

# Beyond Economics

## Report of the three launches of *Development 52.3*

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SID

Society for International Development



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## Introduction

In 2009-2010 the Society for International Development (SID), in partnership with the Humanist Institute for Cooperation with Developing Countries (Hivos), responded to the financial crisis through a special issue of the SID journal *Development* on 'Beyond Economics', and three consecutive launches on three continents.

The first one was held in New York on 29-31 October 2009 together with the policy seminar 'Responding to the interlocked financial, climate and care crises'. The second took place in The Hague on 11 December 2009 under the title 'Beyond Economics: Building collective responsibility for sustainable livelihoods'. Finally, a third launch on 2-3 February 2010 was carried out in Dar es Salaam under the title 'Beyond Economics: An East African Conversation'.

All launches built on the journal issue on Beyond Economics. The conversations focused on the critique of mainstream neo-classical economic thinking. They searched for visions for alternative forms of economies, as well as new frameworks for sustainable human development. The seminars aimed to analyze the systemic crisis the world is facing, going beyond the financial and economic one, and proposing solutions that also encompass the food, climate and care crises.

While the first two launches debated the implications of the crises and what it means to go beyond economics at the international level, the third launch discussed specifically the effects of the crises on Africa.

The launches were attended by a diverse audience including academics, development practitioners, activists, government and business sector representatives. The issue was debated from equally varied angles, including the economic, the political and the cultural, with a stress on the need for a new ethics.

This publication reproduces the three reports from the launches, the programmes of the events and the list of participants. It also carries interviews with journal's authors and speakers at the launches. The interviews were regularly posted on the SID Forum ([www.sidint.net](http://www.sidint.net)).

SID and Hivos will continue their collaboration and will keep the dialogue alive on how to shape a different economy which ensures social justice and a more equitable world. The next step will be jointly producing *Development* 53.3 entitled 'Sustaining Local Economies', out in September 2010. This follow up journal issue will explore how local economies are functioning at the margins of neo-liberal global capitalism.

For further information and to follow the discussion please visit [www.sidint.net](http://www.sidint.net) and [www.hivos.net](http://www.hivos.net).

# Pathways for Change Beyond Economics: A SID-Hivos partnership

## Summary

In 2009-2010 the Society for International Development (SID), in partnership with the Humanist Institute for Cooperation with Developing Countries (Hivos), responded to the financial crisis through a special issue of the SID journal *Development* on 'Beyond Economics', and three consecutive conferences on three continents. The first two conferences debated the implications of the financial, climate and care crises, and the third addressed their effects on Africa.

## The setting

The world is experiencing a systemic crisis: an international economic system that fails to address human and environmental well-being leads to inequalities, poverty and environmental devastation. The financial crisis offers the opportunity to work collectively towards a more equitable and sustainable world. The SID-Hivos partnership brought together business, government, civil society and academic sectors in order to critique mainstream neo-classical economic thinking and to consider alternative economies for sustainable human development. There are many critiques of the economic system so the focus of the partnership was on pathways for change. We wanted to engage actors who with their hearts and minds are willing to make a difference.

## Neo-liberalism's demise?

Economics as an academic discipline has tended to detach itself from society with a focus on models and formula for efficiency and profitability at the expense of peoples, culture, and the environment. Rethinking the 'culture of economics' and de-emphasizing neo-liberal ideology is crucial if we are to address the system crisis. Such a rethinking needs to embrace all disciplines, engage as many actors as possible, and aim at long-term interventions.

**'We cannot measure peoples' rights, dignity and identity, they are not for sale.'** Franck Amalric

## Solidarity economics

Communities are experimenting with social and solidarity economies centred on the community. The premise of these experiments is that common property can be successfully managed by groups, and people can interact with ecosystems to maintain long-term sustainable resource yields. Alternative worldviews like South America's *buen vivir* and West Africa's *Bamtaare*, which focus on quality of life to

achieve collective sustainable development, offer possibilities for alternative pathways to those focused on neo-liberal capitalist economics.

## Cultural shifts

Economics has taken a dominating political role in development. However what the crisis reveals is the economics can only be *part* of the development agenda. The market has failed the bottom billion. The predominantly global approach to the multiple crises from food, climate, care and the economy has led to marginalization in decision-making processes, particularly in the South. A cultural shift can empower people to create a new politics leading to new institutions that guide us toward a new common future.

**'A large number of alternative ways of organizing the economy, energy and food needs, community living, trade, are already being practiced around the world, from which we can learn.'** Ashish Kothari

## Social agendas

Building collective responsibility for sustainable livelihoods requires creating an inclusive economy with a social agenda governed by democratic institutions that empower responsible citizens. Welfare programmes in Brazil and India, for example, use economic interventions to support a social agenda for poor and indigenous families, schools and labourers. Civil society in both countries played a major role in pressuring governments to make provisions for those not benefiting from economic growth. Civil society should remain at the forefront, and economists must broaden their analysis of market failure to include impacts on marginalized people.

**'...the current multiple crises present world leaders with a major opportunity: to design sustainable production and consumption patterns, to eradicate poverty and provide education opportunities so that the majority of the people currently excluded can become the motor of a home-grown economy.'**  
Ana Agostino

## The state's role in the economy

States cannot be spectators to their own development. Politics often undermines rational policymaking, and reliance on external financing hampers autonomous decision-making. A resilient, relevant economy must be determined by competent domestic political and business leaders who engender greater self-reliance by nurturing strong democratic institutions and a responsible private sector.

Regulation must favour the environment and people in the region's essentially agricultural economies.

**'We need leaders on the continent who work with new concepts of being...who believe in investing in its people through promotion of social protection.'**  
Fatma Alloo

#### *Regulating The Bonfire of the Vanities*

With a reference to the Tom Wolfe novel, the key question is how to stop the 'great con' behind the global financial architecture. Business leaders explained the technical underpinnings of finance and the political and moral principles underlying the capitalist economy. East Africans need to craft an economic and political structure that fits their societies. Civil society has a major role to play, and can ensure that regulation is afforded crucial importance. People, not profit, must rule.

#### *Feminist economics*

Recession has forced women to work more, submit to exploitative labour or migrate, causing an unprecedented care crisis. The economic system attaches value only to remunerative activities, while the reproductive and care roles of women are minimized. Feminist economics must contribute to a new vision in which care work and the care drain are made more visible.

#### *New forms of citizen engagement*

The Internet is prompting the young to engage in new forms of national aspiration within a global world, linking for instance 'netizens' in East Africa to diasporas. They have created political forums through innovative networks, research and think tanks, and created a vision of state and nationhood by 'blogging for social change'. Some netizens challenge the NGO and donor agenda by energizing movements for economic and social justice.

**'...we need an alliance between government and smaller players in the economy, aimed at opening access and providing employment opportunities for men and women in poor households.'**  
Ebrahim-Khalil Hassen

#### *Lessons from the unmeasured economy*

Most East African citizens work in unmeasured economies that provide essential income through

barter and exchange, and include women who care for young and elderly family members. Often driven by a complex combination of community and market values, these activities are critical to East Africa's resilience. It is important to learn more about how local economies function on the margins of neo-liberal global capitalism.

#### *Human development beyond economics*

Mainstream economics has co-opted human development and whittled it down to competitive indexes, HDI measurements and the Millennium Development Goals. But it cannot be measured by income alone. It should be about creating an environment in which people can develop their full potential and lead productive, creative lives.

#### *Ethics*

A new form of morality is necessary to engage all people and redefine decision-making ethics to resituate the market within society. This new ethics needs to be nurtured and built from the spaces where creation and contestation lead to an inclusive development model challenging the dominant discourse. In creating these pathways citizens are empowered to design their own lives. Civil society needs to work with development institutions to move people and the environment from the margins to the centre of economic policy.

#### **Ways forward**

Various avenues for change to the economic system have been suggested. All aim to resituate the market within society in one way or another. They also aim to seek a new global deal in which human and environmental well-being of all (and not just some) citizens are cared for.

We hope that these avenues will provide input for many more discussions on how to deal with the systemic crisis. We aim to continue to build alliances between civil society groups, academia, NGOs, UN agencies and citizens to achieve a more equitable and sustainable system. The next issue of the partnership *Development* (volume 53.3), will explore how local economies function on the margins of neo-liberal global capitalism and could fuel a human development strategy.

# Beyond Economics: Responding to the interlocked financial, climate and care crises?

On 29-31 October 2009 academics, development practitioners and activists met in New York for the launch of *Development* 52.3 'Beyond Economics' and the policy seminar 'Responding to the interlocked financial, climate and care crises?' The discussion delved into these concerns by building on the journal issue *Development* 52.3 'Beyond Economics'. The seminar focused on the critique of mainstream neo-classical economic thinking, visions for alternative forms of economies, as well as the new frameworks for sustainable human development. The meeting was organized by the Society for International Development (SID) and the Humanist Institute for Cooperation with Developing Countries (Hivos), in partnership with UNDESA.

**'There is another economics waiting to be borne. It would take efficiency off the pedestal and stress the importance of alternative measures',**  
*Stephen Marglin, Harvard University*

The choice of New York as a venue to hold the meeting was symbolic. It was in New York that the global financial crisis erupted in August 2007, with enormous effects spreading to the whole world. It was timely to raise concerns within the development community about the economic principles driving the interlocked crises of food, climate and finance, as well as global crisis of care. The seminar put on the table the need for those engaged in international development to take a serious look at some of the basic assumptions in development thinking and practice which have aided and abetted the crises.

It was symbolic also because the US is where, with the election of Barack Obama, new hope in systematic changes is now emerging. The seminar's plea was therefore to go beyond rhetoric and quick fixes and grasp the opportunity of the financial crisis in order to work jointly towards a more equitable and sustainable world.



Stephen Marglin and Lourdes Arizpe

In putting together this report, SID and Hivos have aimed to highlight some of the key themes debated in the launch and

seminar. The report sketches out the main issues: the problems with the current economic system, existing alternative models and the importance of gender and care all with a sense of hope that we can go forward beyond the gloom and doom. The report is designed not only as a record of what was discussed in New York but also as an invitation to continue the conversations in two future meetings held around the journal, the first to be held in The Hague on 11 December 2009 on 'Beyond Economics: building collective responsibility for sustainable livelihoods' and the second held on 2-3 February 2010 in Dar es Salaam, Tanzania.

