

## INTRODUCTION

by Tijo Salverda, Andrea Hollington, Sinah Kloß, Nina Schneider and Oliver Tappe (GSSC)

In a pessimistic – or realistic – mood, it is hard to deny that the world's future looks rather grim: growing inequality appears difficult to undo; the financial system has hardly become safer since the 2007/2008 crisis; and the rising power of BRICS and other Global South economies tends to rely on conventional economic and ecologically destructive growth models. At the same time, and nurturing a more positive mood, we are increasingly witnessing efforts to turn the tide of the current economic predicament: more inclusive forms of capitalism; ethical consumption; and alternative approaches to economic growth.

In this issue of *Voices from Around the World* we present a number of thoughts on alternatives to current forms of global capitalism, and considerations as to whether and how these may evolve. Increasingly we understand that existing economic orthodoxy does not offer a sufficient understanding of, or solutions to, the challenges we face. Even mainstream thinkers realise that current economic models have a variety of destructive tendencies, particularly regarding inequality, resource depletion, pollution and so forth.

Of course, concerns about the destructive character of capitalism are not new. Nevertheless, these concerns may gain new momentum, for example with the Occupy movement, the rise of politicians such as Jeremy Corbyn and Bernie Sanders in the wake of it, and an IMF that realises that there can be such a thing as 'too much austerity'. At the same time, however, there is still much left to be desired. Wolfgang Streeck, [in a recent interview](#), rightly questions the effectiveness of moral counterfactuals when it remains unexplained why many of these have not long ago become facts. The concerns raised in this issue, then, should also be considered as a plea for more fundamental research into which forces and logics prevent counterfactuals from

becoming the norm. A better understanding of this may actually help to improve tactics and strategies aimed at fairer and more sustainable outcomes.

We also have to be realistic about the fact that change takes time. David Graeber refers to the delay that exists between protests and change, which he defines in an interview as the '[3.5 years historical lag](#)'. Though the timeframe may differ from situation to situation, his point is of relevance. Beliefs about economics and/or politics may be gradually transformed on the basis of counterfactuals. Five years from now the setup may look rather different from what we currently think is possible – partly as a result of opposition building up at the moment. Hence, corporations cannot singlehandedly ignore the pressure they face, notwithstanding that, as Streeck argues, business may not be intimidated *enough* at the moment to accept constraints on its power.

Why, for example, would a multinational corporation like Coca-Cola care about labour conditions, the environment, 'land grab', and other issues that may be deemed external to its everyday business practices? They may fear consumer boycotts or potentially stricter and binding regulation. Yet, to assume that [capitalists are bad guys by definition, are all-powerful, or that they will always use what power they have to protect 'free markets', is ignoring the historical record](#). Even when change is limited, more detailed investigations are needed into which discourses and actions businesses, multinational corporations and so forth fear, and how they evaluate them. Hence, Jessica Sklair's plea in this issue to seek to understand and analyse those in power is significant. Without this, it may be harder to successfully pressure and/or convince them to work towards more equal and less destructive outcomes.

Nobody believes that this is an easy task – not least because [civil society increasingly faces repression around the world](#). But as most of the contributions in this issue illustrate, hope remains. The various authors do not pretend that they have the solution, or believe that transfor-

mation will occur without obstacles, but they hope that their thoughts may help to contribute to solutions to the current challenges. Their contributions range from more general suggestions for systemic change, to illustrating the realities on the ground, which are often rather different from what economic textbooks suggest. Some present personal reflections, while others discuss global capitalist structures. To a certain extent here we are also making use of the power of repetition, as a number of them have been published elsewhere, but sometimes we need a message to be repeated in order to really take it in and act upon it. Taken both together and individually, we hope that the contributions offer insightful analyses of the current predicament, as well as potential solutions.

### Contributions

In reflection on the issue's title, [Patrick Neveling's](#) discussion of hope provides a relevant starting point. He illustrates that hope is always paradoxical, since it is about both the impossibilities and the possibilities. It is, moreover, on intimate terms with despair. Indeed, while many hope for change – and may actually see change happening – there remains much to despair about. Furthermore, one person's hope may be another's despair, as Neveling illustrates in a more detailed analysis of post-crisis Ireland.

It is not necessarily difficult to decide whose hope to favour, though. Fair and democratic societies should favour the wishes of the majority while respecting the lives and hopes of minorities. With the 2007/2008 financial crisis still fresh in mind, [Bill Freund](#) provides a general analysis of how global finance should be tamed. Only by nationalising large parts of the banking system, ensuring better-regulated stock markets, and dismantling tax havens can we work towards an economic system that serves society instead of the other way around.

Also, speaking for the African context, [Keith Hart](#) argues that African people should finally receive what they are due. To obtain this, he argues, the African countries should defend their interests collectively, instead of being subjected to a racist world order that only allows foreign entities and a small number of Africans to reap the benefits of the continent's wealth. The precipitous increase of the continent's pop-

ulation alone may actually facilitate this, he argues. It is the numbers that count and, reflecting on [Frantz Fanon](#), Hart discusses the potential for a new African revolution. Hence, at the same time as the growth of the world population appears as a major concern, he presents an account of the emancipatory power of numerical preponderance. To succeed in turning the global system in their favour, however, an openness to collaborate with existing powers is required; David Graeber equally makes a plea in the above-mentioned interview for the radical left to collaborate with the institutional left in order to really come to meaningful change.

The hope, of course, is that the growth of populations of the Global South does not go hand in hand with the same destructive growth that has been witnessed in the long-established economies of the Global North. This, however, is often rightly perceived as not allowing the Global South to enjoy the same privileges as many people of the Global North. Instead, [Jason Hickel](#), in a discussion on the [Sustainable Development Goals](#) (SDGs), suggests that the most prosperous countries should 'de-develop'. This, as Hickel realises, requires some constructive thinking about what terminology to apply. Economic growth tends to have a positive connotation, while de-developing appears too negative to sell. Yet, as he points out, many people in prosperous countries have embraced trends that represent alternative approaches to economic growth. If this can be framed in much more positive terms, current beliefs in economic, yet often destructive, growth models may be turned around. Resonating with Neveling's contribution, this should convey a sense of hope. Hope for lifestyles that embrace many of the joys of life, yet without continuing further along the one-way path towards destruction.

[Lorenzo Fioramonti](#), who also discusses the SDGs, sees them as a good starting point for radical change. He does not deny the limits of the SDGs, yet they also contain a number of leads that substantially differ from the past. There is an increasing acknowledgement of how different concerns are interrelated and can therefore only be solved by adopting an integrated approach. To make use of them strategically, Fioramonti provides a number of tangible solutions for how to work towards more sus-

tainable outcomes – and shed many of the destructive economic convictions, policies and performance metrics we currently rely on along the way. This all comes together in his Republic of Wellbeing, a metaphor for policy changes that is not only about hope but, according to him, also pragmatic and within reach.

The integrated approach, as [Paul Robert Gilbert](#) illustrates in his contribution, should also be extended to the economic curricula. Both Hickel's and Fioramonti's suggestions for change will probably have most success when economic curricula are fundamentally changed. Gilbert, who is a member of the [International Student Initiative for Pluralism in Economics](#), argues that only a pluralist understanding of economics provides us with the tools to organise economies to the benefit of all. Especially policymakers should take stock of the limits of beliefs in market rationality for organising societies – after all, societies are more than just markets. This, [Tijo Salverda](#) argues, should be accompanied by increasing pressure on the state. As examples of pressure on corporations illustrate, opposing certain practices is not necessarily futile. Yet, he argues, we cannot rely on pressuring economic enterprises alone, since they can never offer an integrated approach for society's needs. The state, with all its shortcomings, is required as a partner in mobilising change. When policymakers and other state actors start rethinking economic orthodoxy (voluntarily or under pressure) the Republic of Wellbeing may indeed be within reach.

A good dose of realism is still required, however. In his analysis of solidarity movements in Greece, [Theodoros Rakopoulos](#) illustrates that these movements are certainly of relevance to overcoming some of the consequences of EU enforced austerity. Yet, contrary to what some may wish for, Rakopoulos illustrates that they are not sufficient for a generalised paradigm shift of the country's political economy. Hence, in our wish for change, vigilance about what is actually happening is required.

[Mario Schmidt](#), in reflecting upon the work of [Marcel Mauss](#), presents a critical account of the 'sharing economy'. In the face of concerns about free market capitalism, many believe that inequalities are best confronted by embracing

the alternative 'sharing economy'. Yet, as Schmidt illustrates, it is shortsighted to assume that sharing activities are inherently more socialist than the individual purchase of goods, and thus the existence of money. If properly implemented, money may actually offer a better and more democratic entry point to change the world for the better.

[Supriya Singh](#), who contributes with both a personal note and an [interview](#), also points to the qualities of money. In her personal discussion of the role of money in Indian and Australian families, she highlights the fact that money can have positive tendencies, and that it is not necessarily impersonal and immoral as many critics present it to be. Moreover, as she argues in the interview, for many of the world's most disenfranchised, new and creative solutions for being included in monetary exchange may offer most hope. For example, mobile money like [M-Pesa](#) offers tremendous emancipatory power to the immense group of the unbankable in the Global South.

Empirical investigations are, in other words, of central importance in understanding change and the potential for it. Resonating with Singh's argument of the emancipatory power of mobile money, [Laura Pargen and Peter Dannenberg](#) illustrate that producing for (international) markets, too, is not inherently negative. In the case of small-scale farmers in Kenya, hunger is not necessarily the prospect when producing cash crops for markets – both export and domestic. They illustrate that a combination of producing food and cash crops appears to offer most guarantees of avoiding hunger. More evidence-based economics, their contribution indicates, also requires critical analyses of beliefs that markets, or money, are categorically bad. Just as many of the policies that are deemed neoliberal are grounded more in ideological beliefs about economics than evidence, the same can be said about much of the opposition to the catch-all term 'neoliberalism'. That said, trends identified as neoliberalist can have real impacts.

[Giorgos Poulimenakos and Dimitris Dalakoglu](#) illustrate that the recent terrorist attacks in Europe may partly be explained as being partly rooted in the exclusion of large parts of society

due to the increasing marketisation of society – and the depoliticisation that comes with it.

Policymakers and the like should certainly take stock, since, as Gilbert's contribution, already mentioned above, argues, realities on the ground often do not match the content of economic textbooks and abstract discussions in the centres of power. In the case of female entrepreneurs in Lesotho, [Sean Maliehe](#) points out that their practices have relatively little to do with dominant ideas about the *homo economicus*. From this reality, he argues, lessons could be drawn for more inclusive economic models. Equally, [Mallika Shakya](#) shows in her study of Nepal that neoliberalism can be reversed. She witnesses a humanising drive with, for example, economic transactions that are not necessarily rooted in profit-seeking. Hence, in order to come to a more human idiom in the context of economic transformations, Shakya argues that we have to be more open to studying the empirical realities, rather than relying too strongly on abstract discourses.

In these empirical investigations, we cannot ignore those in power, as the above-mentioned reference to [Jessica Sklair's](#) contribution has already indicated. In her analysis of philanthropy in Brazil, Sklair does not consider philanthropy to be a panacea for solving many of the world's problems, despite what some may believe – or hope. After all, much of philanthropists' money results from exploitation and other capitalist excesses. Yet she shows that this should not blind us to the possibility that change may come 'from within'– in her case, from young Brazilian elite philanthropists confronting the role of their elite group in the perpetuation of inequality. She shows, however, that these young philanthropists have to walk a fine line. At the same time as that they want to address their role in the perpetuation of inequality, they also have to avoid alienating their peers. To an outsider this slow pace of change can be frustrating, and additional external pressure and regulation is undoubtedly needed to readdress inequality. Yet, as Sklair argues, top-down efforts should not be dismissed out of hand, in particular because when they are successful their impact may be huge.

Finally, in our empirical analyses we should not

neglect historical perspectives. [John Bryden](#), in his insightful comparison of two prosperous societies, Scotland and Norway, argues that long-term trends and forgotten events are often of significance. As he shows, differences between the countries are also influenced by particular events that happened in the past. Though with a focus on two prosperous countries in the Global North, Bryden's argument is of wider relevance to our understandings of current situations – [and also with regard to understanding the perpetuation of incorrect economic analyses](#). In addition, he warns against the dangers of essentialist views. There are often no singular universal causes that explain current conditions. The world we inhabit is often more complex than that, and, echoing Gilbert's plea for a more pluralist economics, we should be much more open to the varieties, and the interplay, of causes and events.

## HOPE'S GLOBAL SYSTEMIC PARADOX

by *Patrick Neveling* (Department for Cultural Anthropology, Utrecht University)

“Paradoxically, hope is on intimate terms with despair. It asks for more than life promises. It is poised for disappointment” (Mattingly, 2010, 3, cited in Throop, 2012, 175)

Hope is an increasingly relevant concept in anthropology, not least since the 2008 financial crises initiated rapid socio-economic changes in the Western heartlands of the global system, where much of the discipline's higher-ranked output comes from.

As a topic, hope emerged in phenomenological anthropology. It has been widely discussed in works on morality since the 2000s. There, the debate has meanwhile overcome static understandings of hope “as either passive or active, or as the hope for a better future”. Instead, the anthropology of morality now understands hope as an ambivalent component of human subjectivity-making (Zigon, 2009, 254). Hope is, as emphasized in the opening quote, always paradoxical. For it points beyond what is achievable and is, not uncommonly, informed by past, present, and future experiences and expectations of social and economic oppression (Throop, 2012; Zigon, 2009). In sum, and irrespective of the circumstances, this understanding of human subjects' hoping essentially acknowledges impossibilities as much as possibilities.

So far, so good. However, as indicated above, because of rapid changes in the global system since the late 2000s, hope is now also of interest to anthropologists more chiefly concerned with the making and unmaking of political economies. Several contributions to a recent special section in *Comparative Studies of South Asia, Africa and the Middle East*, for example, consider hope a core aspect of the research and analysis on “Speculation: Futures and Capitalism in India” (see Bear et al., 2015). Hope, conceived this way, is one of many possible tropes for anthropologists to capture the changes emerging from a “new political economy” (Appadurai, 2015, 484). If it is put on par with “dreamwork”, “speculation”, or “anticipation”, “hope” is nevertheless yet one more future-oriented trope *per se*, which means that the concern for how humans think about and relate to temporality is fairly narrow, as the definition suggests. Furthermore, an economic anthropol-

ogy that regards hope mainly as an orientation towards the future may miss out on hope's inherent ambivalences and paradoxes – qualities that are central in recent phenomenological anthropologies. The following moves these ambivalences and paradoxes to the centre of a systematic anthropology that seeks to critically engage the relevance of hope in past, present, and future global political economies.

### **Ambivalent Crises and Global Systemic Centralization/Peripheralization**

Capitalism and its discontents have been high on public and academic agendas since a so-called crisis hit the global system in the late 2000s. The qualifier “so-called” is important here because the often-invoked state of all-out “crisis” does not correspond with the events on the ground since the late 2000s. As inequality proliferates the numbers of millionaires and billionaires is growing exponentially (importantly, in national economies with single-digit inflation percentages) as is the number of households that have their properties “repossessed” by lenders. Thus, depending on a given individual's position on these growth curves, the lives of others may appear to them as shaken by crisis and hardship or as boosted by burgeoning prosperity. Such positioning, then, should have considerable impact on the way a given individual or household frames their hopes, and I shall elaborate on what this means for anthropology's analyses of hope below.

Before I reflect on observations from fieldwork in the Republic of Ireland in the summer of 2010 it is important to consider how changing socio-economic stratification impacts on social units beyond the individual or household scale. As regards the global system, social scientists and historians have been debating changes in geopolitical and socio-economic stratification for some decades now. This is important to emphasize as the above declarations of a “new political economy” (Appadurai, 2015, 484) revive foregone conceptions of globalization that drove mainstream anthropology into a somewhat teleological and tautological analysis of supposedly new socio-economic phenomena in the 1990s, when the very same phenomena – the mobility of capital investments and the flexibility of manufacturing locations, for example – had existed for decades and even centuries (see Neveling, 2015b; Neveling, 2014). Instead, more sound analyses in the social sciences debated a global systemic re-orientation, with the lion's share of global production and trade volumes moving from East Asia towards the

West around 1800 (Pomeranz, 2000) and back towards East Asia in the 2000s (Arrighi, 2002 [1994]; Frank, 1998; Piketty, 2014).

Such a reverse movement in the sharing of global trade obviously reshuffles the positioning of national economies. The rise of the BRICS nations (Brazil, Russian Federation, India, PR China, and South Africa) and the increasing relevance of the Group of the 20 highest-output national economies (as opposed to the earlier relevance of a Group of 8 such nations) are some of the many outcomes of this process, in which some national economies move from peripheral to semi-peripheral or from semi-peripheral to core positions, while others move in the opposite direction. Structural adjustment policies in the aftermath of the sovereign debt crises emerging since 2008, for example, increasingly question the semi-peripheral position of several European Union national economies, such as Greece, Spain, Portugal, and the Republic of Ireland.

Thus, as for individuals and households, crisis may be the reality for these nation-states while the BRICS nations are in a period of systemic rise and, possibly, a consolidation thereof. This obviously does not mean that the hopes of all individuals and households in a given national economy are evenly affected by its global systems trajectory – a national economy undergoing rapid peripheralization may have a considerable number of individuals and households gaining. Wider socio-economic circumstances, such as a national economy's past, present, and future positioning and trajectory in the global system, will, nevertheless, have an impact on how individuals and households frame their hopes.

One national economy on the decline in Europe is that of the Republic of Ireland, and I now assess selected instances of hope that I encountered there during a period of two months' field research in the summer of 2010.

### **The Decline of Miraculous Factories in the Republic of Ireland**

The late summer of 2010 was when the near-default of the Irish state wiped the slate clean of what for many years had been labelled the "Celtic Tiger". Whereas upward and downward movements of stocks are framed as bull markets and bear markets, there exists an animal metaphor only for instances of national ascendance in the global system. In the Irish case, the Celtic Tiger stands for the seemingly miraculous rise of a peripheral, impoverished European

nation to become an economic powerhouse, which saw Dublin coming in third on the Forbes journal's ranking of "Europe's Best-Paid Cities" as late as 2009.<sup>1</sup> I had moved to Dublin with my partner and our six-month-old daughter to research an important aspect of that "tiger" – the establishment of export processing zones (EPZs) in the Republic of Ireland. This was part of a larger research project on the global spread from an initial EPZ (more recently labelled special economic zones, SEZs) in 1947, emerging rather coincidentally in the US-dependency Puerto Rico, to around 3,500 EPZs with more than 70 million workers in more than 130 nations in the late 2000s (Neveling, 2015a).

The Republic of Ireland was of interest in this study for three reasons. First, the establishment of an EPZ by the Shannon Free Airport Development Corporation (SFADCo) in 1959 is often seen as the cradle of the Irish economic boom. Leading Irish corporations such as Ryanair were founded in the Shannon zone and careers of Irish businesspeople with global influence, such as the Ryanair owner Tony Ryan and the current CEO Michael O'Leary, had started there. Second, SFADCo and the Shannon Free Trade Zone (free trade zone is one of many different labels used by nation-states for the EPZ model of export-oriented industrialisation) had been highly influential in the global spread of the EPZ development model – hosting UN-funded training workshops and fellowships for development officials from dozens of nations in the Global South since the early 1970s (Neveling, 2015a). Until today, this model is largely based on a given nation-state hoping to generate substantial employment and flows of foreign direct investment by way of offering a fairly standardised set of investment incentives (tax and customs holidays, state-funded infrastructure for industries, and advertisement campaigns praising well-educated and low-waged female workers as highly suitable and docile employees) to multinational enterprise ventures in light-manufacturing industries and industrial and financial services. Third, and simplified for the sake of brevity, SFADCo self-promotion had over decades masked how this model had been acquired during survey missions to Puerto Rico and training from US consultancy firm Arthur D. Little in the 1950s, and had instead created an impression that SFADCo staff had made Shannon Airport the cradle of the EPZs worldwide. Therefore, the Shannon

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<sup>1</sup> See: <http://www.forbes.com/2009/08/21/europe-best-paid-lifestyle-real-estate-cities-economy.html>, last visited January 6, 2016.

zone is commonly listed as the world's first (modern) EPZ in academic publications as well as UN and World Bank publications (e.g. Farole, 2011; United Nations Centre on Transnational Corporations and International Labour Organisation, 1988).

