstly break the data into several key themes and then code them. Then the researcher has to repeatedly visit the data and read it between the lines to unlock hidden meanings. As the researcher interacts with small portions of data, s/he establishes a certain theory and then uses it to conduct a systematic analysis of such data. Grounded theory should by no means be degraded, because it is equally important and useful as an existing theory that has been established to guide research (Glaser and Strauss, 1967; cited in Maxwell, 1996: 33; Strauss & Corbin, 1990, 1997). This study calls for an alternative to Neoliberalism, which guides existing development frameworks. For that reason, grounded theory, as the most influential and widely used mode of carrying out qualitative research, has been employed because of its potentiality to generate new theory (Strauss & Corbin, 1997: vii).

This study gathered a limited number of quantitative data for reasons already explained. In particular, the analysis made use of descriptive statistics.

THEORY/CALCULATION

In an attempt to challenge long established theoretical framework this study employed a global south developed framework known as Gender and Development (GAD) approach. GAD can incorporate and/or respond to a context created by other discourses to include, among other things, Neoliberalism, globalization, networking, anti-colonial discursive framework, critical theory and woman-centred approach. In a way, GAD attempts to critically challenge, inform, shape and benefit from other discourses in an attempt to achieve sustainable humane development. In particular, GAD also referred to as the 'empowerment approach' or 'gender-aware planning' as revealed by Connelly and co-authors (2000: 62), is defined as a theoretical approach that synthesizes issues of 'materialist political economy' such as Neoliberalism, 'and the radical-feminist issues of patriarchy and patriarchal ideology' to showcase that:

[...] women's status in society is deeply affected by their material conditions of life and by their position in the national, regional, and global economies [...] that women are deeply affected by the nature of patriarchal power in their societies at the national, community, and household levels. Moreover, women's material conditions and patriarchal authority are both defined and maintained by the accepted norms and values that define women's and men's roles and duties in a particular society [...] The focus is on relationships between women and men, not on women alone. Gender relations are seen as the key determinants of women's position in society, not as immutable reflections of the natural order but as socially constructed patterns of behaviour—the social construction of gender—which can be changed if this is desired [...] finally] women experience oppression differently [...] (Connelly *et al.*, 2000: 62).

Although, GAD calls for an equitable humane world, Neoliberalism calls for a liberal non-humane western capitalist and individualistic theory, officially established in late 1970s, in which the government withdraw to pave way for the market (Harvey, 2007: 22). Henceforth, GAD is anti-Neoliberalism. Sadly, Neoliberalism is a theory which drives globalization because globalization is not a theory (Stiglitz, 2006: xviii; Steady, 2005), it is rather a process with multiple dimensions which are interconnected in a complex way (Tomlinson, 1999: 9) in a 'multilayered, asymmetric admixture of international, transnational, domestic, and local processes the interaction of which increasingly generates multiple equilibria' (Cerny; cited in Rosenau, 2003: 48).

As far as this article is concerned, GAD drew some insights from networking which is gendered because it deals with material things and relations of men and women within the Tanzanian context. Here, two major questions need to be answered: how do people theoretically network and what is an ideal network? According to Cook-Craig (2010: 314), actors network following two major assumptions. Homophily refers to the assumption that, other factors being the same, individuals and entities are likely to connect to others with whom they share similar characteristics. Propinquity refers to the assumption that other factors being constant, individuals and entities are likely to connect with those that are geographically close to them. According to Alders and co-authors (1993: 9) an ideal network is, 'any group of individuals and/or organizations who, on voluntary basis, exchange information or goods or implement joint activities and who organize themselves for the purpose in such a way that individual autonomy remains intact.' In other words, all networks are groups but not all groups are networks. For example, members of a group who do not

actively and voluntarily share information do not form a network; they are a mere group and are likely to fail. Farrington and Nelson (1994) view networking as the motor of the work of groups with a common goal or need, which exists solely to provide organizational structure in addition to providing information and inciting groups to act. Networks are classified based on the pattern of flow of information, membership composition and activities involved (Haverkort *et al.*, 1991) as well as operational styles, scope of geographical coverage and subject matter (Pluknett *et al.*, 1990: 187). In modern times, social media tools increasingly provide outstanding ways for online networking (Fogel and Nehmad, 2009; Men & Tsai, 2011). Importantly, social network theorists view a community as composed of essentially related individuals in several networks (LeCompte and Schensul, 1999: 52; Cook-Craig, 2010: 314). For instance, Granovetter (1985: 487) in Buskens (2002) argues that people do not act as individual in isolation, instead, they are influenced in a cobweb of networks in which they belong. In particular, Jackson (2008: 3) reveals that 'social networks are important in determining how diseases spread, which products we buy, which languages we speak, how we vote, as well as whether we become criminals, how much education we obtain, and our likelihood of succeeding professionally'.