## A global crisis?

The crisis can be called global and systemic because it affects both the developed and the developing world. It is on the one hand ideological and on the other institutional and is being felt on individual, national, regional and global levels. But as the seminar pointed out it is not a 'new' crisis. Cracks in the neo-liberal model have surfaced well before. Countries in the South have been experiencing crisis after crisis since the 1980s due to neo-liberal measures and an effective policy response has yet to be found.

## Financial or systemic crisis?

The world is facing more than a financial and economic crisis, rather we are experiencing a systemic crisis that involves the whole system of values and norms on which our societies have been built. The pervasiveness of the financial crisis has made it clear that not only the concept of markets needs to be revisited but also economics itself. Our worldviews are being seriously challenged affecting the whole social fabric of the world we live in.

An international economic system that fails to take into account people and the environment can only lead to increasing inequalities, poverty and devastation of the environment. Hence, the financial crisis is integrally linked to the climate, food and care crises with consequences for both people in the North and South of the world. Countries in the South are particularly affected, burdened by increased levels of poverty and inequality due to neo-liberal policies in the 80s and 90s and under pressure from

international financial institutions. As a result they are more vulnerable to climate change even if they have contributed far less to global emissions, and are the victims of a food system that favors agribusiness instead of small farmers. The challenge is to shift development institutions in order to put people and environment at the centre of economic policy rather than at the margins. Civil society has to do all it can to propose and help shape such changes.

### The end of neo-liberalism?

At the same time, there was consensus among participants that this crisis is not simply the end of neo-liberal capitalism 'as we know it'. Today western socio-economic system no doubt has to change in order to survive, but these changes will be slow in coming and will need to be shaped by many actors. To start with, the market as the organizing principle of life needs to be revisited. It is here that the culture of economics was critiqued. Economics is a science that has detached itself more and more from other realms of society, trying to explain the world through its own rules and paradigms. With its focus on efficiency and profitability, it has put to one side culture, environment, people and power relations. It is important to recognize that the market is not able to solve everything. The crises have forced mainstream economics to be reconsidered taking into account cultural, political and ecological concerns. We now need to speak about the economics of life where people, culture, power and nature are put into the economic policy debate. The crisis has exposed the cracks of the system, which can be used to challenge the status quo. What is important is to rethink the 'culture of economics' and to decentre neo-liberal ideology underlying the current economic system as well as to point out its structural limits. This process of rethinking needs to embrace not only economics but all disciplines, including sociology and anthropology among others, and needs to engage as many actors as possible. It should be directed at long-term policy interventions rather than quick fixes or just pumping new money into the economy.

**'We need to reinvent a different kind of economics. There are different currencies that people are already using, different economies',**  
**Mariama Williams,**  
**Integrated Policy**  
**Research Institute**

### Alternative economic models

A critique of the current economic model does not necessarily imply inventing a whole new system from scratch.

Recognizing and learning from other *cosmovisions* can show us that alternative economic models already exist. Although these models have been rendered invisible by mainstream thinking (sometimes because they are informal markets), they can provide fundamental lessons for those who want to create a new vision for the future.

What all these systems have in common is the centrality of the community. For too long we have placed our energy in first creating and then trying to change structures at ever higher levels which were to guarantee regulation and a more just and sustainable distribution of the world's resources and development opportunities. What the financial and ecological crisis, but also the crisis of multilateral institutions show us is that it is time to refocus our energy and place our trust in the power and creativity of people. That is why, instead of having the market as a principle of life, it is necessary to situate both the market and the state in the context of the community.

**'Who's human? Whose bodies are grievable?'**,  
**Marisa Belausteguigoitia,** National Autonomous  
**University of Mexico**

Communities all over the world, both in the North and South, are experimenting with different forms of local economies, such as social and solidarity economies that have values and human relations at their core, as well as different currencies to exchange goods. These economic models can inspire our responses to the crises. Rather than being dismissed as romanticized visions, we should thoroughly investigate the value of these models.

In this respect, the participants welcomed the Nobel Peace Prize for Economic Sciences going to Elinor Ostrom for her demonstration of how common

**'Feminist economists underline the importance of social reproduction in development: they speak not of economics for profit but of the economics of nurturing others, providing and caring for communities, environments, livelihoods and cultures'.**  
**Wendy Harcourt, Editor Development**



Mariama Williams and Nicola Bullard, Focus on the Global South



Arturo Escobar, University of North Carolina at Chapel Hill

property can be successfully managed by groups. She also emphasizes how humans can interact with ecosystems to maintain long-term sustainable resource yields.

### The importance of gender and care

The global systemic crisis is also having a strong impact on women and gender relations. Women both in the North and South have suffered from the interrelated crises. They have found themselves in a position where they had to work more in order to survive in a more precarious and difficult environment.

Recession has forced women in many countries into exploitative labour. Many have had to migrate in order to find better opportunities abroad to support their families in their countries of origin.



Shobha Raghuram, Development Policies Analyst

Participant Arturo Escobar introduced the concept of *buen vivir* from South America, which is inspired by indigenous worldviews and entails the well-being of people living in harmony with both their communities and the environment. Both the recent Bolivian and Ecuadorian constitutions include the concept of *buen vivir*, with its biocentric focus and the idea of a polycentric world.

A similar concept, *Bamtaare*, also exists in West Africa as Thierno Kane reminded participants. Like *buen vivir*, it means a harmonious

development which considers the lives of all people and the environment for a collective, sustainable and lasting development. Africa as a whole is full of different systems where people organize their lives and economies according to different rules, yet these systems have been obscured by the dominant view.

**'Violence against women is a barrier against development', Jacqueline Pitanguy, Citizenship, Studies, Information and Action (CEPIA)**

This has given rise to an unprecedented care crisis, whereby women, who are traditionally the primary care givers, are leaving behind entire communities

and countries facing a serious care drain. At the same time, in an economic system where value is attached only to remunerative activities, the reproductive and care roles of women are left in the shadow.

The invisible work of women is a fundamental component of our societies, yet it is not considered as such as it does not appear in statistics or brings in a measurable economic benefit. Gender inequality and violence against women remain serious obstacles to a fair and participative development. However, we also need to be careful not to romanticize the past or try to bring back a situation where women were entirely responsible for the well-being of the family and the community. Similarly, we should be wary of romanticizing communities where there is also a high level of gender discrimination.



Jonathan Glennie and Jacqueline Pitanguy

In Asia the Penang Initiative in Malaysia, initiated by Anwar Fazal of the Right Livelihood College, is another example of

how people on the ground are putting in place alternative models where the role of the community and its well-being are fundamental.

David Korten brought to the seminar examples of communities in the US where a new economy agenda is flourishing, and he set out the principles for how people can achieve it.

Participants concluded that alternative worldviews are there and need to be given visibility.

That is why feminist economics needs to be brought into the picture and contribute to the critique of the

dominant model, as well as to the creation of a new vision. In order to address the crisis, it is necessary that both care work and the care drain are given the visibility that they are currently lacking.

**'We need humility, sovereignty, democracy and respect for other forms of thinking', Jonathan Glennie, Christian Aid**



Thierno Kane, UNDP and Stefano Prato, SID

## Human development beyond economics

The chance to discuss human development with staff members working on the UNDP Human Development Report gave a welcome opportunity for participations to rethink human development as a concept that could be useful when looking for new ways forward. Participants welcomed the current rethinking of human development by UNDP. Human development needs to be about much more than the rise or fall of national incomes. It should be about creating an environment in which people can develop their full potential and lead productive, creative lives in accord with their needs and interests. Human development has been in many ways co-opted by the dominant mainstream focus on economic growth, although it came into being exactly to challenge the idea that development was purely economic growth. Nonetheless, the discussion about human development has been whittled down to competitive indexes and measurements of nations in the HDI and ultimately in the measurable goals of the Millennium Development Goals.

UNDP is currently carrying out a revision process of both the concept of human development and its indicators on the occasion of its 20th anniversary. Twenty years after its foundation, the concept of human development seems too elusive and hollow. It has also become corrupted by a minimalistic approach and a focus on service delivery, especially in the fields of health and education. The UNDP is looking at how to expand the concepts to include much more firmly citizens' agency and political empowerment.

**'We don't need much more than a system that allows us to live in a finite world', Tariq Banuri, Division for Sustainable Development, UNDESA**

## Ways forward

This crisis is not the end of neo-liberalism, but our economic system will have to change in order to survive. That is why rethinking of the culture of economics underlying the system and its structural limits needs to take place. It is important to revisit the market as the organizing principle of life. People, culture, power and nature need to be put back into the economic debate. There are alternative economic models that can be investigated and built upon, many being designed and led by communities, and within them women. In the spirit of change it is important to craft an economics of life through alliances with civil society groups, academia, NGOs and UN agencies -and invite others - to work together towards a more equitable and sustainable system. It is important to listen and give visibility to citizens and communities in the South and North about their vision of the crisis. As

**'We need to resituate the state and the market in the community', Manisha Desai, University of Connecticut**

the seminar showed we need to use our imagination and creativity to create ways forward that do not hinge on new development blueprints, changes in World Bank policy, new MDGs after 2015, more and better human development, endless reports and hollow statements of intent.

What we need is new types of conversations that multiply and merge Eurocentric, capitalist, modern and non-western indigenous cosmovisions into different kinds of conversations, languages and practices. We need to take up the challenge to blend the different knowledges of science, economics, politics, ecologies and humanities in ways that shape different connections than ones that are binary and oppositional.

Spaces for creation and contestation are abundant worldwide, but they are disconnected and incapable of challenging the dominant discourse. So how can we come into action and guide the change we aspire? Can we imagine a new future? Can we envisage a more inclusive development model in which citizens all over the world feel empowered to design their own lives? Can we have a more convincing theory of change to guide our thinking and working? Most importantly, can we start building this new future together?

# Beyond Economics: Building collective responsibility for sustainable livelihoods

In December 2009 the second debate on Beyond Economics was held in The Hague with a focus on how to place people at the centre of economics. The meeting looked at how to establish collective responsibility for sustainable livelihoods in wake of the crises. Building on an analysis of the crises by keynote speaker Rick van der Ploeg the panel and the audience sketched out how to resituate the market within society and how its regulation can be better placed in the hands of citizens. The meeting was chaired by Jan Pronk, President of SID.