Hope for ascendance in the global system, in other words, looms large when nation-states set up EPZs, and many aspects of such hope were evident during a three-day training workshop in Dublin, convened by the World Free Zones Convention (WFZC), which I attended as part of my research. Development officials and employees of national and local EPZ-agencies had travelled to Dublin from Bahrain, Bulgaria, Brazil, Mexico, Jordan, South Africa and elsewhere to attend the WFZC workshop. The promise was that a team of five Irish consultants with decades of experience in setting up EPZs would teach them how to manage EPZs and how to maintain the zones' life-cycles, moving across industrial sectors and export markets to counter the runaway character of investments in the zones with a constant influx of fresh investors.

Elsewhere, I have compared the hopes for large-scale employment and blossoming industrial areas that EPZs have generated across the globe since they entered the portfolio of development economics, UN and World Bank survey missions, and modernisation theory more generally, with the hopes for the coming of global infrastructure such as air-landing strips, ports, and modern factories driving Melanesian cargo-cult movements around the time of the Second World War (Neveling, 2014). The fact that the 2010 WFZC workshop in Dublin discussed how to maintain an established infrastructure and not how to establish one underlines that hopes are not only expressed at global and national scales, but that hopes at these scales are informed by reflections on national and global histories. Hopes, then, are inextricable from the past, the present, and the future in an individual's lifeworld as much as in the highly institutionalised setting of consultancy for economic development with its guise of rationality based on quantifying past experiences.

Another quality of hope, its confrontational potential, came to the fore on the workshop's third day, when the participants were given a tour to see the wonders of Irish industrial development policies. Our initial stop related to hopes of the present and for a better future. The Irish Development Authority's recent flagship industrial

zone, the Grange Castle Corkagh Park in South Dublin County, in 2010 housed the European headquarters of Microsoft Inc., a Delice de France branch of the global bakery chain Arzyta (supplying the wider Dublin region with tasteless and overpriced baguettes), and a high-profile manufacturing establishment for biopharmaceuticals. Following a presentation on the planning of the Grange Castle Park and its potential for generating a badly needed economic upturn in the region, participants eagerly queued for copies of the high-gloss Grange Castle Masterplan and then boarded the tour bus now travelling to the University of Limerick's Science Park.

On our way there we passed a larger area with recently built housing, ranging from blocks of flats to terraced and detached houses, all with freshly asphalted highway connections for commuters to Dublin. To my own surprise as much as that of the Bahraini officials sitting next to me on the bus, the Irish EPZ consultant guiding the tour via the internal microphone-loudspeaker system explicitly drew our attention to these endless rows of new buildings. These, he said, were a warning sign for the pitfalls of badly planned and unregulated rapid economic developments. The Irish, he said, had been too greedy. Over decades, they had demanded ever-higher wages, forgetting how they came from the poorhouse of Europe. Different governments had supported wage increases and thereby shattered the foundations of the Irish boom, which had been low wages attracting foreign investments in basic manufacturing, and which had offered large-scale employment. Once the downturn in manufacturing had begun, the government had kept economic growth alive by subsidising mortgages, and now the Irish middle-class lived in negative equity – with mortgages on housing that was now valued far below the purchasing price, meaning that a household's debts were higher than their securities in many cases. This mass-phenomenon of shattered hopes, however, was a wellspring of hope to the consultant. For now, the wages were coming crashing down. And his ultimate hope was that the current decline by forty per cent from the previous year would continue so that investors would come flocking in and a new generation of workers could fill EPZs across the Republic of Ireland, much like the one we had just visited in the Grange Castle Park.

### **Conclusions: Hope as Paradox and Conflict**

Obviously, the scope of the above elaborations is limited to sketching some analytical categories for an anthropological political economy approach to hope. First and foremost, the being of hope, as a universal of human being, turns out to match the qualities of classical anthropological trickster beings. For hope may carry humans from dawn (as in the quote, "It's dawn", invoked by Zigon, 2009) to dusk and keep them sane. However, there is no guarantee for an individual, a household, or a nation-state that anything has changed about a potentially miserable trajectory in the global system when night falls on a day spent hoping. In fact, everything may be worse at the next dawn than it was at dusk. Assuming that humans are capable of learning, in modes of unreflective and reflective being alike, tomorrow's hope may differ substantially from today's.

Secondly, and taking the opening elaborations on hope's political economy dimension one step further, it is now safe to say that while hope is a necessary component of social life it is not solely pointed towards the future. Instead, hope's intersubjective qualities have much to do with the way humans assess past experiences and they may, in fact, pit one subject against another – or against an institution.

Thirdly, and for now finally, the existence of conflicting – possibly confrontational – hopes in any field of research is more than likely. For hopes are related to experiences and understandings of how to achieve prosperity and how to overcome inequality. Constellations created by the intricacies of ascent and decline in the global capitalist system, as were evident in the Irish crisis in summer 2010, may even drive apart the hopes of subjects and/or institutions with otherwise seemingly common causes. Hopes for national development and economic progress, for example, may rest on the impoverishment of larger segments of a given nation's population, so that low wages for workers may again attract capital.

The analytical dimensions for an anthropological political economy of hope that I have developed above – trickster being/paradoxes, temporality, and confrontation – are central to the world historical and reflective potentialities and qualities of hope. Hope as a universal aspect of human being informs not only individuals but also larger associations – institutions of whatever epoch and scale, kinship groups as much as present-day nation-states or imperial formations. No matter whether hope is an issue of

anthropological research in the Global South or elsewhere, and no matter whether such research comes at a time of crisis or at a time of prosperity, hopes are always reflections of times past and of the trajectories that humans and the associations they form envision as particularly pertinent for their being in the world. Therefore, one person's hope may well be another person's worst nightmare – surely, hope is as much a reason for confrontation as for staying sane. What is more, hope *per se* may be as much an inspiration for stasis, even for reaction, as it may be an inspiration for progress.

*The author would like to thank the Swiss National Science Foundation for funding the research that informs this article (Project No.: 126642).*

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## DAMAGE CONTROL: HOW TO STOP THE MARKET FROM RUNNING AWAY WITH OUR LIVES

by Bill Freund (*Professor Emeritus (Economic History), University of KwaZulu-Natal, and Visiting Professor at the School of Economics and Business Science, University of the Witwatersrand*)

There are today a growing list of deeply worrying trends: a pseudo-war of civilisations à la Samuel Huntington largely engendered by Western interventions in Middle Eastern politics as the old nationalist dictatorships crumble, the uncertainties of climate change, and profound discontent with market values and the system of political and economic structures constructed using those values. Politics in most countries seems inconsequential: little changes between the oscillations of different parties which have their values and ideals hollowed out by the practical 'facts' from one election to the next.

This contribution, however, primarily looks at the economic side of things, and in particular the damage done by the global crisis of 2008. The system is assaulted by capitalists trying to seize command of the new technologies and beat the odds to magnify profits through questionable speculation, and incurring debts some of which will have to be recovered if the capitalists in question are too 'big to fail'. Some countries are stuck with depression-like conditions that appear impossible to rectify so as to return to a happier normality – the notion of which appeals to people but is starting to fade in memory. The European Union depends on harmonising the interests of different economic structures; insistence on formulae that fail to acknowledge this are likely to fragilise the Union and lead to its eventual dissolution.

This crisis was substantially mitigated in many countries by the continuing hyper-growth of the Chinese economy, hungry for all sorts of raw materials and technologies, but this stimulus is beginning to wear down, probably never to return. In 2015 global stagnation seems more the order of the day. Nor is there any conceivable growth curve that could substitute for the immense scale of China as a trading partner and consumer.

We are left at best with the slow growth that Piketty has convincingly shown is normal under peaceful capitalist historical sequences: modest profits and yet rapid technological change,

which undermines many of the benefits taken for granted in the post-World War II West. The sovereign debts of the USA and Japan, acceptable under conditions of rapid growth, no longer seem so acceptable. Notably we are entering a phase where the demand for industrial labour is stagnant or diminishing.

A starting point to counter these trends without closing the door on technological progress would lie in establishing far tighter controls on banks. A large part of the banking sector should be nationalised, and in particular insulated from questionable forms of speculation. The stock markets require far more regulation and watchfulness to block over-exuberance. It will have to be conceded that banks are not 'too big to fail' – none of them – and that they will need to write off much of their debt, particularly when incurred in ways that were not really overseen by serious due diligence. An important part of the regulatory system, too, is the need to get rid of tax havens and to use the fiscal system to reduce the extravagance and much-resented activities of the wealthy.

It is probably true that one could tackle inequality by enhancing insecurity and making inheritance and fiscal stability harder to come by. Inheritance, in the broad sense of cultural capital, looms larger where market forces reign supreme, despite the illusion of equal opportunity. This would intensify technological advances à la Schumpeter, no doubt, but at the cost of a world of instability and possible intensification of violence and war.

I would rather see the state intervene to limit change in a political context that ensures that it will not be the few that benefit. Big firms should be obliged to take on services that they have shed – so-called 'non-core operations' – and unnecessary dismissals monitored and limited as much as possible. Mergers should be discouraged, and the break-up of overly large firms encouraged. The state needs to invest more in the quality of education (as opposed to promoting research and job certification), and in continually improving the quality of social policy, and to adapt the health and social system to cope with the advances in medicine that allow so many people to experience long periods of old age. There needs to be a cultural and fiscal adaptation to a world where 'limits to growth', as outlined in the Brundtland report and other documents at the onset of the change in world economic conditions, lead to different trajectories in

terms of creating a satisfying life for the population.

International economic relations should not be conducted on the basis of the reification of pure market forces to the advantage of the strong. The WTO needs to be reformed so as to encourage the industrialisation of countries which have capacity and a chance to develop their internal strengths. Their potential should not be swamped by imports from richer countries, exaggerated so-called intellectual property rights, with the downside of free trade acknowledged. There ought to be international agency which can regulate but also offer advice as to how to use fossil fuels and how to develop energy supplies that are less costly to the environment of the earth. In my country, South Africa, a combination of the continued structural dominance of mineral extraction and beneficiation, plus the firm dominance of oligopolies in most areas of the economy, plus the purchase of the strongest economic activities by global or foreign firms uninterested in the economic future of the country, together form a barrier against changing the historic 'growth path' and allowing the state to preside over changes that would diffuse skills and jobs, and enable progress in solving the two huge problems of massive unemployment and inequality. These problems are hard to address under present conditions.

In general, there is a need to balance the understandable desire to allow technologies to develop as part of the ongoing human project – a desire which must go together with a positive attitude to structural changes and the human ability to adapt – with an equivalent need to provide more stability, more of a safety net, more predictability in the lives of most people

through nationalisation of key sectors of the economy, equitable management of social services (hopefully by a democratic state), and regulation of economic activities in order to suit the changing times. This is a question of changing values as well as macro-economic forms. It is hard to say how much can change at the behest of a shielded and powerful elite alone; The operation of key agencies for regulation and control certainly must be mitigated or dominated by political movements appropriate to particular national or regional settings, and the real problem now is the inappropriateness of most of our older political wisdom and the lack of a coherent approach as to how to organise and convince people of the need for politics that has this in mind. There really is no equivalent to the proletariat of the *Communist Manifesto* today, especially in a world where the global ties become ever thicker and more complex. Can a 'multitude' à la Negri serve as a substitute?

## AFRICA'S REVOLUTIONARY CENTURY<sup>2</sup>

by Keith Hart (Centennial Professor of Economic Anthropology, London School of Economics and International Director, the Human Economy programme, University of Pretoria.)

### Emancipation from a racist world?

We live in a racist world. Despite the collapse of European empire and the formal adoption of a façade of international bureaucracy, the vast majority of black Africans are still waiting for meaningful emancipation from their perceived social inferiority. Until recently there was much talk of economic growth in Africa. In the present decade, 7 out of the 10 fastest-growing economies (as conventionally measured) have been African. But the current global economic slowdown has already cast doubt on the durability of this growth. What is indisputable is that Africa's population will multiply rapidly in the twenty-first century and, even without an economic miracle, all these extra people will have more to spend.

In 1900 Africa was the least densely populated and urbanized continent, with 7.5% of the world's total population. Today it accounts for double that, with an urban share fast approaching the global average. According to UN projections, Africa will be home to 25% of all the people alive in 2050; 40% in 2100 (when Asia will contribute 42% and the rest 18%). This is because Africa's annual population growth rate is 2.5% while the rest of the world is ageing and its share is in decline. The Asian manufacturing countries already recognize that Africa is the fastest-growing market in the world. This might provide an opportunity for Africans to play a stronger hand in international negotiations affecting their interests. If they succeed in standing up for themselves, it would be a world revolution – the end of the racist world order, no less.

The movement to abolish slavery was officially completed in the late nineteenth century. But emancipation is rarely as simple as that. In West Africa, abolition was a disaster. The internal drive to capture slaves continued regardless and, despite a shift in their use to domestic production, supply soon exceeded demand. The price of slaves fell drastically, leading to their widespread abuse. Colonial empires were then justified by the consequent disorder in West

Africa and by the drive to abolish the Arab slave trade in East Africa. Much later, when colonial regimes fell, Africans were promised emancipation once more, this time through national independence. Most African economies then regressed for a half-century. Apartheid was defeated in South Africa, but two decades later the country is no less unequal and unemployment is rampant. Africans are still waiting for equal membership of world society. But they have never encountered more favourable conditions than in the century to come.

In the twentieth century, a population explosion was accompanied by a jump in Africa's urban share from under 2% of the population to almost half. This urban revolution is not just a proliferation of cities, but also entails installing the whole package of pre-industrial class society: states, urban elites, intensification of agriculture, and a political economy based on the city bazaar and extraction of rural surpluses.

The anti-colonial revolution unleashed hopes for transformation of an unequal world. These have not yet been realized for most Africans. Africa's new leaders thought they were building modern economies, but in reality they were erecting fragile states based on the same small-scale agriculture as before. Either machine production in some sectors would generate economic growth, or the state would devolve to a level compatible with its low productivity base. This structural weakness inevitably led most countries to exchange the democratic legitimacy of the independence struggle for the dependence of autocratic rulers on foreign powers. Life support to Africa's new ruling elites was switched off in the early 1980s with the coming of the neoliberal order. Many governments were made bankrupt and some countries collapsed into civil war.

The growth of cities should normally lead to rural-urban exchange, as farmers supply food to city-dwellers and in turn buy the latter's manufactures and services. But this progressive division of labour requires a measure of protection from the world market, and it was stifled at birth in post-colonial Africa by the dumping of subsidized food from the tax-rich West, and later of cheap Asian manufactures. 'Structural adjustment programmes' imposed by the World Bank and IMF meant that Africa's fledgling national economies had no protection. Tax collection in Africa was never as regular as in Eurasia, and governments still rely on whatever they can extract from mineral royalties and the import-

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<sup>2</sup> This argument has been made public in several forms and at various lengths. It is currently being developed as a book, *Africa's Coming Revolution*.

export trade. Rents secured by political privilege are the chief source of wealth. *This constitutes an Old Regime ripe for liberal revolution.*

### **African development in the 21st century**

*Development* refers first of all to humanity's hectic dash from the countryside to the city since 1800. The engine driving this economic growth is usually assumed to be *capitalism*. Development then means trying to understand how capitalist growth is generated and how to make good the damage it causes in repeated cycles of creation and destruction. A third meaning refers to the *developmental states* of the mid-twentieth century, the idea that governments are best placed to engineer sustained economic growth with redistribution. The most common usage, however, refers to the commitment of rich countries after decolonization to helping poor countries become richer. This was at first real enough, even if the means chosen were often flawed. But after the 1970s, it has faded. If the rapid growth of the world economy in the decades after the Second World War encouraged a belief that poor countries could become rich, since the 1980s 'development' has meant securing the free global movement of capital and administering minor palliatives to the wounds inflicted. *Development* is the label for political relations between rich and poor countries after colonial empire.

There are two pressing features of our world: the unprecedented expansion of markets since the Second World War, and massive economic inequality between (and within) nations. Becoming closer and more unequal at the same time is a recipe for disaster. Africa, with one-seventh of the world's population, had 2% of global purchasing power around the Millennium. What could Africa's new urban populations produce for the world economy? Apart from exporting raw materials, when they could, the world market for food and other agricultural products is skewed by Western farm subsidies. Manufactures face intense competition from Asia. African countries should argue collectively in the councils of world trade for protection from international dumping, so that their farmers and infant industries might supply their own populations first, and endogenous development would have a chance.

Exchange between cities and their hinterlands has been frustrated for post-colonial Africa, whose bargaining position is undermined by its being fragmented into 54 states. The fastest-growing sector of world trade is the production of culture: entertainment, education, media,

sports, software, and information services. The terrain is less rigidly fixed here than in agriculture and manufactures, and Africans start with the advantage of a proven global preference for their music, films, and plastic arts.

### **Classes for and against a liberal revolution**

The classical liberal revolutions were sustained by three ideas: that freedom and economic progress require increased movement of people, goods and money in the *market*; that the political framework most compatible with this is *democracy*; and that social progress depends on *science*, the drive to know how things really work. The energies generated by Africa's urban revolution are already manifested in economy, technology, religion and the arts; and they could be harnessed to radical change if freed from the Old Regime of presidential kleptocracy.

Rousseau's condemnation of eighteenth-century France rings just as true for our world: 'It is manifestly contrary to the law of nature, however defined... that a handful of people should gorge themselves with superfluities while the hungry multitude goes in want of necessities'. The institutions of agrarian civilization are alive and well – and not just in post-colonial Africa. Rent-seeking is on the rise in the old capitalist countries too. The greatest riches are no longer acquired through the selling of products cheaper than those of one's competitors; rents secured by political privilege – such as Big Pharma's income from patents, monopoly revenues from DVDs, and tax revenues used to bail out the Wall Street banks – sustain the super-rich today in a world where the top 65 billionaires own as much as half the people alive.

In *The Wretched of the Earth*, Frantz Fanon provides a blueprint for a class analysis of decadent societies ripe for revolution. Political parties and unions were weak and conservative in late colonial Africa, representing only a tiny part of the population: the industrial workers, civil servants, intellectuals, and shopkeepers of the towns, classes unwilling to jeopardize their own privileges. They were hostile to and suspicious of the mass of country people. The latter had customary chiefs supervised by the military and administrative officials of the occupying power. A nationalist middle class of professionals and traders confronted the superstition and feudalism of traditional authorities. Landless peasants joined the urban rabble. Eventually colonial repression forced the nationalists to flee the towns and to take refuge with the peasantry. Only then, with the rural-urban divide temporary-

ly healed by crisis, did a mass movement take off. Fanon's method offers guidance as to how to identify the potential for another African revolution.

Clearly, trade and finance are not organized, in Africa or the world at large, with a view to generating a popular movement. A liberal revolution would need allies with significant wealth and power. Africans will have to develop their own transnational associations to combat the huge coalitions that would deny them self-expression. One of the strongest political movements today is the formation of large regional trading blocs in response to neoliberal globalization. A national framework for development never made sense in Africa and it makes even less sense today. The coming revolution could leapfrog many of the obstacles in its path, but not if African societies still wear the national straitjacket they inherited from colonial rule.

### **Freedom and protection in the early modern revolutions**

The American, French, and Italian revolutions all combined mass insurgency with an extended period of warfare focused on removing fragmented sovereignty, unfair taxes, and restrictions placed on movement and trade; German unification had a similar focus, but is less straightforwardly described as 'liberal'. The success of the British in establishing a global free trade regime in the nineteenth century and the revival of free trade as economic orthodoxy today have obscured the complex dialectic of freedom and protection whose imperatives were laid out by Sir James Steuart in *Principles of Political Economy* (1767). The first imperative was for impediments to trade caused by divided sovereignty within and between states to be overcome. Development under these circumstances depended on removing these barriers to trade. At the same time, these incipient free trade areas needed a measure of protection, so that their own agriculture and manufactures could benefit from supplying newly consolidated home markets. The French revolution is a striking case in point.