GAD also draws some insights, as related to this study, from critical theory in its attempt to investigate faults of the neoliberal system in Tanzania. In particular, critical theorists are interested on how the history and political economy of a nation, state or other system, such as Neoliberalism, exercise direct or indirect domination over the political, economic, social and cultural expressions of citizens or residents. In so doing, as described by LeCompte and Schensul (1999: 45), critical theory guides studies into the sources and dimension of inequality in such system. In other words, critical theory is gendered because it aims at identifying the ways in which gender, class, culture, race, ethnicity and power intersect to shape inequities (LeCompte and Schensul, 1999: 46). More to the point, networking and critical theory can be merged (LeCompte and Schensul, 1999) into a field known as relational political science. Within this framework, a researcher is required to examine power relations among individuals in networks or between state and individual (McClurg and Young, 2011: 39).

It might be quite easy for one to argue that Tanzania was colonized in the past and that the country is free from any colonial influences. Yet, Colonialism, as imposition and domination of others by some, did not end with the return of political sovereignty to colonized peoples and nation states. Colonialism is not dead and mani-

fest itself in variegated ways. According to Dei and Kempf (2006) anti-colonial theorizes colonial and re-colonial relations, as it might be the case between Tanzanian grassroots people and neoliberal elites, and the repercussions of neoliberal structures on the process of knowledge production and validation, the understanding of indigeneity, and the quest of agency, resistance and subjective politics. From anti-colonial perspective, Tanzania may be viewed as a colony as long as it is subjected to external and internal neoliberal interests. Specifically, an anti-colonial discursive framework criticizes ongoing colonization and seeks for alternatives rooted in the standpoint and understanding of the colonised for this case grassroots people (Dei & Asgharzadeh, 2001). What is important is that knowledge is highly political because it is a product of certain social contexts (Dei, 2006). For that reason, hegemonic knowledge needs to be aggressively interrupted so as to foster an understanding of today's social, political, and economic inequalities (Dei, 2006). GAD equally guides this paper along that path.

Finally, GAD draws insights from a woman-centred approach (McClellan, 2000:185) following an argument that inequality between women and men has increased with economic development and that interventions are designed to achieve equality will lead to economic efficiency and growth (Tinker and Bramsen, 1976; cited in McClellan, 2000: 185). The approach focuses on inequality in public and private spheres and links such inequality to poverty in the Global South. Here, women are seen as economic actors in low-income groups and thus unable to fully participate in development (McClellan, 2000: 186).

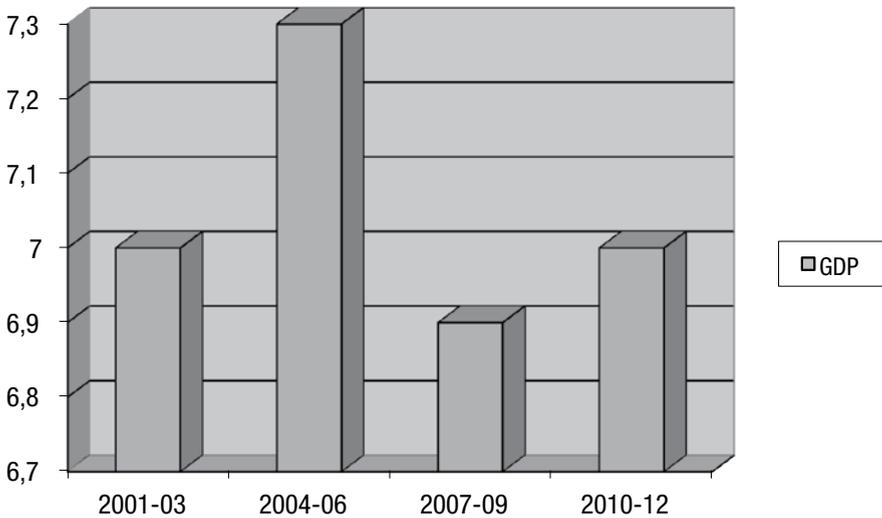
RESULTS AND DISCUSSION

This study reveals the following two key findings:

a) A hybrid Neoliberalism does exist in Tanzania. The context is fuelled by a powerful mixture of unaccountability, corruption and greedy by a few neoliberal elites. Within this context, the neoliberal elites make use of the state machinery to exploit grassroots people and country's resources. As it is the case everywhere, the neoliberal context is supported by fast foreign fuelled macro economic development with average GDP growth of between 5 and 7% since 2000 (see Figure 1). This year GDP is predicted to be 7%, which is going to be the highest in the whole of Sub-Saharan Africa (see Figure 2). Nevertheless, this macro-economic growth is subjected to capital inflows from private financial markets linked to the international banking system. For example African Barrick Gold (ABG), the largest investor of gold mining in Tanzania, is registered in London and

listed on the London Stock Exchange. ABG owns North Mara, Bulyanhulu, Tulawaka and Buzwagi gold mines all located close to Lake Victoria in West Tanzania with a heavy toll on the environment too. Although Tanzania, among other things, is the third largest producer of gold in Africa, it is increasingly becoming vulnerable to what Chandrasekhar (2013) refers to as ‘boom and bust’ cycles in cross-border capital flows in a world dominated by fluid finance. In other words, Tanzania’s supposedly fast growing economy is no longer free global fluid finance.

Figure 1
Tanzania GDP Growth (3 years average)



Source: Bank of Tanzania and Tanzania National Bureau of Statistics.

Figure 2
Tanzania GDP Growth Rate Compared to the Rest of the World

	Actual			Projections	
	2010	2011	2012	2013	2014
World output	5.1	4.0	3.2	3.3	4.0
Advanced economies	3.0	1.6	1.2	1.2	2.2
Usa	2.4	1.8	2.2	1.9	3.0
Europa area	2.0	1.4	-0.6	-0.3	1.1
Japan	4.7	-0.6	2.0	1.6	1.4
United Kingdom	1.8	0.9	0.2	0.7	1.5
Emerging and Developing economies	7.4	6.4	5.1	5.3	5.7
Sub-Saharan	5.3	5.3	4.8	5.6	6.1
Great Jakes region	6.2	5.9	5.8	-	-
Tanzania	7.0	6.4	6.9	7.0	7.2
Developing Asia	9.5	8.1	6.6	7.1	7.3
China	10.4	9.3	7.8	8.0	8.2
India	10.1	7.7	4.0	5.7	6.2

Source: IMF, World Economic Outlook, Tanzania National Bureau of Statistics and Bank of Tanzania.

b) In the absence of functional state's intervention, grassroots men and women have responded by strengthening grassroots networking activities to meet the challenges posed by the corrupt state sponsored neoliberal context. Women's networking which appears to attract attention of the neoliberals, and in particular international neoliberal elites, has become a mere label. There is a heavy presence of men in the so-called women's networking. However, it has been noted that both men and women collaborate as mutual beneficiaries and in so doing, gender relations are being shifted from patriarchal ones to equitable ones. This kind of collaboration was highly prevalent during nationalist movement of 1950s. In other words, a popular movement that unites both men and women is finally being created. Since this study is geared at an exploration of anti-neoliberal alternatives by focusing on women's networks as a space for responding and adapting to the fast changing neoliberal contexts in rural Tanzania from 2000s to 2010s, it is thus important to focus more this discussion along that path.

By and large, the major argument made here is that development agencies need to trust poor/grassroots people because they are capable

of helping themselves even within the neoliberal context. The dominant doctrine that people need to be provided with direct assistance such as food, medicine, buildings and free education is equally being challenged. Drawing lessons from this study: it is argued that any development intervention should invest in grassroots people's resources by providing grassroots people with opportunities, mainly through micro-credit or other forms of grassroots level investment, for them to manage their development as they wish and as per their context specific situation. It should be underscored that grassroots people, especially those in developing countries are not that much poor and idle waiting for external assistance; actually they are busy engaging in various activities including income generating activities to make ends meet. Although majority of them live in muddy houses, grassroots people in developing countries and Sub-Saharan Africa in particular, unlike poor people in developed countries for example, own a piece of land (in Tanzania over 1 hectare) in which their respective muddy houses have been build. Majority of them equally own relatively larger piece of land, close or far from their respective houses, for subsistence farming. Such small farms, for example, are the ones that produce food for wider public consumptions in Tanzania. The grassroots people are largely on their own as their respective government invest in large macro-economic projects that benefit a small proportion of the population. The difference between grassroots people in developed and developing world is that those in developed world own their labour not portions of land, they are fewer and therefore receive support from their respective governments; those in developing world own land, their labour, they are the majority and thus receive limited assistance from their equally poor governments.