## Opening session

Wendy Harcourt (editor of the journal *Development*) set the stage by stressing the multiplicity of the crisis and making a call for positive and constructive responses. She gave three examples of what this response could entail: supporting the social economy and solidarity economics; linking western understandings of the economy and development with different cosmovisions in order to take into account culture, the environment and new forms of global ethics, and learning from care economies, in particular recognizing how women's reproductive and productive work needs to be better balanced and more acknowledged in the solutions to the crises.

**'Let's look at what is positive in human dynamics in the face of disaster so that we can ensure that public good triumphs over private greed'**

*Wendy Harcourt, Editor Development*

Rick van der Ploeg (University of Oxford) called for a new global green deal, based on a thorough understanding of the enormous impact the global crisis could have if not dealt with seriously. The impact of multiple crises is vastly uneven and will undermine the ability to sustain prosperity and eradicate poverty and may even result in conflict and war in the scramble for natural resources. He proposes that political leaders should seek for a global deal whereby resource-rich developing countries are helped to cope with managing very volatile streams of resource revenues while cutting back pollution of the energy industries.

## Panel debate

Subsequently, an international panel of civil society experts - Franck Amalric, Arthur Muliro and Allert van der Ham kicked off a debate with the audience.

## Cultural shifts

Franck Amalric (contributor to *Development* 52.3 and independent writer) urged the audience to realize that a cultural shift needs to precede any real change in the economic system. A focus on market failure will not suffice to develop relevant responses to the crisis. A much broader perspective and a more profound change is needed to change the current system. A cultural shift can empower people to reach a new type of politics and economics. This new politics can lead to new institutions that guide us towards a new common future.

**'We cannot measure people's rights dignity and identity, they're not for sale'** Franck Amalric

## The economics of development

Amalric argued that we need to recognize that economics has taken a political role in development. It has become the main measuring tool for change, but we cannot measure peoples' rights, dignity and identity, they are not for sale. Economics can only look at market failures, efficiency and distribution and does not take into account key issues that are not commensurable with money. That is why economics can only be part of the development agenda, accompanied by ethics and culture.

## Ethics

Allert van der Ham (Hivos) reminded the audience that any response to the crisis should address the accountability question, whether it is regulation of the market or more systemic changes. We should also acknowledge that the market fails to deliver to those who are most in need. The bottom billion have not benefited from market development. Restoring the old order is not going to solve persistent problems. Neither will a shift from state to market. So, we need to challenge the ethics of decision-making and the moral component of the economy. A new form of morality is needed that engages all people.

**'The various global crises affect the poorest countries of our planet the most and, mostly, it's not even their fault'**  
Rick Van der Ploeg

Arthur Muliro (Society for International Development) also expressed concern about the ethics of decision-making. The perceived global nature of the crisis is calling for global responses rather than context-specific, localized responses. This global approach to the crises has led to the marginalization of particularly

the South in multilateral decision making process. The ethics of decision making are to be redefined if we want to resituate the market within society.

## Social agenda

A way of resituating the market within society is by setting a social agenda for the economy. Van der Ham took as an example two welfare programmes, one from Brazil and one from India where economic interventions supported a social agenda for schools and labourers. Bolsa Família, part of the Brazilian governmental welfare programme, provides financial aid to poor and indigenous Brazilian families on the condition that their children attend school and are vaccinated. The programme attempts to reduce short-term poverty by direct cash transfers and fight long-term poverty by increasing human capital among the poor through conditional cash transfers. In India, the implementation of the National Rural Employment Guarantee Act (NREGA) aims to enhance the livelihood security of people in rural areas by guaranteeing hundred days of wage-employment in a financial year to a rural household which volunteers to do unskilled manual work. The Unorganised Workers' Social Security Bill ensures welfare provisions in India for workers in India's informal economy. Civil society in both countries played a large role in pressuring governments to make provisions for those not benefiting from economic growth. They should be in the forefront again to ensure that responses to the crisis take into account all peoples' needs.

'Crisis are the result of decision making processes that favour some people over others'  
Allert Van der Ham

## The role of research

The role of research was debated by Harcourt and van der Ploeg in broad sense (quantitative versus qualitative research) and in a more narrow sense, eg. the role economic research and economists can play in addressing the crisis. Economists were called upon to take a broader perspective in analyzing market failure. For this more qualitative and more indepth quantitative research is needed, especially on the impact of the global financial crisis on women and men living on the margins in the poorest countries.

## Collective responsibility

As the opening speeches underlined, the multiple global crises are the outcome of our collective thinking and ways of working which have benefited some, but has left many impoverished. We cannot expect those that are hit hardest, though no fault of their own, to bear responsibility for a system from

which they are marginalized. If we would like every individual to take his or her responsibility, then we should all be part of a new economy. Institutions have a role to play in this new economy but only if they are democratic and empower people to take joint responsibility for a common future.

## Ways forward

The meeting concluded that building collective responsibility for sustainable livelihoods can only be accomplished by creating an inclusive economy with a social agenda, governed by democratic institutions and empowered by responsible citizens. To transform our current economic system into a more sustainable and democratic one is to be preceded by a cultural shift which resituates the market within society (including culture) and is based on a new form of morality.

## From New York to Dar es Salaam

In his concluding remarks, the Chair Jan Pronk underlined that the debate emphasized the need to bring people, culture, power and nature back into the economic debate. And it also generated ideas about how the market can be resituated within society. So, given the debate so far, what next?

The journal and dialogues in New York and The Hague brought together a multitude of perspectives from all over the world. However, the region that all perceived to be hardest hit by the multiple crises is Africa, and in the discussions African voices were the least represented. The process of debate is therefore now to be continued in Tanzania where a final 'Beyond Economics' seminar will take place. The meeting in Dar es Salaam will address the socio-economic impact of the crises in East Africa at macro and micro levels. In addition, volume 53 of *Development* will be devoted to revisiting human development with the third issue to be prepared with Hivos looking at sustainable livelihoods and local economies.



Chair Jan Pronk prompting the panel members

# Beyond Economics: An East African conversation

## Introduction

The third meeting on Beyond Economics was held in Dar es Salaam, Tanzania on 2-3 February 2010. The Dar meeting brought together 100 participants from the business sector, government, journalism, civil society and academe from around East Africa. The four sessions explored the East African community's response to the financial crisis focusing on the role of the state in the economy, regulation and finance, informal economies and citizenship engagement. As well as the panels and open discussion three short videos were played. The videos brought into the conversation diverse views of the impact of the economic crisis on Africa with their graphic pictures of peoples' lives in urban slums.

## East Africa launch

The Dar launch looked at the implications of the financial crisis. It debated what types of economic institutions are needed in the region to cope with the various systemic crises and to ensure people's long-term well-being. There was a notable shift from the global overviews of the earlier launches in New York and The Hague which looked at systemic crisis writ large. The focus in those events was to understand how to solve social, economic and ecological crises at an international policy and academic level. The events mapped out the big picture aware but inevitably somewhat removed from everyday issues of governance, livelihoods and political integrity. The conversation in Dar es Salaam instead, was embedded within the concerns of national economies and politics particularly in view of the reality of regional integration.

The conversation examined how to have growth with equity and respect for human rights. It looked at how to ensure governments take up their responsibility while encouraging local business given the political insecurity of the region and uncertainty of global aid in the current financial climate.



Hon. Eriya Kategaya, First Deputy Prime Minister and Minister for East African Community Affairs and Juma Mwapachu, Secretary-General, East African Community

## The role of the state in the economy

The Dar debate began with a strong discussion about the role of the state in East African economies. The discussion was intergenerational with two senior government leaders in the region and two younger men from the business and policy research community. The initial entry point was that the Washington Consensus led reliance on the market has not worked in the region. The role of the state in development remained crucial and recent debates about the size of government were 'misplaced'. The conversation hinged on both the inefficiencies of the market but also of corruption. The panel debated what sort of governance regime was required to ensure strong, responsible and ethical governments with the support and backing of national, regional and international power brokers.



East African launch of the journal *Development* 52.3 'Beyond Economics' February 2-3 in Dar es Salaam, Tanzania. From left: Hon. Eriya Kategaya, Wendy Harcourt, Editor, *Development*, Juma Mwapachu and Stefano Prato, SID

It was emphasized that African states cannot afford to be spectators in their own development. A basic requirement of effectiveness is that states are in control of their own territories. Furthermore, the rule of law had to be enforced and people needed to have confidence in the competence and willingness of their own government to protect them. Sadly, many citizens perceived legal and economic decisions from their own governments as being corrupt and self-serving. In this context Rwanda's current strong government offers an interesting regional example of successful delivery of public goods.

The conversation did not become mired in an ideological debate about what new economic systems are needed. The emphasis was on the basics, such as the need to invest in roads, water, energy and railway infrastructure throughout the region. To stimulate



Omar Hafeez, Citibank, Martin Kimani, Conflict, Security and Development Group, Aidan Eyakuze, SID and Marjorie Mbilinyi, Tanzania Gender Networking Programme

and responsible private sector, it may have been a positive force for change.

### Financial regulation: managing the ‘Masters of the Universe’

The second conversation looked in detail at the origins and impact of the financial crisis. The panelists included

the CEO of a major global bank branch in Tanzania, a former foreign currency trader in New York and the CEO of a Kenya-based investment firm. They translated business and technical reasons for the crisis as well as its implications for financial and economic regulation globally and in the East African region. The panel critiqued the underlying structure and dynamics of deregulated finance. They analyzed how the sub-prime crisis led to a generalized credit crunch in other sectors and ultimately affected the entire world economy. They presented the need for a fundamental rethink on financial liberalization in order to reduce the systemic and global instability associated with it. They saw an important place for regulation of global and regional financial institutions.

The conversation alluded to Tom Wolfe’s *The Bonfires of Vanity* which coined the phrase ‘masters of the universe’ for Wall Street bankers and other members of the global financial super-elite. The key question was how to stop the ‘great con’ as one panelist described the logic behind the global financial architecture. Essentially we have to put people rather than trading profits at the



Aidan Eyakuze

centre of the economic system. The success of the session lay in the translation of the technical explanations of finance, and in spelling out the political and moral principles underlying the capitalist economy. The key issue was about the kind of ideology and world view that was relevant for East Africans in order to craft economic and political structure that fits its societies. In this civil society has a major role to play. Civil society can ensure that regulation of the financial and economic sectors is given its proper, crucial importance.