In 1793, the Terror was unleashed and the Bretons raised a 'Royal and Catholic Army' against which the revolutionary Republic raised an army to fight in what became known as the War of Vendée. Nantes, France's largest port, was heavily involved in slavery and trade with the Caribbean. It stood out for the Republic and was besieged by the Royalist army as a result. The ensuing battle was decisive for the Revolu-

tion; the shippers financed the Republican army. Why did the Nantes bourgeoisie risk so much for the Revolution? France, although a central monarchy, was then a patchwork of local fief-holders, each of whom exacted what they could from people and goods moving through their territory. The Republic promised to end all that and establish a regulated home market. The Nantes shippers wanted to reduce the costs of moving their trade goods inland and so they allied themselves with the Republic. Needless to say, the revolutionaries lacked the means to fund an army.

In the United States, American and Dutch smugglers led resistance to the East India Company's tea monopoly and to British taxes offsetting the crown's military costs. The Italian *Risorgimento* too was backed financially by the industrialists of Milan and Turin, who wanted a less fragmented home market with unrestricted access to world trade. In all three cases, the power of merchant and manufacturing capital played a decisive part in the revolution.

Long before the European Common Market became the European Union, the Prussian *Zollverein* (customs union) was launched in 1818 and culminated in the German empire in 1871. In each case political unification was preceded by a customs union lasting half a century. The *Zollverein* was a piecemeal attempt to harmonise tariffs, measures, and economic policy in scattered territories controlled by the Prussian ruling family. The Germans felt vulnerable to British and French power because of their own extreme political fragmentation (some 40 states in 1815, more later). Prussia's main aim was to develop a protected zone of internal free trade from which the Austrians were excluded. By the 1860s, most of what soon became Germany had joined the customs union. Their leading economist, Friedrich List, proposed a 'national system' of political economy. He emphasized the scope for innovation within an expanded free trade area protected from the world market. Similar proposals were espoused by Americans like Alexander Hamilton and Henry Clay.

### **Towards greater integration of African trade**

President Mbeki's idea of an 'African renaissance' expressed the belief that a black majority government in South Africa might be a catalyst for an African economic revival based on greater political coordination between what had so far been easy pickings for the world's great powers. His initiative was aimed exclusively at the very political class that had failed Africa so

often since independence. He did not factor civil society movements or mass mobilisation into his plans.

Africa currently consists of a labyrinthine confusion of regional associations which do little to strengthen their members' bargaining power in world markets. On the ground, however, African peoples maintain patterns of long-distance movement and exchange developed over centuries, despite their current rulers' attempts to force economy and society into national cages. This is one reason why so much of the African economy is held to be 'informal': state regulations are routinely ignored by most people, so that half of the population and most economic activities are criminalized and an absurd public effort is wasted on trying to apply unenforceable rules. Classical liberalism offers an answer to this chaos – aiming for the widest area possible for free trade and movement with minimal regulation by the authorities. Neoliberal globalization has done much to discredit this recipe, since political initiatives, even in pursuit of local free trade, are anathema. Yet the policy conclusion is inescapable: the boundaries of free

commerce *and* of state intervention should be pushed beyond the limits of existing sovereignties.

China occupied a similar slot to Africa in Western consciousness not long ago. In the 1930s, people often spoke of the Chinese as they do of Africa today. China was then crippled by the violence of warlords, its peasants mired in the worst poverty imaginable. Today the country is an economic superpower. This profound shift in power from West to East does not guarantee that Africa will escape soon from the stigma of inferiority, but the structures of North Atlantic dominance that once seemed inevitable are perceptibly in decline; and that makes it easier to envisage change. Humanity is entering a new era of social possibility. Africans' drive for emancipation from an unequal world society affects all of us. In that sense an African revolution would be a world revolution.

## FORGET “DEVELOPING” POOR COUNTRIES. IT’S TIME TO “DE-DEVELOP” RICH COUNTRIES.

by Jason Hickel (London School of Economics)

Last year, heads of state gathered in New York to sign the UN’s new sustainable development goals (SDGs). The main objective of the SDGs is to eradicate poverty by 2030. Beyoncé, One Direction, Malala and many other celebrities were contracted for the publicity campaign, which was billed as the largest in the world. When the SDGs were launched, it was staged as a monumental international celebration. Given all the fanfare, one might think the SDGs must offer a fresh plan for how to save the world, but beneath all the hype, it’s business as usual. The main strategy for eradicating poverty is the same as it has always been: GDP growth.

Growth has been the main object of development for the past 70 years, despite the fact that **it’s not working**. Since 1980, the global economy has grown by 380%, but the number of people living in poverty on less than \$5 (£3.20) a day has increased by more than 1.1 billion. That’s 17 times the population of Britain. So much for the trickle-down effect.

Orthodox economists insist that all we need is yet more growth. More progressive types **tell us** that we need to shift some of the yields of growth from the richer segments of the population to the poorer ones, evening things out a bit. Neither approach is adequate. Why? Because even at current levels of average global consumption, we’re overshooting our planet’s biocapacity by **more than 50%** each year.

In other words, growth isn’t an option any more – we’ve already grown too much. Scientists are now telling us that we’re **blowing past planetary boundaries** at breakneck speed. And the hard truth is that this global crisis is due almost entirely to **overconsumption in rich countries**.

Right now, our planet only has enough resources for each of us to consume 1.8 “**global hectares**” annually – a standardised unit that measures resource use and waste. This figure is roughly what the average person in Ghana or Guatemala consumes. By contrast, people in the US and Canada consume about 8 hectares per person, while Europeans consume 4.7 hectares – many times their fair share.

What does this mean for our theory of development? Economist **Peter Edward** argues that instead of pushing poorer countries to “catch up” with rich ones, we should be thinking of ways to get rich countries to “catch down” to more appropriate levels of development. We should look at societies where people live long and happy lives at relatively low levels of income and consumption not as basket cases that need to be developed towards Western models, but as exemplars of efficient living.

How much do we really need in order to live long and happy lives? In the US, life expectancy is 79 years and GDP per capita is \$53,000. But many countries have achieved similar life expectancy with a mere fraction of this income. Cuba has a **comparable life expectancy to the US** and one of the highest literacy rates in the world with GDP per capita of only \$6,000 and consumption of only 1.9 hectares – **right at the threshold of ecological sustainability**. Similar claims can be made of Peru, Ecuador, Honduras, Nicaragua, and Tunisia.

Yes, some of the excess income and consumption we see in the rich world yields improvements in quality of life that are not captured by life expectancy, or even literacy rates. But even if we look at measures of overall happiness and well-being in addition to life expectancy, a number of low- and middle-income countries rank highly. Costa Rica manages **to sustain one of the highest happiness indicators** and life expectancies in the world with a per capita income one-fourth that of the US.

In light of this, perhaps we should regard such countries not as underdeveloped, but rather as appropriately developed. And maybe we need to start calling on rich countries to justify their excesses.

The idea of “de-developing” rich countries might prove to be a strong rallying cry in the Global South, but it will be tricky to sell to Westerners. Tricky, but not impossible. According to **recent consumer research**, 70% of people in middle- and high-income countries believe overconsumption is putting our planet and society at risk. A similar majority also believe we should strive to buy and own less, and that doing so would not compromise our happiness. People sense there is something wrong with the dominant model of economic progress and they are hungry for an alternative narrative.

The problem is that the pundits promoting this kind of transition are using the wrong language. They use terms such as **de-growth**, **zero growth** or – worst of all – de-development, which are technically accurate but off-putting for anyone who's not already on board. Such terms are repulsive because they run against the deepest frames we use to think about human progress, and, indeed, the purpose of life itself. It's like asking people to stop moving positively through life, to stop learning, improving, growing.

Negative formulations won't get us anywhere. The idea of "**steady-state**" economics is a step in the right direction and is growing in popularity, but it still doesn't get the framing right. We need to reorient ourselves toward a positive future, a truer form of progress. One that is geared toward quality instead of quantity. One that is more sophisticated than just accumulating ever-increasing amounts of stuff, which doesn't make anyone happier anyway. What is certain is that GDP as a measure is not going to get us there and we need to **get rid of it**.

Perhaps we might take a cue from Latin Americans, who are organising alternative visions around the indigenous concept of *buen vivir*, or good living. The West **has its own tradition of reflection on the good life**, and it's time we revived it. Robert and Edward Skidelsky take us down this road in their book **How Much is Enough?**, where they lay out the possibility of interventions such as banning advertising, a shorter working week, and a **basic income**, all of which would improve our lives while reducing consumption.

Either we slow down voluntarily, or climate change will do it for us. We can't go on ignoring the laws of nature. But rethinking our theory of progress is not only an ecological imperative, it is also a development one. If we do not act soon, all our hard-won gains against poverty will evaporate, as food systems collapse and mass famine re-emerges to an extent not seen since the 19th century.

This is not about giving anything up – at least not anything that's actually important. And it's certainly not about living a life of voluntary misery or imposing harsh limits on human potential. On the contrary, it's about reaching a higher level of understanding and consciousness about what we're doing here and why.

# THE REPUBLIC OF WELBEING: A MANIFESTO FOR TRANSFORMATION TO ACHIEVE THE SUSTAINABLE DEVELOPMENT GOALS

by *Lorenzo Fioramonti* (Professor of Political Economy at the University of Pretoria)

For too long, the international community has embraced a destructive development model and rewarded behaviour that has led to social and ecological imbalances. For most of the 20<sup>th</sup> century, success was defined as purely material economic growth, a narrow conceptualization of development that had a tremendous effect on international institutions, on the design of markets (at the local, national, and global levels), and on the global pecking order. The largest economies in the world were rewarded with prestige and power, regardless of whether their actions were destructive of their own societies and of the world at large. The environmental crisis (especially climate change) and the global economic downturn have contributed to a shifting of focus from economic growth to well-being as the overarching goal of both public and private institutions. More and more governments have begun to actively pursue well-being-oriented initiatives, while international institutions, chiefly the United Nations, have called for change. In the words of Secretary General Ban Ki Moon, “the old model is broken”: **“We need a new economic paradigm that recognizes the parity between the three pillars of sustainable development. Social, economic and environmental well-being are indivisible.”**

Against this backdrop, the Sustainable Development Goals (SDGs) are a window of opportunity for radical change. This is not to say that they are perfect. Much to the contrary, they suffer from contradictions and redundancies, and ultimately reveal the inevitable compromises of most international agreements. Yet they capture crucial aspects of social, political, economic, and environmental sustainability that will guide the action of governments in the years to come. In this regard, they present progressive policy-makers, activists, and concerned citizens with an opportunity to transform their economies from mere producers of growth to promoters of human and ecological well-being. Although presented as a list, it is clear that the various SDGs are highly interconnected and reinforce each other. It is indeed impossible to end poverty “in all its forms” (goal 1) without addressing gender inequalities (goal 5) and promoting inclusive education (goal 4). Nor is it possible to achieve

sustainable and equitable economic development (goals 8 and 15), without reducing inequalities (goal 10), preserving oceans (goal 14) and terrestrial ecosystems (goal 15), and without tackling climate change (goal 13).

For the SDGs to be more than a wish list, the interconnectedness of all dimensions must lead to a shift in governance processes, starting with the need to design institutions that are effective, accountable, and inclusive (goal 16). If the promotion of human and ecological wellbeing is to become the founding principle of political and economic activities going forward, what implications will this have for our public and private institutions?

Let’s imagine a nation that is genuinely committed to pursuing the SDGs as its overarching policy framework. Let’s call it the Republic of Wellbeing. This country will require a shift from short-term to long-term planning. Presently, our governments and private sectors are overly concerned with short-term economic dynamics (a phenomenon known as “quarterly capitalism”, **criticized** also by US presidential candidate Hillary Clinton). We base critical decisions on sketchy estimates of gross domestic product, inflation, and stock prices, to name just a few examples, whose quarterly changes are very misleading, not only because of statistical errors but also because of their inherent flaws as indicators of good performance and success. By contrast, the SDGs place more emphasis on processes that require time to change.

What the Republic of Wellbeing will need is a new system of policy-planning and information-sharing, which encourages all stakeholders (not only public institutions) to work together to achieve a long-term view. The following are building blocks of such a transformation.

First, the Republic of Wellbeing should incorporate the concept of sustainability into its own founding constitution, something that Latin American and Caribbean countries have promoted through the **Quito Declaration**, following the successful examples of **Ecuador** and **Bolivia**. New Zealand has also **attributed personal rights** to the Whanganui River, and legal avenues have been sought by citizens to defend nature as a common good, with recent successes in the **US** and in the **Netherlands** (see also **the campaign “Claim the Sky”**). This would require legislators to assess how decisions affect not only the present but also future generations, as well as ecosystems.

Second, the Republic of Wellbeing would need a new approach to policy-making, with a view to managing the interconnectedness of equitable and sustainable well-being. We have become used to the separation of offices, portfolios, and tasks, especially in the functioning of government, according to the bureaucratic model of the late 1800s and in line with the prevailing philosophy of new public management. Although this may have made decision-making more efficient in terms of sectoral outputs, it has also reduced the capacity of institutions to approach problems holistically. For instance, a reduction in spending by some departments/offices (e.g. infrastructure, water and sanitation, police, etc.), which is usually rewarded as a sign of efficiency and good governance, may easily result in additional burdens and extra costs for other departments (e.g. health or social affairs). Separation also encourages competition (for a limited budget), thus forgetting that cooperative approaches are vital to deal with the multifaceted and complex issues of contemporary governance. Therefore, in order to achieve the SDGs, the Republic of Wellbeing would need to adopt a 'whole-of-government' approach, which the OECD defines as a system of horizontal co-ordination and integration embedded in the process of policy design and implementation, which helps a government respond to complexity. The establishment of a ministry dedicated to the 'future', as [instituted in Sweden](#), shows that it is not impossible for a government to focus on the long-term implications of their decisions.

Third, different metrics of performance are needed for the Republic of Wellbeing to prosper in its commitment to long-term quality development. Current statistics are of little help, given that they reinforce short-termism and separation between "the economy" and the rest of society. Metrics of genuine progress, which deduct the costs of negative externalities from measures of national income such as the GDP, would be very useful policy tools, as has already been the case in the US states of [Maryland and Vermont](#). In line with the focus on long-term governance, impact assessments, and cost-benefit analyses will need to adopt discount rates that are either neutral or give more weight to impacts and costs in the future than in the present, especially for natural and social capital. Reporting systems for business would also need to change. Total-cost accounting (including full environmental and social costs) is essential to gauge which businesses are really adding to the economy and which are accumulating income at the

expense of society, with a view to creating an appropriate system of rewards and sanctions. Sportswear giant Puma has pioneered [environmental profit and losses labeling](#) for its products, and many companies have signed up for [natural capital reporting](#).

Fourth, the Republic of Wellbeing would need to institutionalize SDG-based impact evaluations. In the legislative domain, innovative forms of "regulatory impact assessment", a practice increasingly in vogue in the European Union, should be implemented, with public institutions required to engage with citizens about the expected effects of new legislations on sustainable development objectives. Ideally, even political parties' programmes should be vetted through public scrutiny with regard to their impact on the SDGs, similar to what already happens in the Netherlands with respect to economic policy targets.

Last, but not least, the Republic of Wellbeing should be very vocal in global fora to ensure that international norms, principles, and agreements are conducive to human and ecosystem wellbeing. A policy focus inspired by the SDGs will indeed demand a restructuring of the global economy, with a focus on reducing ecological footprints and incentivizing the transfer of innovative technologies. In particular, financial markets and international trade will need to be re-designed to support rather than impede sustainable social progress, as a recent [UN inquiry](#) demonstrates. If global governance in the 20<sup>th</sup> century was led by nations and companies championing the classical model of industrialization, with high social and environmental costs, the 21<sup>st</sup>-century system must be driven by those able to marry economic dynamism with a high quality of life and the promotion of human and ecosystem well-being.

The Republic of Wellbeing is a metaphor of policy changes that are not utopian, but rather pragmatic and within reach, especially if we consider that each of these features is already present in one country or another, and that they are variously endorsed by an increasing number of companies as well. We need to build on the best governance innovations practiced by public institutions and private organizations if we are serious about using the SDGs as leverage to build a sustainable and desirable path to the future.

## HOPE, PLURALISM AND POST-CRASH ECONOMICS

by Paul Robert Gilbert (University of Sussex)

The effects of the 2007–08 financial crisis continue to be deeply felt, in the United Kingdom as elsewhere. After being asked to shoulder unsustainable levels of *private* debt, the state has pursued austerity programmes designed to give ‘confidence’ to holders of *public* debt. The resultant disassembly of state welfare provision has had the effect of pushing low-income households into ever more debt, edging the UK closer to the conditions which precipitated the last crisis. Dozens of academic economists have publicly criticised the government’s plans to run a surplus in ‘normal’ times, plans which would tip households into further debt, as having ‘no basis in economics’. Perhaps the endurance of the profoundly flawed notion that governments, like households, must ‘tighten their belts’ in lean times has less to do with academic economics, and more to do with economics as presented by media outlets, or with the tendency for news programmes to call economists working for private financial institutions as their talking heads? Perhaps, but the academics who have criticised ongoing austerity programmes for being based on ‘bad economics’ (or no economics at all) are, for the most part, not to be found occupying positions in those very few institutions which exert an overwhelming influence on hiring and publishing in what seems to be a uniquely insular, hierarchical and concentrated discipline.

It was the apparent failure of these mainstream academic economists not only to ‘predict’ the financial crisis, but also to draw on theoretical perspectives which could account for the crisis or explain it to their students afterwards – combined with justifiable concerns about the extent to which influential economists were making money from consultancy work in financial services – that precipitated global calls for reform in economics education. The International Student Initiative for Pluralism in Economics draws student groups from over thirty countries together in a commitment to work against the narrowing of curricula that took place in the lead up to the crisis, and towards a truly pluralist pedagogy in economics that would ‘ultimately create a space in which solutions to society’s problems can be generated’. In the UK, the ISIFE-affiliated group Rethinking Economics has been working with a sympathetic academics on the development of a pluralist economics

degree programme, which will be launched at Goldsmiths College next year – an advance on the CORE programme launched last year, which while introducing ‘new’ topics such as ‘inequality’, and emphasising ‘real-world’ data, was not designed with pluralism in mind. Another UK-based ISIFE affiliate, the Post-Crash Economics Society, has been developing a ‘Crash-Course in Citizen Economics’ through which to expand not only participation in technical economic discussions, but also participation in the administration of democracy through the economy.

‘What is taught shapes the minds of the next generation of policymakers, and therefore shapes the societies we live in,’ affirm the signatories to ISIFE’s international student call for pluralism in economics. Certainly, the relation between dominant schools of economic thought and specific policy decisions is never entirely linear, and cannot be completely captured in the broad-brush assertion that modern economics constitutes ‘an ideological prop for capitalism in general and neoliberalism in particular.’ But, as Peter-Wim Zuidhof observes, in the last few decades there has been a shift from subject-matter-based to ‘principles-based’ economics textbooks, marked most clearly by Gregory Mankiw’s bestselling *Principles of Economics*, which presents adopting principles like ‘markets are usually a good way to organize economic activities’ as part of what it means to ‘think like an economist’. This is not without significance, Zuidhof argues, since ‘the principles genre with its call to think like an economist is also inclined to transform economics into a counsel of neoliberal government. Where in the liberal mode, economics’ main role is to critique the efficacy of government policy, the principles text instead invites government to think like economists too’. If neoliberalism is understood not as the valorisation of ‘free’ markets, but as the re-organisation of social life according to a crude kind of market rationality, then pluralising the parameters of what it means for future policymakers to ‘think like an economist’, beyond organising social life around ‘market principles’, does indeed appear to be a hopeful move.