Noteworthy, the assistance that impoverished grassroots people receive from both government and other development agencies, cannot enable them to meet their subsistence needs for the whole year. However, they survive throughout the year as they use whatever resources they have in their localities. These can be referred to as 'hidden resources', and it is time that the world should invest in such resources. Using such hidden resources, unrecognized by many in the outside world including those living in urban places of the supposedly poverty stricken countries, rural and urban grassroots people can buy and produce food for themselves, send their children to school, build or improve their houses, strengthen their businesses, and even build schools for their children with no or zero support from government and other agencies.

The critical question that we need to ask ourselves is 'we have been providing poor people with insufficient free services for decades

and in particular since independence in 1960s. Yet the proportion of Sub-Saharan poor people has remained relatively the same i.e. over 70% in many countries'. We need to re-examine our current models and attempt innovative models. It is time that we should invest on grassroots people and stimulate the engine in them to farther their context specific development. Within this context, neoliberal aid aimed at creating a western model of development is not an answer.

Accordingly, a 'Grassroots Investment Model' is proposed following observations and direct interaction by the researcher, as stipulated in the methodology section of this study. Here, the researcher calls for greater interaction and partnership among grassroots people, scholars, government, and not-for-profit NGOs to identify and help develop grassroots people's capabilities to help themselves and to pave way for them to contribute to the large humane development. Development cannot be imposed unto them.

It is argued that development agencies should understand that grassroots people in rural areas of Sub-Saharan Africa engage in some businesses even before their arrival and they can soundly decide what is important for them. Specifically, the major role of development agencies should be to identify existing networks of entrepreneurs not form groups. Then the development agencies should start right away to interact with identified network through formal arrangements such as signing of a Memorandum of Understanding (MoU).

In absence of a network, agencies should work with local NGOs only for a short time to network existing groups to help them form an autonomous network that should be legally registered. Afterwards, an agency should spend a significant amount of time and other resources to build the capacity of the network through mutual collaboration. During, this time the agency should understand that a grassroots network is a master of its environment and should equally learn from the network in efforts to build its capacity to serve the community better. Such relationship of mutual responsibility should remain throughout implementation of the project in such a way that more responsibilities to manage the project are being passed to the network right from the start as opposed to being retained by the NGOs. Here, NGO staff should only conduct occasion visits to the site and continuously gather reports prepared by grassroots network leaders (whose responsibility is to monitor progress on daily basis) on monthly basis. Equally apparently, local government authorities should also be involved from the start in such a way that local government authorities treat local network as partners and not subjects or subordinates. Local government authorities interact with grassroots people on day to day basis. Therefore, a significant amount of investment should be

dedicated towards this area to equip leadership of networks with skills and knowledge that will enable them to best make use of free government services. As the networks grow, they should be ready to pay for some services and not merely rely on free government services. For example, they should be able to provide underpaid local government experts with some stipend to make them come to their villages and provide some training to their group members. Moreover, they should equally sponsor visits of some government officials because such officials are likely to play an important role in addressing future conflicts especially when the role of an external local or international NGO has been minimized.

Finally, NGOs, in their current form, need to cease because they may be tools to perpetuate the neoliberal agenda. Moreover, NGOs which stay at project site for years are likely replace and even duplicate government services as they severely cripple grassroots groups and networks from becoming full independent and functional. Alternatively, NGOs should be constantly moving to newer sites to learn newer ways and then share from their previous experiences. Thus, the big role of NGOs should be networking locally owned networks from across a country for them to become key stakeholders in the development of their own country. If that level is attained in a country, then NGOs and international ones in particular, as we know them today, are no longer needed. Instead, functional and pro-poor state machinery needs to be strengthened and then replace NGOs at the national level. At grassroots level, locally owned civil societies should replace NGOs. This proposal is not complete but it serves as a starting point for further exploration of anti-neoliberal alternatives.

CONCLUSIONS

The Gender and Development (GAD) approach has successfully guided this study to the depths of a state sponsored hybrid neoliberal context in Tanzania as engineered by a powerful mixture of corruption and greedy of the few neoliberal elites. In the absence of meaningful state's intervention, grassroots men and women have responded by strengthening grassroots networking activities to meet the challenges posed by the corrupt state sponsored neoliberal context. Within that context, a grassroots empowerment approach has been suggested as an alternative to the neoliberal context within the Tanzanian context. As it currently stands, neither the government nor the masses of grassroots men and women benefit from the neoliberal context. If things are left as they are, a perfect recipe of civil unrest is gradually being created as grassroots cement their networking activities as opposed to adhering to individualistic ideals of Neoliberalism.

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