### Lessons from the unmeasured economy

Appropriately enough the third conversation was about the important role informal economies play in East Africa. These unmeasured economies are where

internal economic activity it is also crucial for leaders and citizens to understand how different markets work from the local to the global. Given that Africa accounts for a small and shrinking 2% of global trade, intra-African trade with good regulation, access and innovation is required to build up a strong regional trading bloc. While stimulating economic growth it is important to recognize that the market alone is not going to deal with the complex economic needs of the region. The private sector needs to be regulated. Government needs to be clear in its role to support education, health and social services. Regulation of the economy needs to facilitate business, while at the same time ensuring that the environment and people are properly considered in the region’s essentially agriculture based economies.



Arthur Muliro, SID

A major challenge for the region was ‘separating the workings of the government from the politics of the day.’ Countries are struggling to insulate government performance from political imperatives. Politics often

undermines rational policymaking and implementation. In addition, the reliance by many governments on external financing of national budgets poured cold water on autonomous decision-making. It was stressed continually that a resilient and relevant economy that responds to the needs of its citizens can only be determined domestically rather than by foreign governments and business interests. Domestic political and business leadership at the local, national and regional level are critical. One observer lamented the fact that contemporary development discourse and practice has moved people from the centre to the periphery as mere ‘stakeholders.’ If the global financial and economic crisis leads to a focusing of East African leaders’ minds on greater selfreliance through nurturing stronger democratic institutions



Magode Ikuya, National Executive Committee (NRM), Uganda

the bulk of citizens in East Africa earn their livelihoods. The conversation began with two startling videos of clashes between state and citizens in urban Nairobi. The clips depicted people being pushed out of their homes and livelihoods as police forcibly evicted slum dwellers

and burnt the livelihoods of women and men waste paper recyclers. Even if such economies exist at the margins of legality they are providing needed livelihoods in urban environments in East Africa. An insightful discussion raised serious conceptual doubts about the very definitions of formality and informality and questioned their utility for understanding and policymaking. The reality is that such economies are unable to be adequately measured as they are the unmonetized barter and in-kind exchanges that thrive in the streets and in the slums. In addition there is the unpaid caring economy where mostly women take care of young and elderly family members often through networks that span urban and rural spaces.

The unmeasured economic activities are critical to East Africa's resilience. Often these activities are driven by a complex combination of community values, connections and allegiances in addition to market values of self interest. One panelist demonstrated the application of the principle of 'shared private property' by explaining how surplus milk production in many African communities could not be destroyed, nor could water be denied. The predominance of women's work is a distinct feature of the unmeasured economy. The particular cost in



Kwame Owino, Institute of Economic Affairs, Kenya

not counting women's work in the fields, home and streets is perpetuating gender bias and excluding women from taking part in formal economy and political activities.

### New forms of citizen engagement

The fourth conversation then turned to how civil society is operating in East Africa. The two examples

of vibrant civil society in East Africa were women journalist's organizing for women's rights and 'netizens' using web and mobile telecommunications to mobilize citizen commentary and action. The speakers illustrated how engaged civil society is in East Africa in their descriptions of the political economy of development. A brief history of the evolution of civil society in post-independence Tanzania described how it emerged in close collaboration with the state in delivering social services. Civil society came into its own in challenging the prescriptions of the Washington Consensus of the 1980s and 1990s and matured into a significant avenue for promoting government accountability.

The conversation explored both the opportunities and dangers inherent in the process of development. For example, the liberalization of the economy and the media in Tanzania in the 1990s opened up the space for women to organize around issues such as human rights, women's rights, media and children. However in the past decades even as women and gender have been acknowledged, the practice of development has turned into an industry that has led to a proliferation of NGOs. Such NGO-ization however failed to touch the underlying reasons for poverty and inequality. People working in NGOs and overseas agencies have become adept at learning the 'mantras' required to secure funding. However their real engagement is away from 'grassroot' communities creating a distance between their interventions and citizens' aspirations.

The internet is providing an interesting way to engage particularly young people into new forms of national aspiration within a global world, linking 'netizens' living in East Africa to those in the Diaspora. It has been able to create new forums of political engagement through innovative networks, research and think tanks. Some of these netizens are energizing movements for economic and social justice, challenging the donor agenda. They are creating their own vision of state and nationhood by mobilizing African networks in what was described as 'blogging for social change'. Examples were given of dynamic blogs in Tanzania with one having as many as 7 million hits. Along with the mobile phone East Africa's blogs written in a mix of local languages and English, were presented as exciting tools for change.

### Knowledge networks for change

The concluding conversation took up how East African citizens see their future and how to bring about what they want and the changes required. Beginning from a critique of mainstream development's measurement



Chambi Chachage, UDADISI: Rethinking in Action

of what is successful, the conversation revealed that below the figures was a devastating lack of any meaningful government presence. Visits to isolated rural areas find shells of schools with no teachers or equipment and health facilities devoid of medical staff. There is very little trust of government. Indeed these seems to be a conspiracy of pretence and silence between citizens, local government officials and the NGOs about the lack of real progress on the ground. But looking closer, the figures also mask the innovation and survival strategies of the poor. These strategies pivot around their engagement with religious institutions, the use of mobile phones, mass media such as radio, the local shop and teachers' unions. These are the institutions which the majority of poor people see as durable and sustainable.

The conversation continued with a presentation of the SID East African future scenarios project which has examined the nature of systemic pressures facing East Africa in a bid to inform and encourage a public conversation about the region's possible futures. During a decade of engagement of thousands of people in Kenya, Uganda and Tanzania as well as at a regional level the project looked at how East Africa's formal and informal institutions are capable of addressing pressing contemporary challenges. Through dialogues, research, publications, multimedia engagement with different stakeholders the project has explored the options available to leaders and citizens in shaping East Africa's destiny in the decades ahead.

## Conclusion

The launch and following conversations generated a strong sense of engagement. It was a unique intergenerational space where political leaders spoke with netizens, where people from think tanks dialogued with bankers and NGOs spoke with business leaders. What emerged is a rich set of conversations that took participants very far from the conventional development picture of East Africa as beset by poverty, struggling economies and conflict.



Marjorie Mbilinyi

What these conversations show is that there is aspiration, vision, a strong sense of history and hope for the future in East Africa. There is the need to understand the multilayered political and economic changes that citizens are experiencing. The discussion illustrated how the younger generation is using diverse experiences and knowledge as they are set to take the lead in sustaining East African economies and societies. Those aspirations will continue to be recorded in the SID journal *Development* with a second journal issue in partnership with Hivos. *Development* volume 53 no 3 will explore how local economies are functioning on the margins of neo-liberal global capitalism and how to build on these experiences as a strategy for human development. The issue out in September will continue the dialogue on 'Beyond Economics' begun in Dar es Salaam with articles from young East Africans from both the public and private sectors.



Rakesh Rajani, Twaweza East Africa Citizen Agency and Public Accountability Initiative

# In Remembrance: Smitu Kothari on Dams, Development, and the Ethics of Engagement

by Georgina Drew

During the launch of *Development* 52.3 in memory of Indian activist, scholar and long-time SID collaborator Smitu Kothari, SID has decided to publish an interview he gave to Georgina Drew, a Ph.D. candidate at UNC, Chapel Hill on 29 March 2007. The interview highlighted Smitu's involvement with the Narmada Bachao Andolan and the transitions that social movements in India have gone through in the last few decades.



**GD** A lot of social scientists have written on movements such as the Narmada Bachao Andolan and the opposition to Tehri dam. How do you feel about how those struggles have been covered by academics that brought knowledge of those movements West? What do you think about the way that those movements have been exported and represented?

**SK** Well to some extent the question highlights a very deep tension that concerns many of us. Which is, what are the sites of power that researchers come from? What is the relationship that researchers build with the movement? Who in the movement are they talking with and talking to? Who is representing the movement? What are the issues, therefore, from the entire set of complex issues that get represented and analyzed? What is done with that representation and analysis? What is the sustained involvement of the researcher in what he or she has researched? So, the whole issue of the activist as researcher is a highly contested terrain, a highly contested issue. And my experience, at least, suggests that very few people have been deeply introspective and respectful of the complexity of what they encounter on the ground. Also, from the other side, if you look from the perspective of the movements, they have been inundated with people coming in. I mean, the Narmada—and, to a smaller extent, Tehri—have become sites of development tourism. Dozens of PhD theses have now been done on the Narmada. Lots of researchers have been trampling up and down the valley. For me, that raises the additional question, which is to what extent has that research contributed to the creation of a wider resistance to what the dam represents and to the dam itself? And to what extent has it actually furthered the academic careers of those who have researched those movements? Even though it is not so linear always, I come away with a great deal of skepticism. These sites inevitably tend to become sites of a different kind of academic extraction. It is not very different from the extraction of colonial or capitalist knowledge systems and (other) systems themselves. Now, this is not to say that there hasn't been research that has had a positive long-term impact on what these movements have been fighting for. But they have been few and far between. Particularly in the context of Tehri, when it became a question of the dam being defended by extremely powerful political and economic interests—as it is also the case for the Narmada—more and more of these researchers became wary of being identified as those who were associated with those movements.

In both those cases, the movements themselves have gone through a major transition, a very radical transition, from taking a position that is anti-dam to taking a position that is now seeking comprehensive justice for those who have been displaced by the dams. That shift is very politically important and rather painful because (now) you have destroyed cultures, you have destroyed eco-systems. You now have destroyed and divided and fragmented the communities. You are now essentially involved in—from the point of view of the system—you are involved in a program of very cynical manipulation and a very cynical delivery of marginal goods. From the point of view of the communities, you continue to be humiliated, you continue to be deeply exploited in many different ways. Because both the systems as well as, to a large extent, academia, have continued to remain indifferent to the gravity of what you are experiencing.

What I should also say though is that both those movements, particularly Narmada but Tehri also—because Tehri is part of that legacy—have definitely contributed to a global debate that has put a huge question mark in front of large dams. And in India alone, I would say roughly about 70 percent of the projects that were planned before the movements (arose), they are now on the back burner or have been cancelled. This is not just India. It has also led to the building of the largest global alliance around a development project. At one time, I remember nearly 350 groups and movements around the world were part of the international alliance in support of the Narmada

struggle. That alliance has helped, therefore, in bringing the debates into other countries. And in that sense, again, the Narmada and Tehri movements have spawned and inspired and given strength to other movements in other parts of the world. In many relatively non-visible ways, this is a kind of osmotic inspiration, an inspiration through osmosis which doesn't come through people sitting across the table directly and talking about what they go through. And I think that is a very important contribution that they have also made.