There are, nonetheless, reasons for tempering one’s enthusiasm for movements which seek to ‘make space’ for plural perspectives. Max Haiven and Alex Khasnabish have written at length about the extent to which movements built on ‘making space’ imply that existing organisations are properly grounded to begin with, and need simply to ‘open up’ or be ‘more accepting’ of

difference. They advocate instead the grounding of movements in practices of 'making time' for anti-oppression, a project that is inevitably endless. Without wishing to dismiss Haiven and Khasnabish's acute insights, it is perhaps fair to argue that despite using the language of 'making space', few in the movement for economic pluralism would be likely to defend the notion that existing economic (or academic) organisations are properly grounded; there is a widespread appreciation of the extent to which pluralism in economics *education* may invite diverse approaches to economic (re)organisation. Equally, one might share [Stephen Shukaitis' wariness](#) of 'alternative' economic formulations which develop models of utopian social realities, only to 'get involved in conflicts over theoretical systems and interactions that may or may not occur when the new vision hits the pavement of actual existence'. The movement for pluralism in economics cannot, then, be a substitute for the work that is carried out by, for instance, the [Community Economies Collective](#), who make visible and amplify [already existing 'diverse' economies](#), to which ethical negotiations over the limits of necessity, consumption, surplus, and the commons are fundamental. Nonetheless, as long as life-chances are at least partially determined by the administration of a *national* economy, pluralist education for future policymakers, *and* initiatives like the Crash–Course, become a necessary part of realising democratic participation.

In conversation [with Mary Zournazi just over a decade ago](#), about the need for hope in the face of 'neo-liberal – or economic rationalist – forms of capitalism that operate today', Ernesto Laclau and Chantal Mouffe described the emergence of a collective will, or the 'relation of equivalence' between diverse demands (whether for water provision, employment, or perhaps today, debt relief) as a 'moment of hope'; an empty signifier which cannot be fulfilled, but which brings together and sustains other relations in a social movement. 'What we are arguing,' continued Mouffe, 'is that to conceive of a pluralist democracy as something that can be absolutely fulfilled indicates the end of pluralism... If you value pluralism, then you will have to be alive to the idea that the impossibility of democracy [where everyone agrees] or some final goal is not an impediment, or something negative'. In the same vein, the movement for pluralism in economics can be viewed as a 'moment of hope' that sustains and brings together a diversity of demands for social change in a context shaped by policymakers

who have been taught that 'thinking like an economist' means not only a commitment to market principles, but a [rejection of doubt and indeterminacy](#). That this moment of hope is animated by a student-led dissatisfaction with economics curricula is not incidental. Indeed, [as Paulo Freire argued](#), hope – a *critical* hope – is precisely what makes us educable.

## RECLAIMING THE STATE

By Tijo Salverda (Global South Studies Center, University of Cologne)

From talks with (foreign) corporations and investors active in agriculture in Africa, particularly in Zambia in my case, I realised that many of them are concerned about the issues critics have raised. These critics, ranging from (international) NGOs to local communities, human rights lawyers, international organisations, journalists, and social movements, increasingly point to the negative consequences of current forms of global capitalism. They try, in a way, to put ethics back into economics. They demand a halt to 'land grabbing', better treatment and wages for labourers, the mitigation of environmental damage, and so forth. Resonating with the thoughts of John Kenneth Galbraith and Karl Polanyi, the critics can be considered a countervailing power or countermovement aimed at reducing the damaging effects of agricultural investments – and corporate practices and market expansion more generally.

The countervailing power of critics, such as NGOs, has been at the origin of phenomena such as Corporate Social Responsibility (CSR), impact investment, and ethical consumption. Notwithstanding the many limitations of these phenomena, they symbolise a more or less constant struggle between economic beliefs and ethical and social concerns. I have actually come to believe that this is a recurring pattern of capitalism. The raising of concerns, I have noticed, is not without its results. Change is possible. Large-scale systemic slavery has been abolished. In many Western countries labour conditions have seen improvements. Minimum wages have been implemented. There are laws that allow for the prosecution of companies in case of pollution. Yet it is never enough, never completed. There is always something to hope for. Besides, when one issue is solved or attention wanes, a new issue presents itself – or labour rights are gradually undermined again. It is, in a way, a perpetual taming of the 'capitalist beast'.

### Prominence of corporate power

Notwithstanding that corporations are concerned about their critics and have, in response, also changed some of their practices, there is still much left to be desired. This partly results from the shifting of roles between the public and private sectors, which has strengthened the

power of multinational companies in international politics. Conversely, the position of ordinary citizens (as employees, consumers, local communities, etc.) has weakened in the context of state withdrawal. As Jem Bendell (2004: 14) illustrates in his analysis of the accountability movement, civil society groups and NGOs realised that it was increasingly futile to lobby governments, and that intergovernmental commitments on social and environmental issues could take years to negotiate – and even then they were often not enforced in any meaningful sense. Instead, many civil society groups directed their attention to the corporations themselves. This (social) pressure plays an important role in prompting corporations to embrace certain codes of conduct, mitigating their environmental impact, CSR, and other forms of integration of ethical concerns into existing economic practices. One could therefore say that critics may 'force' economic actors to reflect on concerns that the latter often conceive of as external to standard business operations.

There is plenty of very valid criticism about the limits of corporate actors' engagement with the concerns that have been raised. CSR, for example, has not really led to change, and seems more like a 'moral fig leaf' for corporations, while the same damaging practices often continue. For some, this is just confirmation of the inherently evil nature of corporations. I am not sure, though I would certainly not deny the possibility that they can cause substantial havoc. If they only acted immorally, however, it would imply that when left unattended they would not care whatsoever about the harm they cause. Certainly, corporations are interested in making a profit, but not necessarily at all costs: the *homo economicus* version of the corporate person who only acts to maximise profits, an image often reproduced by the critics, does not necessarily reflect everyday realities, as Marina Welker illustrates in [\*Enacting the Corporation: An American Mining Firm in Post-Authoritarian Indonesia\*](#).

At the same time, there remain just too many examples of corporations – or banks, or other economic enterprises – that breach our hope for fairer and less damaging outcomes. Even while most economic actors may remain within the legal (and ethical) boundaries of the respective countries in which they operate, it is the ones that breach those boundaries that attract attention. The damaging influence of oil companies, such as Shell in Nigeria, or of mobile phone

producers in China, obscures the fact that the bakery or factory around the corner may do little harm. Compared to the latter, however, large multinational corporations and companies that operate and/or trade across borders seem to have much more room (and power) to tweak the system. It is certainly an achievement that large corporations such as Coca-Cola and Nestlé have become more receptive to the concerns raised. Yet, it appears that this is not enough. Not only because below the surface more anonymous actors, such as traders, are largely left unchallenged, but also because of the possibility of avoiding legal oversight. The possibility of shopping between the legal systems of different countries, having the power to negotiate favourable (tax) deals, and getting away with breaking the law are still far from being eliminated. To change this, I argue, we have to reclaim the state.

### **Towards a rebalancing of interests**

A main cause of the current predicament is that pressure on the private sector will never be sufficient, while the state does not do what it should do – taking care of its citizens. Corporations' first incentive is to make a profit; not necessarily at all costs, but their mandate is not to take care of all (stakeholders) in a specific geographical space; rather 'their contributions to society's overall needs will always remain at the margins, and their contribution to welfare will never be comprehensive' (Hertz 2001: 243). Thus private governance will not be able to address the global governance deficit (Mayer and Gereffi 2010: 2) and expecting this is actually risky because it 'may omit or even override state bodies that "ought" to take responsibility for regulation' (Tallontire 2007: 779).

Initiatives aimed at improving our social lives outside the realm of the state and/or harmful (business) practices are certainly laudable. But these initiatives are not sufficient to change the tide. As Susan George in [\*Shadow Governs: How Global Corporations are Seizing Power\*](#) argues, corporations have just become too strong. With tax evasion and concerns about accountability, it is clear that multinationals are 'increasingly distant from direct legal mechanisms to hold them to account by the state' (Barrientos and Smith 2007: 717). This creates a democratic deficit that cannot be solved by bottom-up approaches only. Whether we like it or not, to bring about meaningful change I think we still have to rely on the state – just in a different form from the current one!

The difficulty with the state is that it can be detrimental to the lives of many of its citizens. States have substantially contributed to the race to the bottom in attracting corporations with tax incentives, to lowering standards in their aims to attract FDI, and to favouring geopolitical considerations over its citizenry, as I have shown [elsewhere](#). Yet, at the same time the state is also an important vehicle for change. What other viable option do we have to regulate (and limit) the power of corporate actors? To change from insufficient voluntary codes of conduct to applying legal means to reduce the negative impact of corporate practices? Governments still seem to be the main force that can curtail the damaging corporate practices and improve conditions across the board by balancing the interests of different parts of the societies they govern, of which the corporate sector is only one. Its central role in taxing its citizens, which may potentially be applied to the benefit of all (think about services and infrastructure), furthermore indicates that the state remains essential to the organisation of our everyday lives – at least, for the foreseeable future.

Building further on the belief that external pressure is not necessarily without results, concerns and initiatives aimed at change should more explicitly target governments and politicians. A renewed role of the state in regulating economic practices should be demanded. The state should be claimed back, in other words. Public institutions are needed to 'resolve a set of collective action problems that private actors cannot overcome on their own' (Locke 2013: 17). Governments should set the conditions for business since it has become evident that voluntary promises and codes of conduct are not sufficient. Resonating Galbraith's countervailing power, Robert B. Reich argues in [\*Saving Capitalism\*](#) that a push in the direction of more equitable outcomes is actually inevitable, as we cannot continue in the direction we are now heading.

Governments should take moral responsibility for pushing for fairer outcomes, including when it concerns people elsewhere in the world: 'one cannot load the whole development agenda onto the shoulders of [...] private firms, or expect them to behave as non-profit entities' (Berdegué et al 2011: 165). States have to provide regulatory frameworks that aim at an equal distribution of gains and a reduction of harm. When corporations and other private-sector

actors are subject to comprehensive (and equally binding) regulation and oversight, their standard business approaches may actually bring more prosperity than if corporations are expected to be directly responsible for, for example, alleviating poverty and diminishing hunger. Accordingly, a clear division of roles is needed.

In a recent [interview](#), Stuart Kirsch, the author of the insightful [Mining Capitalism: The Relationship Between Corporations and their Critics](#), argues that, contrary to the belief that postcolonial states' acquisition of ownership stakes in resource extraction projects would redistribute wealth – since overseas shareholders would no longer siphon off all profits – this has actually led to a consequential conflict of interest:

[T]he state would have to weigh its mandate to protect people and the environment through regulation against its desire to maximize revenue as an investor and tax collector. For Papua New Guinea, this has meant that the state aligns itself with the interests of the mining industry over the rights of its own citizens and the environment, with often-disastrous consequences.

I do not hold a grudge against business, or even multinational corporations, yet our lives depend on more than market thinking alone. Pressure on corporations should certainly remain, but we should realise that they, as illustrated above, have a different mandate. That does not necessarily mean a corrupt mandate. But society is the sum of different cultural, social, economic, and environmental aspects. Apart from citizens and economic enterprises, it is particularly the state – and politics – that have a responsibility to balance these interests.

Press politicians to rethink their approach and become more ideological. We cannot have equitable outcomes when too much power remains in the hands of the corporate world. Politicians must be drawn back into *politics*. In powerful states, they must be pressured to take on the task of improving the conditions in more vulnerable states, to hold corporations operating in their constituencies accountable for their actions – and tax avoidance – elsewhere, such as in Africa. Governments should be pushed to reconsider their approach towards corporations and (international) business. Instead of hoping that flimsy voluntary promises will do the trick abroad, the situation should be

turned upside down. Corporations should be forced to stick to the same standards as the states where they domicile. Why allow, as Norway does, the national oil company to operate in notoriously corrupt Angola? Why not apply similar labour standards to textile factories in Bangladesh as in Europe?

Such an approach would also avoid states' reluctance to enforce their norms upon other states. Corporations just have to stick to the rules and laws of a particular state when they want to do business with it. Tell overseas producers or traders that they can only sell their produce when they obey the same standards abroad. But what about when similar laws already exist abroad, yet these are barely enforced? Demand from corporations that they commit to empowering governments with weak regulatory capacity (in Africa, South Asia or elsewhere) so that these laws can be meaningfully enforced. Without doubt this will also involve paying a much fairer share of tax, as only then will many of the states be able improve their capacities. But so be it. We have waited in vain for real change coming from corporations. Voluntary commitments are just not enough. But this does not imply an either/or situation: even in a more ethical setting and/or within relatively strict operating legal systems, economic enterprises can make a profit. To accomplish this, I would say that for now our best hope is to push states to reconsider their mandate, to take it up for the most vulnerable instead of powerful corporations, to put their citizens first. One has to remain vigilant of the state, but also realise that pressure may work. Change is not impossible, though neither is it a one-way path towards utopia – or dystopia, for that matter. It is, as I have suggested, probably a never-ending 'struggle' – but not one in which people are powerless by definition.

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## SOLIDARITY, ETHNOGRAPHY, AND THE DEINSTITUTION OF DISSENT

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Originally published at *Journal of Modern Greek Studies*, Occasional paper 6, available at: [https://www.press.jhu.edu/journals/journal\\_of\\_modern\\_greek\\_studies/Theodoros\\_Rakopoulos.pdf](https://www.press.jhu.edu/journals/journal_of_modern_greek_studies/Theodoros_Rakopoulos.pdf)

As an anthropologist, I think in terms of the intersubjective constitution of knowledge among people who claim and use notions and terms “in the field” – that is, while doing fieldwork in a spatially defined social area of interest, as well as in the public sphere. In this context, I have been involved in deciphering and exploring the varied vicissitudes of one heated term that has become particularly salient in the vocabulary of the crisis, namely solidarity.

While investigating the grassroots ramifications of solidarity in one form of mobilization, the anti-middleman movement (Rakopoulos 2014a), I came across different usages and understandings of the term. The tensions and contradictions at play, when dealing with such a politically imbricated notion, the various claims placed on it and the antagonisms contesting the purity and clarity of its practice partly formed the core of my interest but were also salient among the participants of solidarity economy networks. By 2013, many dozens of activist groups across Greece were involved in this movement of food distribution without market middlemen. Since then, a diffusion and expansion into other forms of mobilization has taken place. More specifically, the grassroots groups committed to such praxis have diminished in numbers as other organizational arrangements (such as municipalities) entered the scene shaping the solidarity economy food distribution movement.

Solidarity was defined in quite clear formations by my research participants at the time, as a form of “mobilizing others” (Rakopoulos 2015) and, as I discussed in a recent *Journal of Modern Greek Studies* article, in terms of a strict antithesis to austerity (Rakopoulos 2014b). Some of this tendency developed in a movement upheld by the Left coalition party SYRIZA (among other players) and instigated a partial institutionalization of the social mobilization around food. Following and echoing this, the idea of solidarity started transforming from a politically loaded discursive feature of political

education to one that cross-fertilized with other, similar ideas (from charity to networking to comradeship). Discussions (and fears) of co-optation were rampant among many research participants throughout this course of events, along with a (still present) discussion of “conferring” movemental impetus to the institutional Left, which was expressed in participants’ waiting for a Left government’s friendly embrace while conferring some of their enthusiasm to that prospect. On some occasions, this expectation and enthusiasm eventually translated into a yearning towards institutional change rather than towards grassroots relief, and, to an extent, in the process pushed the movement to work in that direction. The idea is often discussed in Greek movement circles as *anathesi* (ανάθεση) or *he logiki tis anathesis* - the logic of conferring.

Of course, not all solidarity economy is Left-inspired or even socially progressive. Solidarity, a politicized reclaiming of charity but also—and crucially so—of reciprocity, opens up the discursive field of similarity and difference. Solidarity participants become engaged in sociality practices premised on ideas of egalitarianism, and see the receivers of their provisions as equals. However, this—often-imagined—equality can push in the direction of identity similarity, which is how the neo-Nazi organization Golden Dawn has laid claims for an “ethnically pure” solidarity. The neo-Nazi party’s discourse on the purity of racial “egalitarianism” (a contradiction in terms on its own) demands that Greeks be considered similar and be treated equally while all others be excluded from the party’s own (and in any case short-lived) solidarity networks.

The solidarity economy is actively anti-austerity and did not form as a provisional remedy to the dismantling of the welfare state, but rather as a political contestation of that prospect. In this way, the mobilization went hand in hand with the Left. However, many activists detect a recent shift in the positions of SYRIZA (the main contingent in the government since the elections held in January and, again, in September 2015) towards austerity. This shift seems to imply a turn from outright animosity towards austerity (an animosity that almost constituted a politically ontological differentiation from the pro-austerity parties), to an ambiguous embracement of positions that resemble tenets of liberal pragmatism. The new position attributed to SYRIZA with regard to austerity has serious repercussions for the solidarity economy, espe-

cially on its dialectical stake between the grassroots movement and the state.

This change *might* give impetus to the solidarity economy, after a period of hibernation. The transformation of SYRIZA from a dissent-driven party to a pragmatism-centered administrative apparatus not only allows for renewed dissent among activists, but it also signals the shifting center of dissent from the once radically and vocally anti-austerity party that institutionalized it to more loosely structured entities. This is what I call “the de-instituting of dissent” in Greece. It might be a process that affects, if not indeed reverses, the “conferral politics” period that some solidarity movements and networks have gone through. Many research participants with whom I have talked over a period of time (around three years) have said that they have been gradually withdrawing their consent from the institutionalized politics implied by “the logic of conferring.” Undoubtedly, this process is not yet fully visible or tangible, but speaking with solidarity economy participants on the ground reveals their shared disappointment about austerity and lack of support for the movement by the state, a disappointment that points towards a reshuffling of the relationship between the movement and the state.

This potentially new relationship between party/government and movement/solidarity economy has been heatedly discussed. Some try to draw new lines between the desire for the present expressed in the movements and the pragmatics of (what Stathis Gourgouris has called) “Left governmentality” that is organized by external factors (Gourgouris [2015](#)). Yet others see party and movement as antithetical. These latter voices argue that the social movements have been tricked into waiting for SYRIZA to deliver on its promises and that left pragmatism will destroy whatever solidarity economy stands for (Karyotis [2015](#)).

For me, the new configuration implies, first and foremost, that the institutionalization of solidarity, that is to say, the alleged passing of solidarity activity from a grassroots to a statal level that happened with the national elections in January 2015, which could have affected its political underpinnings, might now be prone to a serious disorientation process. In fact, it might even be diminished as a process, as many activists see (what they call) a “defeat” of SYRIZA in terms of the party’s position towards anti-austerity, and underscore that only a return to radical social movements could salvage the solidarity econo-

my of Greece. It is a fascinating turning point and it remains to be seen how things will develop. It certainly requires more fieldwork.

Let me then revisit the point that opened this piece. The processual making of terms such as solidarity, when its meanings become augmented under the present conditions of crisis, can involve subjects as widely different as unemployed youngsters in working class suburbs of Volos, or US academics. In mid-July 2015 Heath Cabot, an anthropologist colleague, and I organized a panel on solidarity networks for the conference “Democracy Rising” (organized in Athens by the leftist Global Centre for Advanced Studies). The panel was received with great enthusiasm and genuine international interest for the issues we are researching.

Cabot and I worked hard to bring together anthropologists interested in how the urgency of the notion is understood on the local level in crisis-ridden Greece. We discussed solidarity from an anthropological point of view, while stressing ethnography as a modality of comprehending its various political vicissitudes in contemporary Greece. I found the enthusiastic reception of our panel thrilling, and indeed promising of new research horizons. However, I also came across certain debatable and slippery remarks on solidarity in other discussions and panels that took place during the conference, where the term was invested with varying degrees of politicized voluntarism. In an electrified atmosphere during a plenary discussion,<sup>3</sup> University of Toronto political economist Leo Panitch praised the solidarity networks of Greece as the way of all socialism, or at least a mode of development for the country. Panitch argued about the (administration of the) future, something that has been a stake for the Left since Leninist and Gramscian times, stressing that the future of the Greek economy at large lies with the grassroots solidarity networks. He emphatically noted how, in the sophisticated solidarity economies on the ground, Greeks have “already” engendered the conditions for surpassing neoliberal capitalism at a future stage. He specifically stressed the role of the organization Solidarity4all in organizing solidarity as a future prospect for the country.

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<sup>3</sup> The discussion also involved LSE economist and then MP of SYRIZA Costas Lapavistas, Birkbeck legal scholar and current MP Costas Douzinas, and Columbia University comparatist Stathis Gourgouris.