**GD** What do you think about the arguments that these (dam) projects threaten to break connections that people have with water and the spiritual values that people associate with water? In Tehri, they were saying that the dam would kill the Goddess, that it would disrespect the Mother (associated with the river). To what extent do you think that those are valid arguments that speak to the concerns of the affected communities? To what extent, if at all, do you think they are part of opposition rhetoric? And how do those arguments travel and get processed in political spheres? Do they delegitimize people's development-related concerns because they signal a non-modern rationale?

**SK** From the point of view of the community, they are very real issues. The river is not just a site of livelihood; it's a site of spiritual regeneration. And for them, for the community, because it is a site of regeneration and a site of livelihood, their defense is a defense of both and of many other things. It is also a site of historical memory. The destruction of that site therefore is also a destruction of their history. It's also destruction of their past. But what was very ironical to me was (the behavior of) the governments in power. In many cases for instance when the Hindu right wing, the Hindu nationalist party was in power in Delhi and the state government, they were projecting themselves as defenders of Indian culture, as defenders of its multiple plural religious system. When, however, it came to the question of fourteenth century temples or ancient Hindu sites from the Indus valley civilization being submerged or (the loss of) what Tehri represented—for local communities it involved both the spiritual God Mother and Mother but it also played an important role in the cycle of ritual and regeneration—they completely discounted it. So they selectively appropriate tradition for their nationalistic regressive politics and then they selectively appropriate modernity to defend the dam. And so it's a strange co-existence between the defence of modernity, which is actually destroying elements of Indian spiritual and religious roots, and at the same time the defence of those spiritual and religious roots selectively to shape their politics. I think that one of the mistakes that a part of India's Left has made in discounting the value of religion in Indian political life is that they have allowed the Hindu right to appropriate the space that belongs in all its plurality to the people. Which is that, if the spiritual significant of the river is important for the local community, then we must give space to the power of that connection. We mustn't allow it to be appropriated by one particular political force. It is important to sustain the fact that an extremely liberative politics can be shaped that is rooted in a spiritual context.

**GD** To go back to the movements, how do you feel about the shift—you said it was very significant—to focusing on compensation and rehabilitation. How valuable do you see that as a shift and how does it affect other struggles? Are other movements looking towards this shift and deciding to talk about how large-scale projects should be managed instead of whether they should be built at all?

**SK** Whatever you do—whether we talk about dam and its problems or you talk about the current situation of displacement—in both cases development is implicated. It's very severely implicated. Since independence, planned development has displaced about 60 million people in India alone. We are displacing about 8-10 million people every year in the projects of planned displacements. The overwhelming majority of these people have never been rehabilitated. As if rehabilitation is a solution. It is inevitable, therefore that we need to critically examine—need to critically interrogate, need to critically challenge—the very nature of development itself that causes such large scale suffering. It is imperative now that the state and other agencies look at least-displacing options, that they respect the importance of communities giving consent—not just agreement but formal consent after they fully know about all aspects of the project. And there should be a proper due process in which project papers are available to them in local languages. If you look at what is in the offing for countries like India, in the next 20 years to the next century, it has become urgent for us to look at options. As the (IPCC) report so graphically points out, the Ganga will become a seasonal river in 25 years. This essentially means, not just that a civilizational legacy will come to end, it also means that the 250-300 million people whose livelihood, cultures, (and) identities depend on the river are going to see a lot of this threatened and devastated. So that it has now become imperative for us—looking at the reality of displacement, looking at the reality of climate change, looking at the reality of the need to defend the plurality of India's knowledge systems—that we take a comprehensive view of the choices, of the economic and

political choices, we are making. The biggest challenge in India today is a double challenge: How do you bring into the mainstream the urgency of doing this (questioning our choices)? The second is, how do you create structures to defend communities who have protected their knowledge systems, their ways of knowing, their ways of being? How do you create those systems of protection, so that their struggles for autonomy can be validated, so that they can have more political and economic space to be able to nurture what they think are their futures rather than somebody violently coming and taking those futures away?

**GD** The overall issue that my research explores is climate change in the Himalayas and the paucity of water resources, particularly in the Ganges, that will be left if the glaciers melt. Some might say that it is contextualized within a framework of 'impending doom'. At the same time, there are a lot of immediate water struggles that we don't have to wait for, that need urgent attention. It is hard to know how to direct one's energies.

**SK** See, I think that at the moment there are enough conflicts that are taking place because of the changes in India's water regimes, in the availability of water. In the duration and strength of monsoons, in the use of that water. In the harvesting and protecting of the water systems, in the quality of catchments and who is defending and protecting the catchments. In the highly iniquitous rerouting of major sources of India's water for the big cities and for industries. There are at least a dozen of such urgent, immediate issues, that people are suffering, that people are dealing with, that people are engaging with, that you need to get involve in. Yes, it simultaneously is important for us to talk about the melting of the Himalayan glaciers and its implications. But if there are people who are much more engaged with the immediate, let them stay, let them strengthen that engagement. I don't think that we should go, I mean at least spend all our energy in that, what you called impending doom. It is because we are in the position of power, of plural sources of information and knowledge. We are very privileged. It is important for us to make available this information and knowledge in wider arenas. But we need to be also very careful in how we choose those arenas and how we respond to the nature of urgency that exists on the ground. I would say that given the urgency of what is happening immediately, the kind of response that needs to be built is miniscule. And so there is a huge amount of work to be done. Let's get on with it. Rather than getting into, you know, endless debates at one level about 'how do you prioritize,' and 'what should come first'? After all, you know glaciers are melting. And you know there's going to be no water. What's the point in talking about it now? At one level those are important debates at another level they are totally academic.

**GD:** One of the groups that I have been working with is opposing Coke factories in India. It has been amazing to see how they have been able to network and draw attention to their cause. There has been critique of their approach because they use Gandhian tactics—non-violent protests, dharna, and fasts—to raise awareness. Some say that there are other ways to be more effective in this day and age. What do you see as the biggest issues, the possible points of action and hope for communities fighting big struggles like this?

**SK** What is happening in Mehdiganj, what's happening in Plachimada, what's happening in Rajasthan in and around Coke factories is quite remarkable. But there is no question in my mind that much more energy needs to be expended in challenging Coke in the US. I spoke three weeks ago at a rally organized by teamsters in New York on Coke. The international campaign director of teamsters and the national campaign director were both there. They invited me to come and speak, and I spoke precisely on the effect of Coke in India. And after I ended, I was stopped by many of the teamster workers who knew nothing about this. They now have new energy to engage the company with. There needs to be political activists here—students, scholars—who work on these issues. They need to be openly challenging, to look for ways in which you can legally bring (to light) the company's record. I know for a fact that several groups in the US were also planning two weeks ago to go to the annual share holders meeting of Coke, and to challenge them there. They wanted me to go, but I couldn't make it because of other commitments. But I think that just like in Bhopal, we need to strengthen our capacities to hold companies, multilateral banks, bilateral agencies, bilateral banks accountable, and we need to continue to fight even though it's a huge uphill battle, because most courts are unwilling to, beyond a point, challenge corporate violence in other parts of the world. But I think we need to keep pushing and we need to keep challenging lawyers and politicians in public and in media, in highlighting these issues. I really think that the Indian community has done a lot. There is more to be done there but I think a huge amount needs to happen here (in the US) and the more urgently it is done, the better it will be for us.

# Opinion Piece: New Forms of Citizen's Engagement

by **Fatma Alloo**

I come from Zanzibar where we claim to be Zanzibar first and then something else! 'Where people do not go to street to demand [electrical] power (*umeme*) but do so to demand political power' (Mwafaka).

I grew up in a visionary society. My conscious years were through Mwalimu's ideology where at Tanganyika's independence Nyerere stated '*Tanganyika is not free until South Africa is free*'. I was at school then and asked my teacher to explain this statement and it was my first lesson on apartheid.



Later in life I lived at the University of Dar es Salaam next door to Walter Rodney, the author of *How Europe underdeveloped Africa*. In those days East Africans were engaged in a critical debate over how Europe ruled Africa, and political economy was the tool of analysis. The spirit of voluntarism and integrity lead our discussion with dignity of people at the heart of our vision. We dreamt of the Africa we wanted with a visionary leader like Julius Nyerere at the helm of Tanzania who had a clear ideological stand – the liberation of Africa.

It was the era of a one party state. We had one party newspaper, one government news paper, one radio station, no television on the mainland. Only Zanzibar had coloured television.

Democracy implied a cohesive society. Language became a unifying tool in Tanzania and the spirit of nationalism flourished. We took on the agenda of liberation not only of South Africa but of the mind. People mattered. Pan-Africanism was the political goal. Africa must liberate was the cry with people passionately engaged in nation building.

Then I grew up and the country did too. The era of liberalization '*Ruksa*' came. In 1987 we, the media women, gave birth to Tanzania Media Women's Association(TAMWA) in Dar es Salaam and Umoja wa Walemavu-the The Disabled Association(UWZ) was born in Zanzibar in 1986. It was the era of free associations and many associations bloomed.

TAMWA became the first NGO to own its premises. The media women used Information Technology ( IT) as a tool of empowerment. We took pride in producing our own magazine, SAUTI YA SITI, which voiced our concerns as women and positioned us strategically within the women's movement in Tanzania. There were many newspapers and many NGOs such as Kuleana in Mwanza which organized street children, Human Rights Centre, Tanzania Gender Project and many many more were born in the late 1980s/early 1990s.

In the 1990s, drunk with new freedom we indiscriminately opened our doors as a nation. Civil society was busy making things happen. We did not stop to think then of our way forward and did not know to demand regulation. Investors come one, come all' was the message from our leaders and no one talked of property rights or land rights. But there were still those who were critical such the magazine *Change* run by Juma Mwapachu. *Change* asked about the fate of parastatal vis-a vis foreign investors. The magazine spoke out when Mwatex, a local factory which produced khanga, was closed. *Change* was a business peoples' mouthpiece with national interests at heart. In the NGO world we grappled with issues of organizing, advocacy and democratic rights and voice of women. We ran organizations on a voluntary basis. We were inspired by the dreams of the Africa we wanted. We organized locally and networked regionally and internationally. TAMWA became a catalyst to media women organizing regionally. It was the era when African Women's Development and Communication Network (FEMNET) was born regionally and at pan-African level. Development Alternatives with Women for a New Era (DAWN) was born as a south-south coalition network.

Gradually, the role of development agencies increased and we began to see emergence of what we now call 'Lords of Poverty'. As poverty became a business leading to the dismantling of gains of independence like the agri-economy we had set up in Tanzania through IMF/WB policies. In the development world we received the mantra words like *gender, women, poverty alleviation*. Many good things came out of it but our own agendas of empowerment were too often derailed.

What about grassroots or as we call them in Africa -the downtrodden? Informal economies thrived. People continued through culturally sound community organizations to engage in their own systems of survival like informal banking, *Upatu* and engaged in elections.

But we also began to see the emergence of a middle class in our region. In the late 1990s and 2000s the debate emerged between parents who held parastatals and freshly returned, western educated, articulate sons and daughters who refused to stay in the north as second class citizens and came home thirsting to make a difference. The premise was business with profit for ourselves but with national interest at heart. Yes Africa is rich but we have let our natural resources profit others. This younger generation argued for property rights and doing business with social responsibility. This rising force is diasporic in nature. It is not by accident that the debate on dual citizenship is taking place now in the Tanzanian parliament. The emerging business sector wants to keep dual nationality and have access and lobby powerful government officials when they go abroad.

At the same time there is a movement at the ground level which is facilitated by people like Chambi Chachage through IT. They voice concerns of society on list serves like BIDII, ZIRRP, WANZUONI, (Young intellectuals) Africa leadership initiative, Tanzania Professional Network who have very successful SACCOSS micro-finance initiatives. These initiatives are both intellectual, nationalistic and corporate in nature. They also engage older generations who are semi or fully retired, who now invest in civil society and raise issues of concern of where they came from and where civil society is going to be at a political level.

At the core of this discussion is what form of democracy do we want? We need leaders on the continent who work with new concepts of being- like Rwanda and Liberia, to name a few, who believe in investing in its people through promotion of social protection. We are seeing the emergence of what John Keane calls 'monitory democracy' where society is defined by the multiplication and dispersal of many different powers – monitoring and contesting mechanisms of power both within domestic fields of government and civil society and beyond in cross-border settings that were once dominated by empires, states and business organizations.

How we think of democracy is fundamentally changing. We witness history in the making with Obama at the helm of a descending empire given power by the peoples' ballot. The US is a representative democracy but it is the system of might of money (corporate) and ammunition (military) that will dictate Obama's actions.

So in our region too we see consistent emerging forces. The *Bunge la Mwananchi (A Peoples Parliament- www.bungelamwananchi.org)* of Kenya(2003)is taking form as a social movement. Johannesburg based Civicus ([www.civicus.org](http://www.civicus.org)) continues to have a Civil Society Index which assesses the tempo of civil society on the continent, hopefully without Lords of Poverty. Women's movement form coalition (FEMACT) in the hope that it is an encompassing movement across class in Tanzania. The numerous institutions coming of age in the interest of Africa like the Economic Institute, African Research and Resource Foundation(ARRF), ESRF, Research on Poverty Alleviation (REPOA), FEMNET, CODESRIA, AAWORD, one sees the continent is resurrecting.

As long as we strive for property rights of our motherland, have an identity of nationhood and the love of the continent at heart, the continent will rise. With this vision we shall thrive as a continent and come out from the aid (*ombaomba*) culture to a vibrant creative society. The future is here and now.

*This piece is based on the presentation of SID Governing Council member Fatma Alloo at the East Africa launch of Development 52.3 on Beyond Economics held on 3 February, 2010 in Dar es Salaam.*

## Interviews

As part of the ongoing discussions on *Development* 52.3 'Beyond Economics', Assistant Editor Laura Fano Morrissey interviewed some of the authors of the journal issue, members of *Development's* Editorial Board and participants to the New York launch of the publication.

### A way out of the crisis: Radical Ecological Democracy

Interview with Ashish Kothari, founding member of the Indian environmental group Kalpavriksh ([www.kalpavriksh.org](http://www.kalpavriksh.org)) and former co-chair of the IUCN Strategic Direction on Governance, Equity and Livelihoods in Relation to Protected Areas.



**LF** What options does the current global crisis offer in terms of adopting a more ecologically sustainable way of life?

**AK** The current global crisis comprises of at least three distinct elements: climate change, economic/financial collapse, and the global nature of security threats (or perceptions of these). All of these are at least partly linked to our dependence on fossil fuels, and partly to the short-sighted models of economic growth we have followed in the last few decades. An understanding of these factors could lead us to the basic corrections we need to make towards a more sustainable, equitable, and peaceful world including clean and decentralized energy, clean production, renewed emphasis on local economic self-sufficiency and governance on which widening circles of cultural and social links across the globe are built. A large number of alternative ways of organizing the economy, energy and food needs, community living, trade, and so on, are already being practiced around the world, from which we can learn. So far they did not get much attention, but with the multiple crises staring everyone in the face, they are beginning to.

**LF** India has been heralded as a new model of economic growth. What has this growth implied in terms of environmental damage and the well-being of the poor?

**AK** It's completely the wrong model! Since 1950 or so we have followed industrialization as the model (with only a few years in which agriculture was given some priority), and since 1991, economic globalization has been imposed. Economic planning is based on the overarching desire to reach a double digit growth rate, and indicators of progress remain the completely outdated ones of GDP, per capita income, etc. The consequences are dire on the environment and the poor (especially those 400-500 million people directly dependent on natural resources for their day to day lives). Rates of forest diversion, mining, marine resource exploitation, and so on, have gone up markedly, and environmental governance is being loosened with relaxation of a number of legislative measures. A recent national report suggests that we are already consuming twice our carrying capacity. Displacement of people for 'development' projects continues unabated, with figures ranging from 30 to 60 million! Inequalities of various kinds have increased, and over half the population still does not have decent civic amenities or full food security.

**LF** In your article for *Development* Volume 52.3, you advocate for a Radical Ecological Democracy to be implemented. What do you mean by such a term and what are the principles that govern it?

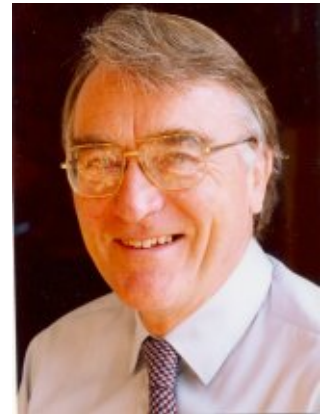
**AK** Radical Ecological Democracy is a system in which everyone has the right and opportunity to participate in key decisions affecting his/her life, and the sensitivity and awareness to know the impacts of these decisions on the environment and fellow humans. Its two fundamental principles are ecological security, which means the sustenance of ecosystems and species, and livelihood security, which means the sustenance of the lives, livelihoods, and cultures of communities most dependent on nature. A number of principles follow from these two, which are elaborated in the paper: respect for diversity and pluralism (biological, cultural, political, economic), emphasis on cooperation and collective working, assurance of rights that are enjoyed with responsibility towards fellow humans and towards other species, dignity of labour, valuing simplicity and frugality over opulence, pursuit of happiness through multiple tangible and intangible ways rather than only material acquisitions, focus on non-violence in our dealings with each other and with non-human nature, and priority to the commons over the private (while not negating personal space).

**LF** Why, as you suggest, can India play a crucial role in shifting to this new model?

**AK** India is well-placed to lead or contribute significantly to global paradigm shifts, for several reasons. Despite the dramatic changes in the last two-three decades, a number of traditions that have ecological wisdom built into them survive and are practiced by many communities. But modern science and mindsets are also strong, and a combination of the best in traditional/local with the best in modern/global can be quite revolutionary. Indeed a large number of initiatives on the ground, by civil society and even by government, are already available to learn from, synergize, and build up in scale. India has also shown considerable resilience through many testing centuries of history, which could stand it in good stead to survive the impact of current global crises. A crucial factor will be the deep spirit of civil society action, reflected in the myriad of non-violent movements or class struggles, inspired by Buddha, Gandhi, Marx and many others. These movements of resistance to destructive development and experimentation with alternatives will be the fulcrum of the emerging RED paradigms.

### **After the crisis: the need for a new monetary system**

**Interview with James Robertson, an independent writer and activist on economic alternatives ([www.jamesrobertson.com](http://www.jamesrobertson.com)). In 1984 he co-founded the New Economics Foundation (NEF) in London. His latest book is *The History of Money: From Its Origins to Our Time*.**



**LF** In your paper, you identify the root cause of the current crisis in the way the money system works. You advocate for an international currency to replace the dollar in international transactions. What benefits would this bring?

**JR** The root cause at the national level is that we give commercial banks the privilege of creating and issuing almost all the money supply into circulation, as profitable debt in the form of loans to their customers ('credit'). This encourages the banks – even compels them (1) – to create too much money in the booms and then too little in the busts. It also distorts the national and international economies in favour of the banks and their most profitable customers.

The necessary solution is to nationalize, not the banks themselves, but the national money supply – bank-account money as well as banknotes and coins. We should transfer to an operationally independent public agency – the central bank – the function of creating it and giving it to the government to spend into circulation. (Other proposals to stop the crises recurring – international jobs-for-the-boys regulation of banks' capital, bonuses, etc – will be top-heavy, costly, messy to introduce, and will fail.)

The international economy needs a parallel reform. In the past two centuries it has depended for its currency first on the pound sterling, then on the US dollar. This has increased the economic dominance of Britain and then America over other countries. In the twenty-first century, instead of relying on any national (or regional, like the euro) profit-making debt-based currency, the world needs a genuinely international debt-free currency. Especially if combined with necessary developments and reforms of taxation and public spending at UN and national levels, this would treat all people and all countries more equally, and would help them to meet the new challenges of world development. (See Answer 4.)

**LF** At the national level, you suggest that crises are generated by money being created as debt. What does this entail?