Is this a way to romanticize the solidarity economy or to overestimate its potential? My provisional answer is that both romanticization and overestimation are present here. The two, in fact, feed into each other and are exaggerated by the overall attention paid to Greece as the solidarity movement is gaining momentum. That is, a visiting intellectual such as Leo Panitch, despite his firm grasp on international (critique of) political economy, can see Greece in the spotlight of current events and aim to extrapolate from that a broader argument of political economy based on (apparently) thin evidence regarding matters on the ground. One wonders if soup kitchens, anti-middleman markets, or social pharmacies can formulate the basis for change of the political economy on a higher level (in this case that of the country as a whole). To go back to my earlier point on the relation between state and movement, Leo Panitch does not seem to acknowledge the worries of many solidarity participants that the state has penetrated and indeed capitalized on the grassroots solidarity economy (a point also made by Cabot in her piece in this section).

I have deep respect for the work and scholarship of Leo Panitch—which is why I see this position of his as an indication of a wider problem. Having conducted fieldwork with the anti-middleman movement and solidarity networks I have seen a different reality on the ground that allows me to argue that the position of Panitch in this regard unfortunately remains on the level of “recipes for the kitchens of the future” (to invoke an ironic and iconic phrase of Karl Marx in Volume I of *Das Kapital*). These distribution networks cannot shoulder the responsibility for a generalized paradigm shift; neither can they uphold the entire framework of the country's political economy (especially if shortages of imported basic resources, such as petrol and pharmaceuticals, become a real possibility).

The issue of solidarity economy is thus closely related to another problematic that centers on the question of why ethnography is not merely significant but necessary. We need more research on solidarity, and indeed participant observation for long periods among the activists of current solidarity economies, since these realities on the ground are shifting and transmogrifying quickly. Only immersed, sustained, and involved ethnography can capture the subtleties of such changes.

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## MONEY'S SOCIALIST POTENTIAL – A MAUSSIAN PERSPECTIVE

by Mario Schmidt (a.r.t.e.s. Graduate School for the Humanities, University of Cologne, and DFG Research Training Group "Value and Equivalence", Goethe University Frankfurt am Main)

It is rather common among anthropologists to assume that Marcel Mauss – gift theoretician, socialist, and self-proclaimed political economist (Mauss 1924) – would have embraced several recently circulating economic ideas that can be subsumed under the label “sharing economy”. These ideas claim to be able to correct shortcomings of the current neoliberal free-market capitalism through the abolishment or sidelining of money (see Hahn 2012). They are not only proposed as viable means to reduce massive wealth inequalities but also hailed as solutions to the urgent ecological problems of our times. The assumption that Mauss’ economic theory supports a primacy of non-monetary sharing activities, a “gift economy”, is, however, short-sighted. In contrast to this, his discussion of the Bolsheviks’ failed attempt to get rid of money (Mauss 1997) and his reluctance to propose a “gift economy” as a feasible alternative to a monetary market economy regulated by the state and intermediary associations such as trade unions (Mauss 2002: 98-99), professional associations each possessing their own ethics (Mauss 1969a) and worker- as well as consumer-cooperatives (Mauss 1901, 1920, 1997: 541-542) illustrate that Mauss was rather critical of utopian ideas that were trying to overturn an economic system based on money and a free market:

“It was even more absurd to assume that in order to bring socialism into being it would be necessary to destroy what constitutes an economy to begin with, namely the market. [...] it is the organization of the market, not its oppression, that socialism – i.e. communism – must look out for. [...] The majority of socialist theories have [...] predicted that future societies would be able to get rid of money. The communist experience has proved the contrary.” (1997:541-542)<sup>4</sup>

Mauss, however, did perceive money as a highly ambivalent concept. Money is, on one hand, a “good” medium producing and mediating the

information necessary to organize an economy, i.e. a medium providing information about economic actors’ demands and about their willingness and ability to take risks in order to make profits.<sup>5</sup> On the other, money potentially turns into a “bad” catalyst of unjust relations between members of different social classes. This second property originates in another crucial “paradox of money”, namely that, at least in capitalist economies, money is used as a medium that indexes simultaneously the demands of its owner and the “price” of every person, i.e. the value of its labor power, its credit standing, and the multiple insurance contributions each person has to pay in order to enjoy insurance coverage. This bifurcation of money’s indexing ability is a precondition for the bifurcation of capitalist societies into actors who invest, i.e. capitalists, the finance sector and insurance companies; and actors in whom the investors invest, i.e. workers, debtors, and insureds (Mauss 1969b: 111, Polanyi 1957).<sup>6</sup> The peculiarity of Mauss’ politico-economic ideas is now the assumption that the ambivalent nature of money can be exploited for socialist goals. He suggests that money’s “good” property can be used to ward off its “bad” trait, i.e. money’s ability to bring forth and solidify social, political, and economic inequality can be tamed by organizing money’s potential to provide information in a collective, socialist, and more just way. In other words: Mauss attempts to exploit money’s neoliberal virtues (its ability to produce and mediate information) for the fight against neoliberalism’s vices (unjust socio-economic relations). Mauss’ theory thereby occupies a unique position in the scholarly and politically enacted fight between neoliberals who claim that money is a necessary but “neutral” medium for an economy’s organization (Hayek 1945), and socialists, communists, or some adherents of a “sharing economy” who claim that money itself is the root of all evil.

But what economic activities or ideas are subsumed under the rather elusive notion “sharing economy”? It is helpful to distinguish at least two different types of economic activity: on one hand there are proper *sharing activities* where either the burden of the price to buy an object or the burden of finding capital for an investment is shared. Examples of the first type include pro-

<sup>4</sup> All translations are my own. For a German translation of Mauss’ articles on money see Mauss (2015).

<sup>5</sup> On the *Socialist Calculation Debate* see Auerbach/Sotiropoulos (2012).

<sup>6</sup> Ultimately Mauss, like Marx and proponents of the *German Historical School of Economics* (e.g. Hildebrand 1922), views it as highly problematic that the class structure of capitalism prevents workers from raising enough capital in order to invest.

professionally organized car-sharing (for example *Zipcar*) or shared flats; an example of the latter is crowdfunding. On the other hand there are *redistribution systems* whose participants get rid of goods they no longer use by either selling, exchanging, or giving them away freely (for instance on *eBay*, *craigslist*, *Swap.com* etc.). Leaving aside those profit-oriented activities that consider more and more types of goods in terms of the capitalist logic of renting these out to people who do not possess the means to buy them (from apartments to cars to tools), privately organized expenditure (buying one car for five persons) and privately organized investment (crowdfunding), which combine the purchasing and investment power of several individuals in order to at least partially mark their demand in the market, build upon the same principles as and share the main objectives with consumer-cooperatives: to open up markets for people who do not possess the means to enter them. It is nevertheless rather short-sighted to assume that any *sharing activity* proceeding along these lines is inherently more socialist than the individual purchase of a good. Without proper political and social institutionalization these *sharing activities* forego the potential to become visible as being anchored in the political will of associations constituted by several economic actors and thereby miss the chance to challenge the capitalist equation of “1 individual human being = 1 economic actor”.

Adherents of a sharing economy, however, rarely refer to socio-economic problems as the main target of their activities. They rather claim to offer an alternative to capitalism’s allegedly irrational belief in continuous growth that, supposedly necessarily, causes irreversible ecological damage.<sup>7</sup> By performing activities such as sharing food or even “stealing” food thrown away by supermarkets they attempt to contribute to a “degrowth” of our economic system (Latouche 2007). Instead of using money’s demand-indexing potential, they abstain from using money at all. The logic behind these activities neglects that capitalism’s inherent unity with financialization is built upon the principle that money not used by its “owner” – at least as long as she stores it in a bank account – is used by other people. It is thus at least questionable to view *redistribution activities* that deliberately function without money – for instance food banks or sharing platforms – as economic activities at all: they neither enforce the production

or non-production of goods nor index the demands or the willingness to take risks.

In contrast with this, suggestions favored by Mauss – the introduction of additional property concepts beyond that of property owned by individuals, i.e. national property, property belonging to a specific local or professional group (Mauss 1997: 546); alternative taxation systems (Mauss 1922b) that would make sure that the rich once more become the “financial guardians of their fellow citizens” (Mauss 2002: 88); workers’ participation in the decision as to how a company’s capital is invested; or the combination of individual actors’ purchasing power through the formation of consumer-cooperatives – are intended to balance the socio-economic inequalities brought forth by differences between the abilities of members of diverse social classes to inform others of their own demands and investment potentials. The problem is therefore not that markets for goods, capital, and risk exist, but that some economic actors are structurally unable to participate adequately in these markets, because they do not possess the medium necessary to do so, i.e. money. Precisely because buying something – as much a “total social phenomenon” (Mauss 2002: 3) as giving a gift on the Trobriand Islands (Mauss 2002: 27-39) – and investing – as much grounded in the competition between actors as the destruction of wealth on North America’s Northwest Coast (Mauss 2002: 42-59) – play a crucial role in the constitution of a society with a common destiny and shared expectations (Mauss et al. 2006, Aglietta and Orléans 1998), everybody’s full participation in the economy constitutes a human right (Hart et al. 2010).

Far from being such a universal right, the degree of participation in the capitalist economy is to a large extent a function of an individual’s position in the net of capitalist power relations. These power relations become manifest in a fundamental difference between capitalists’ and non-capitalists’ abilities to (1) index their demand/investment potential, and to (2) access or creatively shift their debts on the financial market – a necessary part of any functioning market economy because it generates prices for taking risks that subsequently organize investment (Marx 2004, Sotiropoulos/Milios/Lapatsioras 2013, Keynes 2007, Mauss 1922a). The main problems of a monetary market economy that does not function properly and justly are therefore consequences of the specific arrangement of the politico-economic relations between members of diverse social classes, and Mauss’

<sup>7</sup> Cf. the *Convivialist Manifesto* (2014) for an explicitly Maussian argument along these lines.

chief goal was to replace these oppressive capitalist power relations with a socialist alternative: syndicalistically organized factories which would nevertheless continue to depend on taking risks by lending money from communally organized credit unions (Mauss 1997: 543)<sup>8</sup> at a price established by the mechanisms of a free market, whereby society itself would become the “main dispenser of credit” (Mauss 1997:543).<sup>9</sup> In other words: Mauss did not want to replace the freedom of individual entrepreneurs with the coercion of the state, as he accuses the Bolsheviks of doing (Mauss 1997: 547-556), but rather he believed in a social and economic superiority of political and collective associations whose members decide voluntarily to unite themselves with one another in order to increase their economic influence and productivity.

By way of conclusion it can be said that, from a Maussian perspective, money does not necessarily impede the emancipation of the poorer segments of a society, but – if its ability to mediate and produce information is socialistically exploited – it offers an excellent and democratic entry point from which to change our societies to the better. As a “fetishistic” (Mauss 2006:259) entity mediating and at the same time producing a society’s expectations, money seems to be doomed to be viewed either as a demonic device leading to encompassing poverty or as a soothing savior bringing forth a more just society. In contrast to this rigid dichotomy, Mauss’ main politico-economic insight, namely that money must always be used in specific ways, of which some can be beneficial to our society while others might not, can ignite hope for a more just, as well as more human, future economy.

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<sup>8</sup> Recently my colleague Kai Koddenbrock told me about the interesting idea of establishing so-called “debtors’ unions”, collective organizations that combine the aggregate power of debtors to achieve shared goals (debt relief, better interest rates etc.) by diverse collective actions (collective non-payment, providing legal advice etc.), see for an example: <http://edudebtorsunion.org/wp/>.

<sup>9</sup> If the society as a whole becomes the main dispenser of credit, each individual is by definition liable for any defaulting debtor and defaulting on one’s own debts transforms from an individual violation into a problem that must be solved collectively (Graeber 2011).

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## LIVING WITH MONEY IN INDIAN AND AUSTRALIAN FAMILIES

By Supriya Singh (Professor of Sociology of Communications, RMIT Melbourne)

Growing up in India, I had taken for granted some aspects of living with money. I belonged to a refugee family who had moved from Karachi to Delhi at the Partition of India in 1947. My father started his medical practice again in Delhi. But my eldest sister, who began working in Delhi, also contributed her wages. My mother also brought in some money from teaching Punjabi in school. This pooled money was used for the family. It was 'our money'. The boundary of family money after Partition focused on the nuclear family. Before Partition, only my father was in paid work. But significant monetary support and gifts in kind flowed from my mother's grandmother when she was alive, and from extended kin.

Parents gave money to their children, and children gave money to their parents. My sisters moved away from home, but continued to send money to supplement the household income. For two years, my eldest sister took the responsibility of paying for my education in a residential school. There were times when my second sister's remittances paid the food bill. When I began to live and work in Malaysia, I too sent money to my mother. She did not need the money for food, but it was additional discretionary income. Often she kept most of it aside to gift to me when I visited her.

Growing up, my mother and I talked openly about money. By then, she had become the main wage-earner. I knew the household income and expenditure and hence knew how much money was available to spend and share. In later years when I was in Malaysia and Australia, my uncle – my mother's brother – would also ask if I was financially alright. It was not an idle question: he wanted to know if he could help with money, and he did.

I grew up receiving gifts of money on birthdays or when relatives came to stay. And when it was my turn, I also gave the ritual money gift, the *shagun*, packaged in specially decorated envelopes. This was prompted at births and marriages, or when a newborn child or married couple visited my home for the first time. When

leaving a family home after a visit, it was mandatory to give *shagun* to younger relatives.

I accepted without question that the amount must be ritually auspicious – Rs 101 rather than Rs 100, Rs 501 rather than Rs 500. How much to give was usually something I discussed with my mother. The social calculation took into account the history and quality of relationship and the give and take that had happened between the two families. It had to be an amount that reflected relationship as well as capacity. After my mother died I often got it wrong, not being able to gauge the adjusted amounts taking into account inflation and the different standards in metropolitan cities and small towns.

In the main I had developed a rosy picture of money in families in India. I heard stories and saw films of older people being abused by their children. Disputes over inheritance were rife (Singh, Forthcoming). However, the norms around money as a medium of care remained unshaken.

My sureties around money were challenged when I moved to Australia in 1986. Money was not seen as an appropriate gift. Grandparents often put cash in the birthday cards, but in general, money was seen as impersonal and signaled a lack of care. This is changing slowly with a greater number of de facto marriages and remarriages. In some of these cases, there is an explicit request for cash contributions. This happened with my oldest Anglo-Celtic friend's daughter's marriage, though with a big dollop of embarrassment. My friend found that most of the guests put in less than they would have spent on a present. There was little social guidance about the calculability of these money gifts. But the gift of cash elicited a thank you note just as a packaged gift. I received a 'thank you' card from my friend's daughter and her husband saying that the money would go towards their carport. However, soon afterwards they sold their house.

Attitudes are also changing because of relationships with other cultural groups in a multicultural Australia. In mid-2015 I went with the same Anglo-Celtic friend to a Somalian wedding in Melbourne. She had an important relationship with the family and gave them a set of beautiful glasses. I gave the mother of the groom an envelope containing money. Even today my friend talks of how normally the groom's mother accepted the envelope.

The emotional understanding that the way money is treated in Anglo-Celtic families in Australia differed from my experience in India came with my 1990s study of money in marriage and banking among middle-income Anglo-Celtic couples in Melbourne (Singh, 1997). I met a couple that was going through difficult times, but they had not talked about money with their adult children, who were still living at home. Another father said he did not ask his married children how they were doing in terms of money. Talking about money, he said, was like talking about sex. He sees they have bought a new car and they have a good home; he surmises they are doing alright.

My participants in the study did not give money to their parents. Money went only one way. Parents and grandparents gave money to children and grandchildren while they were young, but money did not flow back up the generations. There was one family group where the son and his family lived in an upper-middle-class suburb with a beautiful home, while his parents lived in council housing in a low- to middle-income suburb. With my own experience in mind, I asked his mother whether the son gave her money. She said she did not expect him to do that; he had his own responsibilities. Moreover, she said they, the parents, had enough and could manage with the welfare payments and any savings they had. She valued her independence.

This way of dealing with money in the family questioned my moral compass. When I sent money to my mother, she would talk of it proudly in inflated terms, for it meant she had raised a filial daughter. The morality of money in my culture revolved around reciprocal care between parents and children. I had grown up with stories about how a person's place in the world was displayed by how well he or she looked after his or her parents. When my mother told of how her grandfather and his brother had become rich, the story was about how her grandfather's mother no longer went out to work but could sit at home wearing heavy gold bracelets. The world knew she had sons who were doing well and were filial (Singh, 2013a). After this disturbing interview, I told my 20-year old son, who was living with me in Melbourne, that if he wanted to give me money when I was older, I would gladly accept it.

Reflecting on this and other interviews, I realized that the story differed with regard to money, but not with regard to care in the family. The

people I studied showed care, but not by giving money. One mother's son showed caring by telephoning and visiting her often. He mowed the garden, cleaned the gutters, and took her shopping, banking, and to the doctor. It was these family practices rather than money that "displayed" the quality of family relationships (Finch, 2007).

The way money is treated within the family may change within the same cultural group across generations. The same mother who did not expect money from her son had her mother living with her and her husband till her mother died. Parents and grandparents giving money to adult children and grandchildren have increased with the rising price of housing. A 2005 Australian study of 7,000 persons over 50 years old – the majority were home owners – showed that more than one-third had helped their children financially to buy a home. Help was more often in the form of an informal loan with no interest than in the form of a gift. However, the parents did not expect care in return. Only 4.2 percent said they had moved or would move to live with their children (Olsberg & Winters, 2005b). While studying Anglo-Celtic families in Australia, I felt that the Indian way was unusual. But as I extended my work on money to the Global South, I found that money was an appropriate if not a preferred gift in Asia and the Pacific, Africa, and Latin America. Money travelled in both directions across generations in a family. It was this sharing of money in the family that has resulted in international remittances becoming one of the largest international flows of funds – greater than foreign aid and foreign direct investment in most developing countries (Singh, 2013b).

It is the Global South that is now shaping the future of money. Next time around, perhaps my Anglo-Celtic friend will give an envelope containing money at a Somalian wedding.

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## MONEY IN THE GLOBAL SOUTH

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Over the last centuries capitalism has become global.  
Are there any alternatives to this coming from the  
Global South, both within and outside capitalist systems?

<https://www.youtube.com/watch?v=NVbdv7zFY3E&feature=youtu.be>

# CONTRIBUTIONS OF COMMERCIAL SMALL-SCALE FARMING TO FOOD ACCESSIBILITY – EXAMPLES FROM KENYA

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## Introduction

In the context of a globalising world and a globalising economy the problem of the existence of a large number of people still facing hunger and food insecurity has not been solved. Even further, discussions have taken place about whether small-scale farmers in the Global South would be better off not engaging in global capitalism – e.g. through export production – but focusing instead on self-supply strategies in order to produce enough food and not become dependent on volatile markets, high prices, and the vicissitudes of the global food situation. However, such a self-supply strategy might run the risk of earning insufficient money for an adequate and healthy diet. This paper offers evidence that a mixed strategy of self-supply and commercial production can be a practical solution to achieve sufficient food security.

Especially since the 1990s food security has emerged as a frequently discussed topic in research and society. Annually, the *Food and Agriculture Organisation* (FAO) publishes a report about ‘*The State of Food Insecurity in the World*’ (SOFI). These reports show that particularly in Sub-Saharan Africa hunger is still a common problem. Furthermore, even those people who are not affected by hunger often lack a healthy diet. While especially hunger problems were mostly linked to the problem of food availability, more recent studies and applied work further focus on the dimension of food accessibility. In this context the purchasing power of a household is seen as key factor for accessing food. As a result, an often-discussed strategy for farmers is to move from subsistence farming, with the aim of producing their own food directly, to a strategy of producing cash crops, most notably for export, in order to make money to buy food. Following this highly discussed argumentation this article is concerned with the food access of commercial horticultural small-scale farmers in the Mount Kenya region. The central questions include: What is the situation with regard to these farmers’ households’ food access? What does the case of food access of commercial horticultural

small-scale farmers in the Mount Kenya region teach us about issues of food security? What variables influence their households’ food access? To what extent does the households’ involvement in commercial horticulture, and global markets, influence the situation of food access, and therefore food security?