**JR** When money created as an interest-bearing, profit-making debt is repaid to the bank that lent it, that money ceases to exist; it is written off the bank's balance sheet, both as a liability and as an asset. But the money paid as interest to the bank for the loan continues to circulate. Whoever that money came from, more money must now be lent into existence to compensate for it. So this way of creating the money supply keeps us on an unstoppable treadmill of rising indebtedness.

That drives almost everyone to endless competitive economic growth and consumption of planetary resources in order to avoid financial collapse. It also drives a continually widening gap between rich and poor people, places, and countries, because in general the rich benefit from being able to lend money and the poor suffer from needing to borrow it.

**LF** What public spending reforms should be implemented in order for everyone, even the most marginalized, to benefit from them?

**JR** A growing number of people in many countries support a reform to provide every citizen directly with a basic Citizen's Income as a right of citizenship. It will enable many people worldwide to look after themselves and one another better than they can today, and enable some countries to cut their present spending on government and big business to provide citizens with impersonal top-down benefits and services.

This principle applies to all countries, because it reflects the right of citizens to a share in the value of common resources – value which is not due to the work, enterprise and skill of any particular organization or person, but reflects the characteristics of natural resources (e.g. the location of land) and the activities and demands of society as a whole.

That is why it will make sense to finance the Citizen's Income by a tax shift, away from taxing incomes and profits earned by contributing to society, and instead taxing the value derived from common resources like the value of land and the environment.

**LF** You started your career 50 years ago in the British Colonial Office. You say that today you are less hopeful about development prospects. What aspect worries you in particular?

**JR** Our collective leadership in the mainstream walks of life, professions and disciplines concerned with world development fails to communicate confidence in our ability to resolve the crises we face.

Humanity is now an endangered species. Our growing numbers, combined with our present way of life and the aspiration of billions more to enjoy it, are destroying our planetary habitat. Supplies of food, drinkable water, energy and other necessities are threatened by congestion, climate change, overuse of land and its erosion, pollution of land, sea and air, and the exhaustion and destruction of natural resources like oil and forests. Increasing competition and conflict for resources could accelerate a combined collapse of social and ecological systems.

A malfunctioning worldwide money system driving us in the wrong direction is one of the vital problems. Solving other vital problems too – such as population numbers, and effective human self-government – will be necessary conditions for avoiding species' suicide.

It isn't easy to see immediately where our ability to solve these problems is going to come from.

(1) 'As long as the music is playing, you've got to get up and dance' – Chuck Prince, the sacked Chairman/CEO, explaining why Citibank would have gone bust in 2007, if it hadn't been bailed out by the US government.

## **The need to put people and the planet before profit**

**Interview with Ana Agostino, member of the Editorial Board of *Development*. Ana Agostino works for the International Council for Adult Education, an Uruguay-based global network of adult learners and educators who promote the use of adult learning as a tool for informed participation of people and sustainable development. She is also a member of the GCAP Global Council and the facilitator for the Feminist Task Force (FTF).**



**LF** How are all the different crises we are experiencing (financial, environmental, food and care crises) interrelated?

**AA** All the current crises have a common origin: an economic model that has prioritized profit instead of the well being of human beings, of peoples and of the planet itself. This model has aimed almost exclusively at economic growth, at the constant increase of production and consumption and at the scientific and technological intervention to mitigate the possible negative consequences. That is to say, profit has been put ahead of reciprocity and efficiency ahead of sufficiency. The current crisis can be seen as an inevitable consequence of neo-liberal globalization by which the sovereignty of nation states was replaced by the unlimited power of financial markets. States gave up some of the traditional roles related to the collective well being of societies. The markets

took over but capital, which is supra-national, moves according to its own interest without any responsibility towards the well being of the people and the countries where capital is temporarily invested. Life, on the other hand, is anchored in territories which are the resources that guarantee social and biological reproduction. The current crises highlight the need for the states and citizens, through democratic processes and policies, to take control of their own lives and of the common resources with the collective interest as a guiding principle.

**LF** What is the position of GCAP- of whose global council you are a member- on how to get out of the crisis?

**AA** GCAP is an alliance that advocates for governments and international bodies to fulfil their roles ensuring that all human beings enjoy a life without poverty and inequality. As key issues for achieving this goal GCAP demands (i) Public accountability and just governance; (ii) Women's rights and gender justice; (iii) Major increase in quality aid and financing for development; (iv) Debt cancellation; (v) Trade justice; (vi) Climate justice; (vii) Peace and human security. GCAP believes that the current multiple crises present the world leaders with a major opportunity: to design sustainable production and consumption patterns, to eradicate poverty and provide education opportunities so that the majority of the people currently excluded can become the motor of a home-grown economy. It believes that what is needed is political will and that the voice of the diverse peoples living in poverty and the insights of civil society are taken on board through democratic and accountable governance and processes. The growing power and influence of corporations at global and national levels is in contradiction with this and therefore GCAP calls on governments to create the appropriate regulatory frameworks that ensure companies become more accountable to international agreements (human rights, ILO, Millennium Goals) and therefore to the people most affected.

**LF** As you are also the facilitator of the Feminist Task Force (TFT), can you tell us how the crisis has particularly impacted on women?

**AA** It is widely recognized that the food and environmental crises affect vulnerable populations harder, this vulnerability being the result of different factors such as age, gender, geography, ethnicity, income group, etc. Women are particularly affected because they are the largest percentage of the poor population (it is estimated that women account for 70 percent of poor people) and they also face gender inequality, which the current crises tend to deepen. Some of these inequalities are: lack of access to resources such as land, credit and training; limited participation in decision making; more dependence on natural resources; less access to education; higher responsibility in the 'care economy'. Climate change in particular exacerbates some of the existing inequalities. The negative impact of green house effects on human and natural systems affect women directly as, in many societies, they are the ones in charge of collecting water and fuel and the main producers of food; the changes in ecosystems and loss of diversity that make areas no longer habitable impact on women's capacity to ensure food security; and the consequences on human health and early deaths (due to water pollution, changing weather, changes in air quality and in food quality and quantity) affect women also in a differentiated way as they are the main caregivers who take on the responsibility to respond to these impacts on themselves, their close and extended families, and on many occasion their communities at large. These impacts highlight the need for specific policies that make care the responsibility of society at large, that guarantee women's access to education throughout life, health services, credit and land and that are implemented respecting the diversity of peoples and cultures.

**LF** What is the situation like in Latin America at the moment? How has the crisis impacted on the most marginalized sectors and what are the prospects for the future?

**AA** The financial crisis did not impact in Latin America as hard as it did in the highly industrialized countries. One of the felt consequences was the decrease in demand and the falling prizes for the region's products, which in many cases was overcome by the opening of new markets or the expansion of existing ones like China. The countries with closer ties to the United States like Mexico and Central America felt greater effects, including the reduction in remittances which in many countries represent a high percentage of their economies. What the crisis has done, though, is to highlight the existing inequalities that have characterized the region for several decades and that the coming of progressive governments to most of the countries has not been able to overcome yet. Latin America continues to be extremely unequal, high percentages of the population do not have access to quality services in health and education and the indigenous peoples, afro-descendents and women continue to be more affected than the rest of the population. The response to climate change has been very different in the various countries, with some, like Ecuador, that has included the rights of nature in its Constitution, to some others for which environment

continues to be a marginal concern in their policies. This will clearly have a negative impact in the long run and will also lead to social and cultural conflicts as the natural resources become a contested terrain, not only for economic reasons but also for cultural ones.

### **It is time to put money into the ‘real economy’**

**Interview with Randall Wray, Professor of Economics at the University of Missouri-Kansas City, Senior Research Associate at the Center for Full Employment and Price Stability, as well as visiting Scholar at the Jerome Levy Economics Institute of Bard College.**



**LF** Many economists predicted the crisis was going to happen. What could have been done to prevent it?

**RW** Of course, as the Queen of England suggested, most economists did not see it coming. This is because the mainstream economics models are wrong. They presume that market processes are naturally stabilizing. However, many followers of Keynes, such as Minsky, recognize the inherent problems of the modern capitalist economy—its failures to provide for full employment, for sufficient equality of distribution, and for economic stability. If policymakers had recognized these faults, they could have designed a framework to promote stability. These would include a true, full employment programme (what Minsky called employer of last resort), a set of policies to promote greater equality (higher minimum wages, promotion of wage growth at the bottom of the income distribution, more power to labour unions), and policies to reduce financial speculation (prohibiting protected institutions such as insured banks and pension funds from buying risky assets).

**LF** What was the role of financial speculation in the unfolding of this crisis?

**RW** Just as it did in 1928-29, the self-regulated financial sector became the ‘tail that wagged the dog’. Speculation as well as out-right financial (accounting) fraud was unleashed. Policymakers not only refused to constrain it, they actually promoted this (such as Chairman Greenspan’s recommendation that households borrow against their home equity using risky adjustable rate mortgages). The economy became little more than a side-line to the bubbles. This was actually cheered by our ‘regulators’ such as Greenspan as well as Treasury Secretaries Rubin and Paulson. Larry Summers and Timmy Geithner also fuelled the speculation—not merely by allowing it to happen, but by actively promoting it.

**LF** In your article you advocate for governments to pump more money into the economy. How will this help prevent another crisis? Doesn’t it rather help save the system and create further crises in the future?

**RW** I want to be clear: we need to ‘pump money’ (spend) into the ‘real economy’ not into Wall Street. I would close down all of the ‘too big to fail’ financial institutions. I would withdraw the ‘bailouts’ and prosecute the crooks. What we need to spend for is to create jobs (providing income to finance consumption, rather than forcing households to use debt), to help homeowners refinance homes at better rates, and to rescue state and local governments (to protect public sector jobs and services). All of this would reduce the potential for future crises.

**LF** In your article you also say that prospects for the rest of the world are worse than for the US. What can poorer countries do to come out of the crisis? What options do they have?

**RW** Much of the world will rely on the US to pull it out of recession. Unfortunately, many nations either will not and in some cases cannot pull themselves out without US recovery. Those that have given up sovereign currencies (adopting the Euro, or pegging to the dollar) cannot use fiscal policy on the necessary scale to ramp up their economies. China can do it, but as it is a net exporter, it will not be a huge help for the rest of the world. Over the longer term, I hope more countries will recognize that the key to ‘decoupling’ from the fate of the US is to develop their own economies, to achieve full employment through domestic demand. This is facilitated through use of a sovereign currency—which allows domestic fiscal and monetary policy space sufficient to achieve full employment at home.