## Food Security and Access to Food

Food security is given when “all people, at all times, have physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life” (FAO 1996). Following Ingram (2011), guided by the FAO definition, this concept should be seen in the broader context of food systems. Within food systems there are activities – such as the production and processing of food raw materials – and outcomes, such as e.g. food security. Food security incorporates three dimensions:

1. Food availability;
2. Food accessibility;
3. Food utilisation (cf. Fig.1).

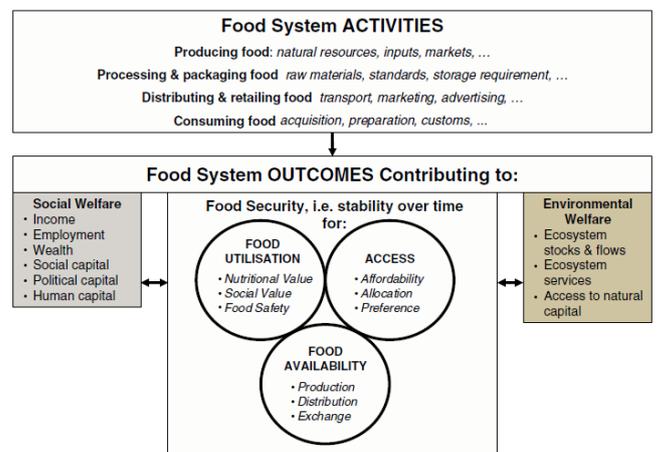


Fig. 1: Food System Activities and Outcomes (Ingram 2011, p.421)

Food availability is marked through the production, distribution, and exchange of food products. The safety, and the nutritional and social value<sup>10</sup> of food are parts of the food utilisation dimension. Food access is influenced by the purchasing power of the household and the relative affordability of food; the allocation of food products; and individuals’ preferences. “Food availability is necessary but not sufficient for access, and access is necessary but not

<sup>10</sup> The social value of food products is determined by social, political, and economic functions generated through the consumption of specific types of food. Ingram, J. (2011) A food systems approach to researching food security and its interactions with global environmental change. *Food Security*, 3, 417-431.

sufficient for utilization” (Webb et al. 2006, p. 1405). This study focuses on food access. “Access has been defined as a household’s ability to acquire enough food of sufficient quality to have all its members meet their nutritional requirements and lead productive lives” (Labadarios et al. 2011, p. 891). While Ingram defines food access as outlined above, this study follows the related definition of the FAO, which is more suitable in an empirical study. According to the FAO (2014), food access could be divided into *economic access*, measured with the domestic food price index, *physical access* as an infrastructural component, and the *prevalence of undernourishment*.

On the household level different access strategies are used to attain food security. One strategy to provide especially economic access in rural areas is cash-crop production in order to buy food. On the other side critics argue, from a perspective of food availability, that it is questionable to use scarce resources (e.g. land, irrigation water) for cash-crop production, instead of using them for household food provision (Brigham 2011, Idalinya 2012). In this context it is also generally discussable as to what extent cash-crop production is a possible strategy for all farmers, or rather only for a capable minority while potential negative effects affect the broader community (e.g. reduction of water availability).

### **Horticultural Farming in Kenya and the Mount Kenya region**

In the rural areas of Kenya, as in nearly every rural region of Sub-Saharan Africa, agriculture is the main contributor to a household’s livelihood, and as a result has a vital impact on the food security of most households. Commercial horticulture in Kenya is seen as a possibility for generating income and reducing poverty of rural households (Muendo and Tschirley 2004). Following this, horticultural production is regarded as a chance to improve the food access of those households involved by raising their incomes (Afari-Sefa 2007). However, keeping in mind possible conflicts between food- and cash-crop production, a deeper understanding of the food security situation and strategies of such farmers is needed.

In the Mount Kenya region cash-crop production is highly concentrated, and the region is known for a rapid growth of the horticultural export sector, mainly to countries in the European Union. Land holdings in the area – typical for Kenya – are generally less than 15 ha and

managed by family ventures. Since the 1990s horticultural export production has become the most important form of income in the region. Export products are, above all, French beans, snow peas, avocados, and mangoes. In 2005, about 4000 horticultural farmers in the area were producing for export (Dannenberg 2011, Dannenberg and Nduru 2013). However, even in Mt. Kenya a lot of farmers do not produce for export and most export-oriented small-scale farmer households in the region follow a mixed strategy in producing cash-crops for the export and domestic market as well as food crops for own consumption (Muendo and Tschirley 2004). To compare these different groups of farmers with different markets, incomes, and strategies and their influences on food accessibility, this study includes farmer households who produce for the horticultural export market and those who sell their produce at the local markets.

### **Data and Methodology**

The presented study is the outcome of a student thesis based on an empirical study of six weeks in February and March 2015. Following our research questions, a mixed methods approach was used, consisting of 88 quantitative questionnaires completed by farmers, and 29 qualitative interviews with farmers, extension officers, and employees at the *Ministry of Agriculture, Livestock and Fisheries* (MALF) and the *Horticultural Crops Directorate* (HCD)<sup>11</sup>.

In this research design, access to food is the dependent variable, and is measured through components of the households’ economic and physical access, as well as the prevalence of undernourishment. The monthly income level of the household was used to operationalize the economic access (Webb et al. 2006). The distance to the nearest food market and the type of transport used were indicators for physical access. Undernourishment was mainly captured by household data about the frequency of consumption of grains, vegetables, fruits, dairy products, meat, and fish, as well as the number of meals consumed. Additionally, the proportion of the households’ total farming production devoted to food-crop production was also a measure for the dimension of prevalence of undernourishment (Masekoameng and Maliwichi 2014). Food security or insecurity was captured

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<sup>11</sup> A detailed description of the data collection process and the qualitative and quantitative analysis can be found in Pargen, L. (2015): Zugang zu Lebensmitteln von Kleinbauern in der Mount Kenya Region. *Bachelor Thesis*. University of Cologne.

through the occurrence of food shortages during a year and the number of months characterized by food shortages (Coates, Swindale and Bilinsky 2007).

The first step of the statistical analysis was to verify a relation between the variables of food security and the variables used to operationalize the different access dimensions. Subsequently, variables which could have an impact on the access dimensions were tested. Data from the qualitative interviews were used to identify influencing factors on the farmers' food security and to interpret the quantitative results.

## Results and Discussion

In total 19 farmers in our sample produced for local markets, 65 farmers produced for export and local markets, and four farmers produced only for export. All surveyed farmers also produced food crops for own consumption. This already suggests that it is important for small-scale farmer households to achieve a certain balance between cash-crop production for income-generating purposes, and food-crop production for household consumption in order to have sufficient access to food.

However, 44% of the 88 interviewed households were still affected by food shortages during the year, and thus were classified as food insecure. Food shortages imply merely a restricted access to higher-valued food products like meat, fruits, and vegetables. Basic food products like maize, rice, and milk are still available. A greater part (49% of 39) of the food-insecure households face food shortages during two months of the year. Strengthening the findings of KFSSG (2011), food insecurity viewed from the food-access angle is not a striking issue. Following this, food insecurity may not be a so much a problem of food accessibility, but rather a question of food utilisation.

Food shortages during a year	Quantity	Valid quantity
yes	39 (44.3%)	45.9 %
no	46 (52.3 %)	54.1 %
	Missing 3 (3.4 %)	Total 100 %

Fig. 1: Food shortages during a year

Contradictory to FAO's assumptions (2014), there was no relevant relationship found between the infrastructural variables of the physi-

cal access and the occurrence of food shortages during a year. Our interviews indicated that this is due to the small nearby shops offering a basic stock of food products. Otherwise, both prevalence of undernourishment and economic access variables have an impact on households' food security, as measured by food shortages during a year.

Furthermore, our results showed no significant differences in food shortages between the export-oriented farmers and the non-export-oriented farmers. However, by taking a closer look at other related factors, significant differences appear.

A relation was revealed between the proportion of farmland used for export cash-crop production and the monthly income. This underlines the high economic value export production can have in relation to domestic market strategies (see also Afari-Sefa 2007, Dannenberg and Nduru 2015).

A further link exists between the economic access, measured by monthly income, and the occurrence of food shortages during a year. A higher monthly income of the household apparently leads to better food access and therefore enables food security. Furthermore, a higher monthly income decreases the duration of food shortages.

The proportion of farmland used for food crop production, a measure for the prevalence of undernourishment, has an influence on food access. Farmer households that allocate more than 10% for own consumption purposes are more likely to access enough food. Nevertheless, it is remarkable that households using more than 30 % of the farming land for food crop production have a tendency to be affected by food shortages, but this group of farmers is too small to exhibit a strong argument. This indicates that at a certain level the ratio of food production to cash-crop production (given the limited available land) becomes too high, and the outputs of cash-crop production become too small. Supporting Masekoameng and Maliwichi (2014) our study underlines that the combination of commercial income and food-crop production can be an important and useful strategy to assure food security.

The results further exhibit a relation between the gender of the farmer in charge and the occurrence of food shortages during a year. As other studies have already stated (Kassie, Ndiritu and Stage 2014, Ivers and Cullen 2011,

Mallick and Rafi 2010), if the farmer in charge or the head of household is male, the household is more likely to access enough food. According to the literature this gender effect can be explained as being due to male-headed households having greater access to resources like land, income, markets etc. However, this could not be verified by our data.

A key factor for food security however is water: In the dry season farmers are in severe competition over water, especially for their irrigation. Confirming earlier studies (Falkenmark 2010, Besada and Werner 2015), 90% of those classified as food-insecure households stated that the dry season and the associated scarcity of water induced food shortages. Investments of the government and non-governmental organizations are already targeting these issues.

As mentioned above, it can be problematic to use scarce resources for cash-crop production instead of food-crop production. Hence, a replacement of traditional food crops through cash crops for income generation could pose a problem for food security in the Mount Kenya region in general. Indeed, our results show that the proportion of land used for export cash-crop production has a negative impact on the proportion used for food-crop production. However, the proportion of land used for export production is negatively influencing the proportion of land used for local cash-crop production to a greater degree. Thus, producing cash crops for the export market is more at the cost of land otherwise used for cash-crop production for the local market than it is at the cost of the proportion of farmland providing crops for own consumption. Hence, farmer households are able to produce both cash crops for the export market and food crops for own consumption purposes. In this way a mixed strategy – which in the literature is discussed as being challenging (e.g. Brigham 2011) – is possible.

From an individual farmer's perspective this means that export-oriented cash-crop production can be a useful strategy to gain income and achieve economic food accessibility without reducing one's own food production and availability. (For broader political development strategies the decision-making process is more complex, as e.g. different capabilities of farmers and related problems of unequal distribution of wealth and potential external negative effects have to be taken into account).

## Conclusion

In sum, food insecurity among horticultural small-scale farmer households in the Mount Kenya region is not severe; at the most it is a temporary issue influenced by water scarcity. However, the food security of the analysed farmers is affected through the economic access dimension. A higher monthly income contributes to a better food access situation in those households. A larger proportion of the farming land being used for food crops increases the households' food access, yet only up to a certain threshold. Households with a male person in charge of the farming business, and sufficient access to water for irrigation, are better off in the dimension of food access and therefore food secure.

Our results underline that a mixed strategy, which includes food and cash crops in this context, can be a reasonable approach to achieve a relatively high level of food security. While generally it can be challenging for farmers to find the right balance between food and cash crops, the strategy of moving from local commercial food production to the high-value export production without eliminating food-crop production has turned out to be practicable so far. For farmers, mixed production of cash crops and food crops can be a possible strategy to ensure economic access and reduce the prevalence of undernourishment to reach food security. This indicates that a balanced integration of small-scale farming households into global markets may offer a good chance for farmers to achieve food security. As a result, such mixed strategies should be considered as options for achieving food security in similar agricultural production systems in Africa and the Global South. Policy-makers should however also keep in mind the specific capabilities of the farmers involved, and consider that often not all farmers are capable of following such strategies.

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## THE POLITICAL ECONOMY OF TERROR IN EUROPE

By Giorgos Poulimenakos and Dimitris Dalakoglou (VU Amsterdam)

Footage that shows the Abdeslam brothers having fun in a nightclub in Brussels, even after their so-called radicalization, came as a bit of a shock to many. In the images, the men now known to be terrorists were smoking, drinking, and dancing; they were using the same body language and slang to the other people in the club. They did not look like were following different than usual norms, but on the contrary they were behaving more or less as one may expect from young males of Northern Europe to behave in such situation.

Generally, sociological and anthropological research often shows that in European countries fewer and fewer second-generation Muslim immigrants pay attention to religion, let alone political Islam. What one sees in daily life amongst second and third generation male migrants in North Europe is self-expressions that prioritize different things than religion. If one was to observe ethnographically some examples, self-expressions through urban pop subcultures, the pursuit of material goals including consumer goods like fast cars etc. seem much more common than religion.

The majority of the analyses that appeared in media and social media discourses after the two recent attacks have not failed to reproduce the motifs that emerged after 9/11. On the one hand, there is the ultra-conservative Islamophobic discourse that argues that there exists an intrinsic, ontological violence inherent in Islamic scripts and values, and therefore that the Muslim population poses a continual historical threat to the Western world.

On the other hand, there is the leftist-oriented interpretation of the phenomenon of Islamic terrorism, which traces the origins of brutality to the consequences of historical Western imperialism in the 'Orient'. Many centuries of Euro-American interventions has often forcibly altered the economic, political, and social realities of peoples all around the world, according to Western geopolitical interests. From the Syces-Picot agreement, to the role played by the USA in the formation and strengthening of militant organizations of political Islam, these approaches expose the dark historical processes that ensured Western

global domination at the cost of the well-being of other populations. Thus, these more leftist opinions call for the blame to be placed on the geopolitics of capitalism, and not on a religion or a specific group of people.

The first argument, the conservative one, remains very popular; nevertheless it has been already criticized heavily, and rightly, and to this we do not have much to add. In this brief text we wish to focus a bit more on the latter argument and to examine some of its own logical discontinuities.

This second, progressive line of thinking explains a source of monstrosity that 'we' (the West) created 'out there', which has now begun to invade 'here' – rather like the ancient Greek myth of Nemesis. But what if our Nemesis appears in a more familiar guise?

One perhaps should start their inquiry by wondering what collective subjectivities are produced amongst European youth when they witness, and are invited to remain indifferent to, the mass deaths of migrants and refugees along the European borders? According to the Greek Minister of Migration, his Belgian colleague Theo Francken told him: 'you must consider letting them drown' as his official position on the refugee crisis. The Belgian government denied the statement; however, it remains a fact that this has been the European governments' collective attitude towards refugees for some time now. Might not the word *nihilism* be an appropriate term to describe such attitude?

Before fear become a norm in the European capitals because of the consecutive attacks, there was another condition producing fear for substantial parts of the European population – that is, for the working poor, those occupied in precarious or undocumented labour, subcontracted labour, and in general those who are victims, or remain continually potential victims, of the flexible labour market. It might not seem a proximate reality (at least until now) for middle-class white college educated Europeans, but this is precisely the reality for many second-generation migrants in countries like the Netherlands, France, Belgium, and the UK. A brief visit to blue-collar workplaces like factories, logistics warehouses etc. – those industries that keep everything moving smoothly in European metropolises – would be enough to make this phenomenon apparent. A British Imam, giving his opinion about what

draws young people to radical Islam for a TV show, stated recently: 'I believe that European societies are not giving ways out to young people anymore. For example, here in order to play tennis you have to pay five pounds. You have to pay to do anything.' Everyone who has lived in the UK has heard the typical joke: 'every breath you take costs you one quid in London'. During the post-1990s era, the hegemonic discourse in Europe was claiming that social class inequality is a myth that does not apply in contemporary World. The mantra of depoliticization of everyday life, and the erasure of visible social contradictions was repeated by intellectuals, journalists, politicians etc. Unlimited growth of an economy where everyone would be benefited via increase of the consumption were promised and there was space supposedly for everyone in that European Dream. However, this did not happen and since there is no political-economic antagonism, it is nobody's fault, this is how it is, some people will be excluded from the party. But maybe if we teach people that there is not such a thing as social class or class antagonism, and that such ideas do not explain social asymmetries in contemporary society, it follows that there is no one to blame for poverty and inequality. However, if there is nobody to blame does not follow that everyone is to blame?

of Western capitalist societies?

This is not to say that the religious factor is of absolutely no importance. However, living between a very politicized European country where axes of reference are political (Greece), and northern Europe ( Netherlands and UK) where politicized explanations of the world are almost invisible among the younger generations, we are examining the possibility that the pain we are facing in northern Europe has little to do with what is happening 'out there'. Perhaps religion is being used as an *a posteriori* explanation of a phenomenon that actually has its roots in modern secular European culture.

At the end of the story might it be that this kind of twisted radicalization is not the product of a failure of integration of migrants into the European setting, but the opposite? Such attitudes might rather be indicative of a deep assimilation to the unethical ethos of the neoliberal Europe of the 1990s-2000s. Is it too extreme to say that the creation of these nihilistic subjectivities that spread terror in Paris and Brussels are compatible with – if not a consequence of – the neoliberal systemic shift

## SURVIVAL IN POST-MINING COMMUNITIES IN SOUTHERN AFRICA: WOMEN AND ENTREPRENEURSHIP IN LESOTHO

By Sean Maliehe (Post-doctoral fellow in the Human Economy Programme, University of Pretoria)

### Background

The world's dominant economic rationality, *homo economicus*, is narrow and individualistic. It has benefited those with money while marginalising those without. It has cultivated staggering inequality, violent oppression of the majority of the people, and the suppression of their human rights, most profoundly in the Global South. The trickle-down benefits have never reached the majority of the people, but the rich have become richer and richer. Emphasis on GDP increase and growth has been nothing but an illusion of hope to legitimise the neglect and marginalisation of the masses. The scientific and computational economic approaches used by experts, particularly economists, have divorced the study of the economy from the rest of the people. It is time to reclaim and release the economy to the people, both theoretically and practically speaking. This involves expanding our knowledge and methods of studying what the people do for themselves.<sup>12</sup> The exercise also involves critically examining the dominant post-WWII economic development model that sought to standardise world societies according to the image of the West. Communities in the Global South were shepherded to fit into a mould created in the West – modernity in its different shades. Those that never fitted were vilified and treated as uncivilised, while the Westernised moulding attempts never stopped.

The Human Economy programme is a research group based at the University of Pretoria, South Africa, which I joined in 2012 as a PhD student. We are an interdisciplinary programme devoted to studying what the people do to help themselves in the economy, and how what they do can be amplified for the rest of the world. We believe that people are not passive in the economy. They are active actors with a certain sense of agency that might not necessarily fit with the economic mainstream.<sup>13</sup> The history of

women in Lesotho's business in the context of the decline of the southern African regional mining complex is pregnant with a myriad lessons. Their entrepreneurial pursuits of credit-rotating schemes (*stokvels*), cooperatives, and associations, and their often-deemed 'unorthodox' informal-to-formal routes make the plurality of economies and economic motives more apparent. Beyond the market economy rationality (*homo economicus*), they demonstrate mutuality, solidarity, trust, loyalty, and other obscured economic motives. These principles can be important for creating more inclusive economic models in the Global South.

The discovery of minerals in South Africa in the nineteenth century changed the history of the African indigenous people, and the region as a whole. By colonial design, southern African indigenous communities emerged as suppliers of labour to South African mines and industries. As a result, since then, almost 75% of rural households depended on remittances in Lesotho. In popular southern African historiography the country is referred to as a 'labour reserve'. However, little is known about economic activities that the Basotho, the people of Lesotho – particularly the indigenous people – engaged in for survival within the country and how they linked this emergent regional economic space with domestic survival activity. Apart from agriculture and informal business, commerce (retailing and wholesaling) was the main economic activity. Even more marginal in the economy were, and still are, the women entrepreneurs. Their activities are significant because when men left to go and work in South Africa, they had to take care of the household. Instead of resisting this, they took advantage of what the domestic economy had to offer. For their part, they emerged as economic frontier explorers of the country, albeit obscured due to patriarchy.

Remittances were never reliably adequate for the survival of the household back home. Worse, there were widespread cases of *makholoa*. These were men who left their families and married new wives in South Africa, or squandered their money in promiscuity abroad. Some came back after years while others never did. Some men supported multiple families. These stories are familiar to us and were commonly heard as we grew up. My own father was a

<sup>12</sup> Keith Hart and John Sharp, *People, Money and Power in the Economic Crisis: Perspectives from the Global South* (Oxford: Berghahn, 2015).

<sup>13</sup> Keith Hart, Jean-Louis Laville and Antonio David Cattani, "Building the Human Economy Together" in

Keith Hart, Jean-Louis Laville and Antonio David Cattani (eds), *The Human Economy: A Citizen's Guide* (Cambridge: Polity Press, 2010).

miner at one point, having taken over his father's position after his death in 1975. Back home, women had to find alternative means of survival. A lot of women found economic refuge in the informal economy, which allowed them easier access. They sold traditionally brewed beer, food, fruits, vegetables, handicrafts and other items. Many women started making significant inroads into the formal business after the 1950s onwards.

Basotho women's entrepreneurial efforts and emergent economic solidarity has become far too important a force to ignore, especially since the 1990s, as the southern African mining economic complex started to show clearer signs of decline. Many indigenous groups were retrenched while employment opportunities closed up for the men. Remittances that supported households dried up immediately. The result was twofold; on the one hand, poverty and inequality increased. On the other, this forced the Basotho to find alternative economic means of survival. Many retrenched miners invested their gratuities in property (locally known as *malaene*), transport businesses, retail business, agro-business, and other enterprises, to support their families. As men came back, the economic dynamics had shifted dramatically, and women were far ahead of the game (and they are getting stronger every day).

This change has also altered the traditional patriarchal nature of gender roles and relations that had previously marginalised and left women with no meaningful economic say or participation. They use money and markets to transform their traditional space of the 'kitchen', which housed groceries, pigs, and chickens. To the rest of the people, their businesses in the form of grocery stores, poultry, restaurants, sheebens, piggery, etc. were immediately identifiable with the space patriarchy accorded them. This became a recipe that silently and non-aggressively changed gender roles and relations. The story of women in Lesotho's economy gives us an opportunity to draw some lessons that may assist economies in the current regional and global economic crisis.

### **Women in Colonial Commerce**

The story of women in local business falls within the history of indigenously-owned business. However, their involvement in local business as enterprise owners dates back to the 1940s and 1950s. Women in colonial commerce were in the periphery of the periphery. Commerce – retailing and wholesaling – was the dominant

form of business. It was monopolised by European traders that mostly arrived in the late nineteenth century after Lesotho became a British Protectorate in 1868. Through the European-only Basutoland Chamber of Commerce, they collaborated with the colonial government to exclude and marginalise Basotho and Indian traders. It was not until 1906 that the first Mosotho opened a business. However, Basotho's licences restricted them from operating in the town centres. The colonial government strategically placed them in remote rural and mountainous areas that lacked infrastructure (especially roads and bridges) and adequate customers.

Until the 1920s, there were less than 10 Basotho licence holders; all men. Due to the recession of the 1920s and 1930s, their businesses collapsed. The Basotho pressured the colonial government through their political and business associations. The most prominent were the Basutoland Progressive Association, the League of Commoners, and the Basuto Traders' Associations, which had been formed in 1907, 1919, and 1940 respectively. As a result, a significant increase in the number of Basotho traders occurred after 1951, following the government's announcement of Proclamation No. 72. The Proclamation provided for what was called a Basuto Restricted Traders Licence, which was specifically intended for Basotho. The number of businesses owned by Basotho increased from three in 1935 to about 2,700 in 1958.<sup>14</sup>

It was only after 1951 that a larger number of women were able to open businesses of their own. According to colonial laws, traders' licence applicants had to be taxpayers. Basotho women were not recognised as such by the Native Tax Proclamation No. 3 of 1911, which enforced and regulated the payment of tax.<sup>15</sup> The new law exempted them from the tax prerequisite, on condition that their husbands or fathers were taxpayers. From 1951, a number of Basotho women were issued with trading licences. Even though the colonial laws permitted them to apply for such licences, available information suggests that only very few Basotho women owned and ran such stores prior to independence. Nonetheless, for the largely marginal Basotho women, this was a major breakthrough. Essentially, 1951 was a significant year for Basotho in business, and even more importantly for women.

<sup>14</sup> *Basutoland Colonial Annual Reports, 1958*, p. 45.

<sup>15</sup> *Basutoland Proclamations and Notices, 1911*.

## How they made it

After independence, the number of indigenously-owned businesses increased further, and so did the numbers of women in business. Statistically speaking, they presently constitute almost 80% of Lesotho's local business. Many women started from the informal economy and worked their way into formal businesses. Others used remittances to start their businesses. In some cases, businesses were started by both partners. In this scenario, the husband would be employed in South Africa, or even locally, as a teacher or civil servant. The wife would then manage the business on a daily basis. Though there are some men who started their businesses from the informal economy, this has predominately been a women's route.

Women have acquired various derogatory names, including *bo 'mathoto* and *bo 'm'e ba-seterateng*, literally, 'luggage women' and 'street women', respectively. Alicia Motšoane is a single mother who owns and manages two medium-sized businesses: a furniture shop (Prestige Furniture, which has branches in three districts of Lesotho), and a funeral parlour (*Sen-tebale* Gap Funeral Services) with two branches in the country, one in Mafeteng and the other in the Berea district. In 1993, she started stocking clothes and blankets from South Africa, where she bought them at cheaper wholesale prices to resell in Lesotho.<sup>16</sup> She started selling her merchandise at the time when she was working as a secretary for a law firm in Maseru. In our interview, she said:

I started my business where every typical Mosotho woman starts. This is where we start off as hawkers. Well, I would go to the Republic of South Africa to get merchandise, which I would later sell to other Basotho . . . on part-time basis because by then I was permanently employed. I used to do my business during lunch break.

Some women moved from the informal sector into the formal sector by entering into various credit arrangements with more European traders who were able to start them off. Of course, this was widespread and not limited only to women. Though such arrangements aided some indigenous entrepreneurs in starting off, such deals also reproduced the monopoly of the Europeans. As a result, some Basotho resorted to the alternative of importing stock from South

Africa. 'Mamatheala Shale was a business woman in her late 60s when I interviewed her. She started her businesses from her tailoring background. Before she passed away in 2013, a month after the interview, she owned and managed a number of businesses, namely a petrol filling station, a business complex which she rented out to other business people, a retail store, and a tailoring company.

Shale got into business in 1973 after she completed a diploma in clothing design in England. However, when she returned to Lesotho, she could not get a job. She started designing and repairing people's clothes informally, working from her home. With her savings, she then rented a business premises and started a retail and restaurant business. She approached Frasers' wholesale branch in Maseru and successfully negotiated with its manager to give her stock on credit to start. However, gradually, she realised that the arrangement hindered her from making significant profits. As a result, she started buying her stock in South Africa. It was after importing stock from outside the country that she was able to realise better returns. Shale recollected that:

When I started, it wasn't easy. [Mampolokeng, a friend] introduced me to Frasers wholesalers whom she was dealing with and I got supplies from Frasers to build my business. The deal I had with Frasers was pulling me back ... I started buying supplies in Bloemfontein from such wholesalers as Metro, Trailer and so on. That helped me a lot.

By far, women in Lesotho have also been known to use collective credit-rotating schemes such as *stokvels* to start and support their businesses. They are locally known as *mekholisano* or *mpate-sheleng* (though the latter is more specific to burial societies). Though some men have increasingly become part of such credit schemes, they have largely been known and referred to as a 'women's thing' – *ntho-ea-basali*. 'Mamahlapane Rakuoane, President and founding member of the Women's Federation in Lesotho, testified that:

We made clusters of businesses; meaning some owned pigs, some greenhouses, some fabrics, and so on . . . we started by forming *stokvels* . . . Our *stokvels* work this way; we contribute money and divide ourselves in groups according to our capabilities, and some contribute R1,500 every month, others R15,000 . . . some contribute R200, some R500, R100,

<sup>16</sup> Interview with Alicia Motšoane, Mafeteng, October, 2013.

some even R50. We accommodate everybody. Some cannot even afford R30 monthly but [may have] a site where we can rear chickens. So, we put that site on the plate while others put money. [Then] . . . we give to one person to start or [expand] their business. [And on a monthly basis] we go to [one member's place where] she is supposed to have cooked food [to feed members of the *stokvel* at the day's gathering] and each of us is expected to pay R300 . . . We give her the money.

During my fieldwork in 2013, the Federation appeared to be the most vibrant and popular association with broad membership around the country. Its inclusive approach helped it to draw wider membership. On top of that, its economic strategy, anchored in *stokvels*, has been effective in helping many women to start and expand their businesses. There were also a number of other women-only business associations that had erupted in recent years, such as Women in Small Businesses, the Exporters Association of Lesotho, and others. Members of these associations were conscious of the fact that they constituted a majority in business as well as in other big business associations like the Lesotho Chamber of Commerce and Industry, *Mohloli* Business Chamber and Private Sector Foundation of Lesotho, but the leadership of these continues to be dominated by men – a patriarchal heritage.

### Hopes and Reflections

Economic aspirations are typically pregnant with hopes for better outcomes than current circumstances can offer. The majority of the people in the Global South struggle to realise such a futurist ambition. People on the ground may be aware of their immediate conditions, but not of the economic reality beyond their reach. Neither capitalism nor communism has been able to deliver better outcomes for them. Instead, there has been ever-increasing inequality and poverty. The story of women in Lesotho demonstrates that they did not remain submissive and passive in the economy. They organised themselves through associations, cooperatives, and rotating-credit schemes. This is one of our missions in the Human Economy Programme – to study and make sense of what people do for themselves, with the bigger mission to examine how such approaches can help in the creation of a more inclusive society where the majority of the people have a meaningful say and participation in economic matters that affect their lives. One can tease out more specific and salient lessons that can be drawn from

the economic history of the Basotho women entrepreneurs. For one, they make the reality of economic pluralism apparent. Beyond rational economic motivations, their activities are embedded in solidarity, trust, mutuality, and loyalty. Of course, these are volatile motives that cannot be taken at face value, but they expand our understanding of economic motives. These principles emphasise a far more inclusive economic arrangement and philosophy than neoliberalism currently offers. They also substantiate the fact that there are alternatives to major ideologies of production (capitalism and socialism) that are not resistant to money and markets.

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## COMPREHENDING INDUSTRIALIZATION: FROM ABSTRACT TO HUMAN

*By Mallika Shakya (South Asian University)*

Those who have followed the past several decades of economic discourses around the world, and especially in the Global South, will note that an economy is increasingly expressed in terms of rationality or profit-motive transaction while ignoring other facets having to do with reciprocity and redistribution. Methodologically speaking, information about economies is increasingly considered and communicated in abstract units of numeric values and forms of mathematical equations, while real-life histories and social trajectories are often set aside as “anecdotes”. Abstractism is a double offender: On the one hand, neoliberal experimenters use it to further the ideology of market supremacy while considering that economy stands on the equilibrium between the two anonymous forces of demand and supply. On the other hand, the Marxist discourse fetishizes class by interpreting it strictly in terms of income or occupation for exercises of central economic planning. The casualties here are the humanizing tenets of economic transactions and activities, of understanding how human beings insert themselves into the economies they are situated in.

In conceptualizing what a “human economy” might mean, Keith Hart, Jean-Louis Laville and David Cattani (2010) have argued for the fulfilment of four criteria: (i) it should be made and remade by people and should be of practical use to us all in our daily lives; (ii) it should address a great variety of particular situations in all their institutional complexity; (iii) it must be based on a more holistic conception of everyone’s needs and interests; (iv) it has to address humanity as a whole and the world society we are in. I discuss the unfolding of various economic and political turbulences in Nepal to examine whether and how such concerns are being resonated in this Third-World country situated between the giants of China and India.

Nepal is a country never directly colonized, but sufficiently colonially influenced to make a case for what Michael Herzfeld (2002) called “crypto-colonialism”. Many scholars have argued that feudalism was replaced in Nepal by colonial capitalism when it was conceded one third of its territory to the British empire following a defeat in 1815. Later, when the British rule ended in South Asia, Nepal did oust the dictatorial Rana

regime that came to rule it through implicit British support. The tragedy for Nepal was that its stint with postcolonial democracy lasted less than a decade and it fell into the hands of the mono-ethnic Hindu Shah kings in the 1960s. What this meant for the Nepali economy was that the new Hindu king hijacked the global discourse on economic modernization and democracy to build a state that was mono-ethnic and mono-religious in nature. King Mahendra justified his coup against democracy to launch a regime called Panchayat, which pursued an anonymized idiom of developmental when in reality it worked to build an elite class from a select few caste and ethnic groups under the patronage of a Hindu state (Shakya, 2013a).

The Hindu monarchy was brought to the constitutional limits in Nepal at the end of the cold war – an era Francis Fukuyama (1995) heralded as “the end of history”, which supposedly signified a global triumph of capitalism over its communist rival. For Nepal, the 1990 regime change meant a direct march toward a market-based economy from a state-protected economy through a cascaded trajectory of bureaucratic and industrial reforms. An ethnographic case study of the readymade garment industry in Nepal showed that “democratization”, for the world of businessmen and workers, largely meant deregulation of firms, including removal of entry and exit barriers into the market, and an opening up of business associations for membership of general public (see Shakya, 2004).

Neoliberalism was somewhat reversed in Nepal when the country hit an industrial crisis at the turn of the century, at a time when a civil war being waged by Nepali Maoists in the countryside calling for an end of monarchy began to seep into the cities. Especially in turbulent industries that witnessed large-scale retrenchment of labour and capital, there emerged new social movements that called for a “humanizing” drive, in terms of addressing humanitarian concerns of wealth and poverty as well as in calling for a methodological departure from both neo-classical and neo-Marxist economics, to acknowledge the role of individual actors and social institutions in the charting of the economic trajectories. I will discuss these two aspects of humanizing in the following paragraphs.

With reference to the first, there emerged a re-politicization of labour on and beyond the industrial shop floors, which called on the government to reverse the flexibilization of labour to humanize work to a certain degree (Shakya,

2016). The new union movement that emerged on the turbulent shop floors in Nepal just after 2000 must be differentiated from the union movement of the past on one specific count: the new did not limit itself to concerns over wage and working conditions alone, but worked towards achieving a broader social justice. Class formation did not happen on the isolated shop floors, but it drew on the broader socialization patterns in the world of workers that wove through overlapping structures of caste, ethnicity, regionality, religion, and gender. The class positions of factory workers took on meanings when posited within the broader domains of social and cultural configurations. Class resistance then gained life not from the narrow concerns of class interests but from broader concerns of social justice. This way of linking shop floors with the national ideological ethos is a phenomenon Karl von Holdt (2002) called “social movement unionization”, referring in his case to South Africa, a term that also seems applicable to Nepal as well as several other countries in the Global South.

As for the second aspect of the humanizing drive, we see somewhat greater acknowledgment of the fact that economic transactions were not exclusively rooted in profit-seeking motives, but that they drew on the broader social networks, institutions, and value systems. To take an example of the readymade garment industry connecting Nepal and the United States through a global supply chain, it is clarified that markets are not constructed strictly from the anonymous forces of demand and supply, but through several complex sets of bilateral and multilateral trade agreements (Shakya, 2011a; Shakya, 2013b). As far as the efforts of the Nepali garment manufacturers are concerned, most exporters seemed to compete for their market share on counts of fashion and creativity often interpreted through culturally and locally nuanced guidelines of contemporary and cosmopolitan craft. In this sense, mainstream economics’ claim about price- and quality-based competitiveness is inadequate, and we have to draw on the notions of consumer aesthetics through individualized interpretations of fashion and design (Shakya, 2011b).

Here, by looking at how modern factory workers, craftsmen, and capitalists have inserted themselves into Nepal’s industrial landscape, I have suggested that economic actors’ methods of social organization help them to build new alliances among themselves, but that these then also shed light on how their shop-floor ac-

tivities are situated within the lives and worlds that certainly extend beyond the limits of profit. Considering these questions may help us find a more human idiom through which to make sense of the process by which economies transform, thereby diluting the abstractness of the discourse on transformative trajectories.

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## PHILANTHROPY AS SALVATION: CAN THE RICH SAVE THE WORLD AND SHOULD WE LET THEM TRY?

By Jessica Sklair (PhD Candidate, Anthropology Department, Goldsmiths College, University of London)

The title of this text is adapted – in an act of gentle sabotage – from that of a book by Matthew Bishop and Michael Green (2008). The original is called *Philanthrocapitalism: How the rich can save the world and why we should let them*, and reads as a jubilant ode to contemporary philanthropy among the global economic elite. Today's philanthropists, argue the authors, have mastered the art of applying the best strategies and skills that business has to offer (as well as lots of money), to the world's most pressing social problems, and are perhaps our best hope for social and environmental salvation. Unsurprisingly, this argument and earlier versions of it have met with some criticism. Authors such as Edwards (2010), Roelofs (2003) and Zizek (2006) have noted, with varying levels of outrage, that the philanthropy of the wealthy looks suspiciously like a cover for the perpetuation of global inequalities under business (or capitalism) as usual, and that the logic of the market is not simply transferrable to the third sector, not least because the former depends on structural systems of inequality that the latter traditionally seeks to challenge.

The Bill and Melinda Gates Foundation, undisputed leader in the landscape of contemporary elite philanthropy, has attracted particular scrutiny from commentators. Its staggering financial resources – according to its website, the Foundation's endowment is currently worth over US\$41 billion, and it has already made grants totalling more than US\$34 billion – have enabled the Gates Foundation to devise an impressive programme of global health initiatives. The scale of its resources, however, has seen the Foundation rewrite the international agenda on which issues and regions of the world receive the most funding for health, resulting in a skew towards areas like malaria and HIV/AIDS and away from those such as nutrition, child and maternal health, and chronic diseases, which most affect those living in poverty. Furthermore, the Gates Foundation answers to no-one in its decision-making, and there is little incentive for improvement in its transparency and accountability (Beckett 2010; Lancet 2009; McGoey 2015).

These parallel issues, of elite philanthropy's lack of accountability and the (typical if not exclusive) faith of its proponents in market-based ideology as the panacea for all the world's problems, are the central concerns of those who question philanthropy's potential for driving real social, ecological, and economic change. During my own anthropological research amongst wealthy philanthropists in São Paulo (Brazil's largest urban centre), I had much opportunity to investigate these issues, and to discuss them with philanthropists themselves, the professionals who work with them, and their critics.

In São Paulo, however, I also encountered a small group of young elite philanthropists whose attempt to engage with Brazil's economic and social problems threw up a rather different set of issues. This took the form of a programme designed to create social change by encouraging young wealthy elites to explore the issue of inequality in Brazil, and to better understand their own role and that of their families in its perpetuation. Through a process of awareness-building, the programme aimed to encourage these young elites to adopt attitudes of social responsibility, and to commit time and money to philanthropic and other socially minded activities.

This programme was part of a wider trend in 'donor education' and philanthropy advisory services currently popular among global elites from the USA to the UK, Brazil, and beyond. The focus of this particular programme on the issues of social and economic inequality, however, and the direct objective of challenging young elites to place themselves within a wider picture of the historical and contemporary perpetuation of these inequalities in Brazil, was unusual. It provided an interesting opportunity to enter into one of many elite Brazilian communities and observe close-up the ambiguities and complexities surrounding attempts to change the world via philanthropy. It also presented a conceptual challenge for a researcher politically inclined to agree with the critics of philanthrocapitalism mentioned above, as something more politically nuanced and complex appeared to be going on here than in many of the other philanthropic projects I had encountered.

The creators of this programme were two young women from wealthy São Paulo families. Unlike many of their peers, both had eschewed careers in business, finance, or law in favour of a commitment to working in the third sector in the

pursuit of social change. The programme, designed for members of the Brazilian economic elite (inheritors or self-made) aged between 25 and 40, took place over a series of residential weekend seminars during the course of a year. It focused on the personal development of participants, and on the belief that social transformation begins with changes in individual perception and self-awareness. The programme's coordinators aimed to broaden participants' understanding of the causes of social and economic inequality in Brazil and of the development and current activities of the third sector, and to explore the role of philanthropy, CSR (corporate social responsibility), and other forms of elite social action within this landscape. These themes were explored through meetings with third-sector, philanthropy, and CSR professionals, site visits to third-sector organisations, readings, group discussions, artistic activities, and 'self-awareness exercises'

While the programme encouraged participants to increase their philanthropy and to practice it in different ways, this was only one of a much wider range of possible outcomes that the programme's coordinators imagined for its participants. A significant outcome might be a participant using his or her influence on the board of their family business to introduce fairer or more sustainable business practices to the company, or leaving a job in finance to work in the third sector. But small changes in participants' everyday behaviour, such as the cultivation of more responsible consumption patterns (e.g. deciding against the purchase of a second – or third or fourth – car) or paying domestic workers a higher wage, were considered equally important outcomes of the programme.

During my research, however, I soon discovered that while these dual objectives of the programme – the raising of awareness of participants concerning inequality and their own role in perpetuating it, and behavioural change in accordance with this raised consciousness – were clearly defined in theory, they often appeared to be difficult to achieve in practice. This difficulty was the subject of much discussion and anxiety amongst the programme's coordinators, particularly on the part of Paula (not her real name), a consultant hired to help design and facilitate the programme.

Unlike the founders and other coordinators of the programme, Paula did not come from an elite background. She worked for an NGO that

provided advisory services to a wide range of other third-sector organisations, from grassroots social movements to CSR initiatives, and she brought a highly critical perspective on Brazil's elite philanthropy sector to her role. In an interview with me she outlined this perspective (which she emphasised was her personal view and not necessarily representative of the views of the programme or of the NGO she worked for), telling me she believed most Brazilian elite philanthropy was motivated by a desire to maintain "social and market control". Elite philanthropists were keen to reduce financial inequality, she said, as this was good for business. But they were not interested in tackling "inequality of participation in decision-making. They [the philanthropists] want to continue making the decisions, except that now [the poor] have mobile phones, sound systems and freezers, so they tell them to stop complaining" (interview transcript, in my translation from Portuguese).

Paula was a strong adherent – along with the founders of the programme – of the idea that social change begins with the raising of individual consciousness. She believed, however, that the programme's founders were often too hesitant to challenge the worldview of the programme's participants, and to include content in the programme that would go too far beyond the parameters of their own elite experience. The question of how and to what extent participants should be challenged to think beyond these parameters appeared in decision-making around the programme regarding everything from what kind of hotels should be chosen to accommodate participants during modules, to programmatic content. Paula told me in interview that the programme's founders were nervous of upsetting or shocking the young elite participants of the programme by introducing them too quickly to social and economic realities that were too challenging or too far outside their comfort zone, as this might lead them to disengage from the programme altogether. So while an introduction to the themes of social business and social investment was seen as appropriate content for the programme, for example, a visit to meet members of the MST (*Movimento dos Trabalhadores Rurais Sem Terra* – Brazil's famous Landless Workers' Movement which has campaigned for agricultural reform since the 1980s) was not.

While Paula understood the point of view of the programme's founders, she was frustrated by this hesitancy to challenge their young elite clients to explore deeper and more uncomfortable

truths about their own role in perpetuating inequality; truths such as those that might be revealed during a visit to the MST, concerning the continuing monopolisation of Brazil's agricultural land by a small handful of elite families, and those families' collusion in the historical persecution of the MST by private and state mechanisms for social control. In the absence of such challenges, Paula feared that the impact of the programme could be no more than "*epidérmico*" (skin deep).

Paula did, however, find small ways to challenge participants further during the programme, such as during two group discussions that she related to me in an interview. In one, she had explained to a participant who had pointed to Brazil's drug trade as a source of social problems that this trade was in fact sustained by middle- and upper-class consumption. In the other, she had challenged another participant to explain how profits were achieved within his own private equity firm, drawing attention to the relationship between poverty, unemployment, the redundancy measures central to his firm's activity, and said profits. When I asked how he had responded, she said that he had gone very quiet.

Interventions from Paula such as these were tolerated and even encouraged by the other leaders of the programme. Their resistance to Paula's proposal for a more radical programme of activities seemed to be less a question of differing ideologies than one of concern about how to manage the learning process of their young elite clients. Juliana (not her real name), one of the coordinators of the programme, explained to me in an interview that participants came to the programme at different stages of their development toward becoming 'agents of transformation'. While some were only just beginning to develop an awareness of social issues and the work of the third sector, others were further along in the development of their social consciousness, and needed more content to further their learning. Participants in a third stage of development were ready to transform their learning into concrete action in their own lives, and required specific types of support for this. The leaders of the programme, she told me, had to recognise the developmental stage of each participant and to work with them at that point.

This was a particularly interesting aspect of the programme's work with young elite philanthropists. While I sympathised fully with Paula's

frustration in having to treat these wealthy young Brazilians with kid gloves, my research with the programme and its participants revealed the gravity of the programme's objectives of bringing about ideological and behavioural change in their lives. "One thing I've realised" Juliana told me in interview,

... is that you make a really big change when you start to develop a new perspective on the world. It's not just a change in yourself, you start to relate differently to your friends, to your family, to your employees, to everything around you. You need a network of people to support you in this process. [...] Often this involves a rupture in relation to your family's principles, and in family relationships. Sometimes it means going against your family's story of construction [of wealth] [...] Especially if you're a person from our generation, you will probably encounter resistance from the generation above, from other people and from the wider world, because the whole world values accumulation [of wealth].

(my translation from Portuguese)

In elite worlds where wealth and its accumulation are highly valued, and where families celebrate historical narratives of the toil and dedication involved in the building of successful family businesses, criticisms of the structural inequalities created and upheld by these processes are deeply personal. During my research in Brazil, I repeatedly witnessed the frustration of young members of the economic elite participating in the programme discussed above, who found themselves unable to bring about change within the board of their family's business or philanthropic foundation, who were fearful of challenging the views of other family members or of going against the grain in financial or lifestyle decisions dictated by family or friends. These barriers to change among young members of Brazil's economic elite fed into the frustration of Paula (and the other coordinators of the programme) at the slow nature of the "transformation" of many participants, or at the apparent failure of some participants to transform at all.

So how should this programme, designed to encourage philanthropy and social responsibility among young Brazilian elites, be understood? Can this be seen as a real attempt to investigate alternatives to global capitalism and the inequalities it perpetuates? And if so, does it represent hope for the future? The possibility of serious contemplation among the rich and powerful of their contribution to the world's ills and

of their own potential role in the creation of alternative social and economic systems is certainly cause for hope. In addition, the recasting of philanthropy as a form of ethical salvation of the rich themselves is an interesting take on this practice, and possibly a more palatable one for philanthropy's critics, even if such valiant attempts are an exception to the rule within the broader landscape of contemporary elite philanthropy.

The donor education programme explored above also shows, however, that efforts on the part of wealthy elites to devise alternatives to the current global economic system are complicated by a range of factors that might not be so relevant to other socio-economic groups. Central to these is the question of ideology, relating to different ideas about the roots of global poverty and inequality, what social and economic change might actually look like, and how it can best be brought about. The acceptance of culpability among wealthy and powerful elites for the perpetuation of global inequalities is a major milestone in itself, but even if this acceptance can be reached, it does not translate automatically into transformative action. In the face of resistance from family members and wider elite communities, attempts to galvanise individuals into action (such as that discussed above) can all too easily morph into soothing forms of self-help for guilt-ridden consciences, and ideological converts may just return home to carry on their lives as usual.

If anything, the programme discussed above shows us that the personal, the political, and the ideological are closely bound together in elite engagement with questions of social and economic inequality. Attempts to create change in collaboration with those who retain power and wealth need to take this interconnectedness into consideration. Efforts to build alternatives to the current economic system from the top down should not be dismissed out of hand, not least because their potential for impact is huge. But such efforts are often riddled with complications that are not obvious to those standing outside elite worlds.

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# REFLECTIONS ON THE ECONOMIC, SOCIAL AND POLITICAL DEVELOPMENT OF NORWAY AND SCOTLAND SINCE 1800<sup>17</sup> DRAFT

By John Bryden (Research Professor with the Norwegian Agricultural Economics Research Institute (NILF), Oslo, Norway; and Professor Emeritus at the University of Aberdeen, Scotland.)

Between 2012 and 2014, together with colleagues from Scotland, Norway, Finland, and England, I undertook a collaborative and interdisciplinary<sup>18</sup> study of Norway and Scotland, two neighbouring, geographically similar, and historically closely linked countries, both with a population of around five million people. The question addressed was: why have Norway and Scotland developed in such different directions, and with such different impacts, since the 18<sup>th</sup> century?<sup>19</sup> Two key general lessons emerge from this study. The first is that economic, social, and political development are both long-term and conditioned by context, institutions, and power relations. We are trapped for long periods by path dependencies created by usually long-forgotten historical events and processes. Key junctures appear – albeit rather infrequently – in the histories of all countries and regions that create opportunities to change the rules, and break path dependencies, providing opportunities for significant structural changes that can lead to new contextual conditions<sup>20</sup>. The second general lesson concerns the dangers of essentialist analysis of development and change. There are no singular, universal causes of the events we observe in particular countries and regions, because people and their institutions have agency, and this agency creates locally adapted structures. Essentialist theories cannot explain structural diversity, human agency, and adaptation.

At least five key structural and institutional issues emerge as crucial for the analysis of dif-

ferences between Scotland and Norway. They concern: land and property ownership and the treatment of the peasantry; political power and its distribution among people and across territory; energy sources and the location of industry; class alliances and the emergence of social democracy; and approaches to the ownership and control of energy and minerals. These differences turn out to be very interconnected, and immediately draw our attention to the fact that they transcend the disciplinary boxes within which most of us grow up and work.

Table 1: Some facts on Norway and Scotland today

	Norway	Scotland	Notes
Population	4,920,305	5,295,403	Total, de facto, 2011 official data
Fertility rate	1.88	1.73	2011 official data
Average age	39.4	38.0	Average, c2011
Density of Population	16.5	65.0	Persons per sq. km
Labour force participation rate	78.4	72.8 (UK 77.10)	OECD data for Norway and UK. Scottish Government data for Scotland.
Males	80.7	80.5 (UK 83.2)	
Females	75.9	71.9 (UK 71.0)	
Unemployment Rate	3.34%	7.13%	Average, 2009-11
Life Expectancy, males	79.4	76.9	Official Statistics
Life Expectancy, females	83.4	80.9	Official Statistics
Suicides per year	515	527	Intentional Suicide
GDP per capita, \$US, 2011	99,143	38,806	World Bank data for Norway.
Disposable income per head, NOK (average)	228,317	140,637	Gross Disposable Household Income per head, 2011
Oil & Gas Production	1.9m (2013-14)	1.35m (90% of UK North Sea production of 1.5m in 2011)	Barrels of oil and oil equivalent (gas and condensate) per day
Renewables in Electricity Production	99%	4.3%	Gross renewable electricity Production as a % of total electricity production.
GINI coefficient for income distribution (a higher number indicates greater inequality)	23.9 (2012)	32 (2011-12)	SSB for Norway, Statistics Scotland for Scotland.
Voter turnout – national elections	78.2% (2013)	50% (2011)	Scottish Parliament
		63.8% (2010)	UK Elections
Voter turnout – local elections	64.5% (2011)	39.8% (2012)	Local Government Elections

Source: Table 1.1 in Bryden et al, 2015.

A key message of the analysis is how important it was that Norway did *not* go through the wholesale clearance of people from the land in the 18<sup>th</sup> and 19<sup>th</sup> centuries, which resulted in the creation of a landless (and property-less and dependent) class in Scotland, England, Ireland and many other countries. These clearances were indeed a main feature of Scottish (as well as English and Irish) agrarian change and industrialization in that period, and they were only possible because of the political, social, and economic power of the few, but large-scale, feudal landowners. Unlike Scotland, the Norwegian aristocracy and associated large-scale land holdings had been destroyed by the black death and the Kalmar Union in 1397<sup>21</sup>, a situation that was compounded by the much more even distribution of church lands after the Reformation than was the case in Scotland.

<sup>17</sup> Based on the study of Norway and Scotland since 1800, see Bryden et al (2015)

<sup>18</sup> The team included economists, historians, political scientists, anthropologists, sociologists, and geographers.

<sup>19</sup> Some of the differences between the two countries today are summarized in Table 1.

<sup>20</sup> For a nice comparative analysis of the Central American countries using path dependency and key junctures, see James Mahoney (2001). I am indebted to Bruno Losch for this link.

<sup>21</sup> Signed in Kalmar, Sweden, effectively joining Norway, Sweden, and Denmark under the Danish crown.

Interestingly, Julio Berdegué and colleagues (2014:130) also came to similar conclusions for Latin America: “A history of highly unequal land distribution appears in many of the case studies as an explanatory factor for contemporary territorial dynamics that tend to be exclusionary and sometimes polarizing”.

Norway’s much more even land distribution was in turn the foundation of their relatively liberal Constitution prepared after independence from Denmark in 1814<sup>22</sup>, and the relatively large and well-distributed Norwegian electorate thereafter when 40% of males of voting age were able to vote. This was roughly four times as many as in Scotland after the “great” reform bill of 1834, and it laid the foundation for Norway’s later social democracy. In addition, the (mainly small farmers) who wrote the Constitution wanted decentralized government to avoid control by a ‘Danophile elite’ in Oslo, and thereby set the framework for much more local, and powerful, local governments than in Scotland. Later on, these same founding conditions, combined with the nature of industrialization, helped to create the rural-urban alliances that dominated modern social democratic politics.

A further important and formative difference was that while Scotland’s industrialization was peopled by landless rural migrants from Scotland and Ireland, and fuelled by centralized coal deposits owned by the landed aristocracy as the energy resource, in Norway it was fuelled by decentralized hydro-electric power and peopled largely by farm-based “pluriactive” labour that remained in the rural areas. This allowed the small farmers and their families in many areas to improve their cash incomes while staying on the farm. In Norway the rural population remained in the majority until after World War II, over 100 years later than the rural population in Scotland lost their majority. The Concession Acts of the early 1900s then assured that the revenues from hydro-electric power would eventually accrue to the municipalities, which were thus made even more powerful and effective.

The small farms, and the engagement of peasants and their families in small local govern-

ments as well as local industries, helped to foster the alliances between industrial workers and farmers in the 20<sup>th</sup> Century that were the foundation of Norway’s strong social democracy and, in turn, the development of its universal and generous welfare state.

These different characteristics and processes, and the values and politics that were associated with them, ultimately led to a very different post-War pattern, especially during and after Mrs Thatcher’s Conservative government from 1979, and in particular the very different impacts of North Sea Oil. The volume produced by Scotland was roughly 60% of that produced by Norway from the North Sea, but its impacts were described as a “lost opportunity” and “fool’s gold” by two authors on the topic. At my last count in May 2015, Norway had accumulated just under US \$1 trillion in its national Oil Fund (“pension fund”), whereas Scotland had nothing at all other than the small funds from landing fees accumulated by the wise Shetland Islands and Orkney Islands (ironically, still technically the property of Norway) which account for about one-thousandth part of the Norwegian oil fund today.

The comparison confirms that economic, social, and political development is both long-term, and conditioned by context, institutions, and the nature and locus of economic and political power. We are trapped for long periods by path dependencies created by usually long-forgotten historical events and processes. Moments – Brandel & Bratberg (2015) call them “key junctures” – appear in the histories of all countries and regions that create opportunities to change the rules, and break path dependencies, providing opportunities for significant structural changes that can lead to new contextual conditions.<sup>23</sup> But such moments are generally quite rare, at least on the scale of human lifetimes. In the case of Scotland, the Act of Union of 1707 stands out in sharp contrast to Norway’s independence from Denmark in 1814. Both are critical junctures, but with very different impacts. The wholesale clearance of people from the land, and their engagement as landless labour in industrialization based on coal in Scotland during the 18<sup>th</sup> and early 19<sup>th</sup> centuries, was also a key juncture, standing in stark contrast to

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<sup>22</sup> Norway achieved independence from Denmark in 1814 as a result of the Napoleonic Wars. After a few months, Norway was placed under the Monarchical rule of Sweden, but by this time it had gathered people from all over Norway to write a Constitution, and thereby gained its own parliament as well as control over domestic policies and its own currency.

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<sup>23</sup> For a good comparative analysis of the Central American countries using path dependency and key junctures, see James Mahoney (2001). I am indebted to Bruno Losch for this link.

the empowerment and growth of the peasantry in Norway and its symbiotic engagement with a decentralized form of industrial development based on hydro-power in the 19<sup>th</sup> and early 20<sup>th</sup> centuries. A further important key juncture in Scotland was marked by the rise of the Liberal hegemony in the UK, with strong support in Scotland between 1880 and 1920; this was a period when mainland Britain's only land reform before the 2000's took place (in the form of the Crofting Acts), which was almost adopted for the whole NE of Scotland as well as the Highlands and Islands, and a Home Rule movement emerged, as well as the institution of a Scottish Secretary in the Westminster (UK) government. It was a moment that was, in the event, missed, but it might have helped to make Scotland more like Norway, had it been grasped. Instead Scotland became subject to a long period of what Brandal and Bratberg term "top-down containment". In Norway during this period, independence from the residual Swedish monarchy was achieved and proportional representation introduced.

The period between the two world wars brought a further key juncture to Norway in the form of the emerging social pacts, a consequence of proportional representation and resulting cross-party coalitions, and rural-urban alliances. This was the foundation for the strong, universal, and generous social democratic welfare state in Norway after World War II. In Scotland meanwhile, little progress of this kind was possible because of the centralization of government in London, although small steps were taken when administrative devolution took place in the form of the moving of Scottish Office civil servants to Scotland in 1937.

In my view the present moment is also a critical juncture in Scotland, with the consequences of devolution in 1999 and the creation of an elected Scottish parliament, which ultimately led to a Scottish Nationalist government in Scotland, the Independence Referendum of 2014, and Scottish nationalist domination of Westminster seats in Scotland in the 2015 election. Indeed, the economic crisis, itself the result of the neoliberal hegemony since the 1970s, together with the "southern" shift in economic power and the related awakening of the southern giants, might just provide another key juncture for the world as a whole. One could equally argue that the success of the right-wing parties in forming the ruling coalition in Norway represents a kind of critical juncture there.

My point, however, has been to highlight the rather few critical junctures in both countries since the early 18<sup>th</sup> century, even though it cannot of course be said that economic, social and political developments did not occur in between (Streeck and Thelen, 2005).

The contrast between Norway and Scotland also warns us against essentialist analysis of development and change. There are no singular, universal causes of the events we observe in particular countries and regions, because people and their institutions have agency, and this agency creates locally adapted structures. As McLaughlin (2012) argues, essentialism's "fatal flaw is the inability of essentialist theories to explain structural diversity, environmental adaptation and human agency".

There are of course many other consequences and interactions in the play of history in the two countries, but these few observations surely support the need for more comparative analyses of economic, social, and political developments in similar countries. In the case of Norway and Scotland, the work in penetrating the past surely informs present day political concerns – in Scotland around the independence and devolution debates that have transformed UK politics, and in Norway about the – for some alarming – future impacts of the Thatcherite policies of the present right-wing Populist-Conservative government.

The study of Norway and Scotland also reminds us that we always face political choices in a democratic society: to centralize or decentralize, to privatize public services or not, to reduce support for local governments or increase it, to regulate or not, and so on. These and other choices have large impacts at local levels that can and often do dwarf the impacts of specific territorial policies, including rural development policies, and indeed often counter any positive economic and social impacts that these specific policies may have. I recently returned to examine this question in greater detail in the contemporary European context, but lack the space to cover the issue here<sup>24</sup>.

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<sup>24</sup> In my paper for the RIMISP Mexico Conference on *Territorial Inequalities*, January 2015. I say "returned" because it leans on – and partly updates – the work of the DORA project on the dynamics of rural areas in Europe (See Bryden & Hart eds. 2004).

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<sup>25</sup> This book was an edited version of the final report of the EU project, DORA, funded under the EU Framework Programme for Research and Technology Development, coordinated by Bryden. Bryden, J., Efstratoglou, S., Persson, L-O., Schrader, H., Atterton, J., Ceccato, V., Courtney, P., Efstratoglou, A., Hachmüller, G., Hart, K., Koch, B., Kouroussi, E., Masurek, L., Apostolos Papadopoulos, A., Timm, A (2001). *Dynamics of Rural Areas. Final Report. December.*