## South Africa and the global economic crisis

Interview with Ebrahim-Khalil Hassen, independent researcher and a part-time research associate at the Centre for Poverty, Employment and Growth at South Africa's Human Sciences Research Council.



**LF** What was the main impact of the global economic crisis in South Africa?

**EKH** The most immediate impact of the global economic crisis in South Africa has been in the area of employment. South Africa has a very high unemployment rate. The official data showed a rate of 23.6% in June 2009. The broad (or unofficially rates) set the figure as high as 32.5%. The reasons for the impact of the global economic crises on employment is due both to retrenchments as firms cut costs with the drop in the demand for goods and services. The credit squeeze due to the crisis means that loans are not readily available from banks, forcing firms to choose between either retrenchment or closure. As a result firms and some government institutions have stopped hiring, and the private sector has moved to more part-time and flexible work arrangements.

Another impact of the crisis is in public expenditure. South Africa's new Finance Minister, Pravin Gordhan, has budgeted for a 7.6% deficit to try to keep social services intact but the consolidated government expenditure has seen its slowest increase since 2000. If inflation remains high, there is likely to be a real cut in social services spending, unless government's budgets are significantly reprioritized.

Taken together increased unemployment and a less expansive fiscal policy could mean increases in the national poverty rate. There are indications that as the impacts of the crises moves from manufacturing to services, the female unemployment rate and poverty rates are likely to increase.

**LF** South Africa is now considered one of the new emerging powers and the dominant view is that its economic policies have proved successful. What is your opinion on this?

**EKH** I think the jury is still out on whether South Africa has been a success in terms of economic policies. For me a couple of features stand out. Income inequality has been resilient to all the changes in economic policy. This is doubly important because according to the official Development Indicators, South Africa is one of the most unequal countries in the world. Income inequality remains a significant problem. The inequality profile shows not only what one would expect in terms of a racial distribution of wealth given our history of apartheid, but also evidence of a more class based society as both the bottom 10% and top 10% of income earners becomes more racially mixed.

In terms of creating a more equal society, South Africa's economic reforms have not been a success. A key feature of this inequality resides in markets. In South Africa, the Competition Commission has over the last few years investigated collusion on prices in many sectors. Whilst the details of each sector are unique, a pattern is beginning to emerge. Usually there are a few larger companies that set prices amongst themselves, with high mark-ups. This suggests that despite economic reforms South Africans find it hard to gain access to markets as they experience significant barriers to entry. Consequently, even in start-up activity South Africa ranks poorly, as the structure of the economy remains unchanged.

However, there have been some gains. After significant cuts in government's social spending in the period 1996 – 1999, there has been an increase in social spending. This has been partly due to increased tax revenues, supported by economic growth and high commodity prices. South Africa's vulnerability to changes internationally is not unique but it does suggest that the broader structural transformation of the economy away from primarily mining exports has not yet been completed. In that sense as well, South Africa's economic 'success story' can be questioned.

**LF** Have recent changes in the national political landscape added to economic instability?

**EKH** The changes in the political landscape in South Africa have been significant, but have not added significantly to economic instability. The government under the leadership of President Jacob Zuma has not shown signs of making major changes to economic policy. However, there has been a more consultative style from the new government, and a much stronger focus on employment creation.

Instability is mostly coming from ‘below’ in communities. Important examples of this are the ‘service delivery’ protests. These are community based protests against poor service delivery, access to services, and a range of other problems. Often the protests turn violent with clashes with police a regular occurrence, and sporadic outbreaks of xenophobic violence though when social movements guide the protests it could be seen as adding to political engagement and moving towards some constructive change.

The challenge however remains how to develop strategies that are labour absorbing. This remains a huge challenge with current focus on industrial policy, arguably still lacking strategies to support inclusion.

**LF** What are the causes of what in your article you term ‘poverty traps’? How can they be overcome?

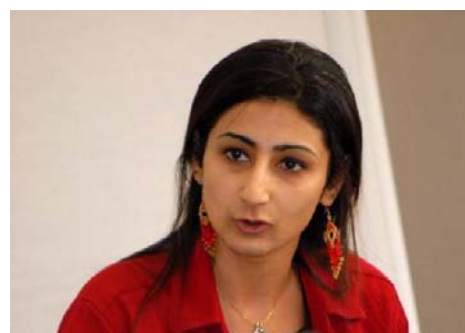
**EKH** The causes of poverty traps in South Africa are related to a history of colonialism and apartheid in South Africa. This means that many South Africans – the majority being black – were stripped of ownership of their property, were provided with poor quality or no education and were kept in low wage employment. This historical background has been – in my view – reinforced with new mechanisms that have deepened the poverty trap. These mechanisms are associated with ‘managed liberalisation’, through policy instruments such as reducing deficits, privatization and more open markets. South Africa has been a cautious liberalizer, but the impacts have been huge. For instance, when Telkom was privatized, there were promises of cheaper and universal access. Yet, today South Africa continues to have high and uncompetitive telecommunications costs, and universal access is unlikely to be achieved.

The policy response in South Africa should be a recognition that there is a need to find ways for households to exit poverty through asset building. Building asset portfolios for poor households could provide both a flow of income, and resilience against future shocks. Moreover, it could potentially provide the basis for poor households to craft longer run accumulation strategies. In some instances, assets could be held in communal ownership, with some success stories beginning to emerge in rural areas. Moreover, it requires tackling power relations in the economy, and especially economic concentration along value chains. It is unusual to consider markets to be mechanisms for inclusion. The impacts on households would be important, especially as it has the potential to provide mechanisms to include poorer women into the economy. What I would argue is that we need an alliance between government and smaller players in the economy, aimed at opening access and providing employment opportunities for men and women in poor households. Trade unions and community based social movements are central to this alliance not only to provide political support for economic inclusion in the market, but also to develop alternatives focused on more collective forms of ownership.

### The need to reconnect value with values

**Interview with Nitasha Kaul, economist, scholar and writer based at the Centre for the Study of Democracy, University of Westminster. She is the author of the book *Imagining Economics Otherwise: Encounters with Identity/Difference* and *Snapshots of a Changing Kingdom: Democracy and Identity in Bhutan*.**

**LF** The financial crisis has already turned into an economic crisis. What is your view of the main risk of the crisis hitting the real economy?



**NK** I think that the crisis is already very much a crisis about the real economy, and in fact the crisis is affecting real people, especially those in the most vulnerable and impoverished state in this world, and has been so for decades if not longer. However, people are giving this crisis attention now that it has affected the interests of capital, now that it has affected big financial firms, and now that the knock on effect has become more obvious. But for the real economy the crisis has gone up for a very long time and the fact that statistics might tell us soon that growth has rebounded or that certain figures have improved for inflation and unemployment should not blind us to the fact that this is fundamentally also a crisis of ethics. The fact that we live in a world where there is an increasing democratic deficit, that people, in spite of being politically enfranchised, are actually disenfranchised. The fact that people’s basic needs, their livelihoods, their everyday’s existence is so precarious, these things are long-term factors, and even when the statistics improve those difficulties will remain.

**LF** You say in your article you wrote for Development that bankers try to maximize their profit because they follow the economic logic which is dominant in our society. How can we change this 'lack of concern and conscience for fellow beings' as you term it in your article?

**NK** I was prompted to write this article by spending time with the G20 protest, in fact caught between two police lines with two sets of protesters on either side. I just happened to be there at the time when people were being corralled of. There was one set of protesters on one side, one police line, another police line and I was in this no person's zone in the middle, and since I had gone there with the intent to photographically document some of this but my camera was out of battery, I could just observe this, think about it, come back and I wanted to write about it. What I saw was economic violence. Governments have now intelligence briefings that tell them that if people face increasing economic deprivation they are going to react in political ways and that is some kind of economic violence because it's caused by economic grievance. What I wanted to argue is that economic violence is equally and more a different kind of economic violence which is the violence caused by spurious economics.

**LF** What do you mean exactly by violence caused by spurious economics?

**NK** If people see massively divergent rewards for work, if people see increasing inequality, unemployment, and a predictable perpetuation of the pecking order, in which the most vulnerable lose, if they see the perpetuation of that daily crises that they face, then that is violence that's caused by the realization of economic principles that focus on narrow self-interest. The point is that when these protests were happening there were bankers weaving 20 pounds notes from their window. So the question is 'don't these people get it?' Some people were bloodied by these protests and one person even died. The point is they don't get it because they have been inculcated in a system where they can't see, it becomes an ideological blindspot, and this economic violence then perpetuates itself. The other aspect is that we have to think of development not just in terms of provisioning more things, or increasing choices. Development is also about lessening suffering, it's also about a different kind of consciousness that enables people to perceive themselves as embedded in a world where they are connected to other human beings, to nature, connected to the whole world around them. What we really want is a new definition of self-interest. So if one wants to be irrational in conventional terms, in economically conventional terms, they wouldn't be irrational, my self-interest is not solely about the body container that I am but also the people who form part of my world and the world.

**LF** So how can civil society contribute to this? Is it a change in culture that you suggest, a change in how we view economics?

**NK** Firstly we have to realize that something can be economically profitable, economically right but ethically or morally wrong. Civil society organizations should not only make their arguments in saying 'this is the more economic way to proceed, that it's better because we can show that the benefits exceed the costs'. There are also spaces to make ethical and moral arguments. Secondly we have to question the accepted economic wisdom of rationality and efficiency. Everyone says 'this is more efficient, therefore we should do it'. Let alone the idea that markets are efficient- we almost have this kind of enforcement of these euphemisms- that the market is free, it's efficient. But what does a free market mean? I would argue that it's free in very specific ways, it makes people be free to pursue courses of action that actually harm others but benefit them. Or something is efficient but I would argue 'who is it efficient for?' It may be efficient for one set of actors but very inefficient for people, for example caregivers. We have to reconnect value with values and not distil all the causes of value into the one economic value. How we value something comes from our values and therefore the valuation we place on things, and the way we make something remunerative or not. Gender and care are important fields in which people argue for drawing the boundaries in a different way. Finally, economics is not a monolithic discipline, I mean it is in the way it is thought but in understanding it we should pluralize it and the way I do it phonetically is by saying econo/mixes. We should see economics for the plural set of constructions that are always also about social and political issues. And those ideological and political issues cannot be seen in isolation.

Economy should not be seen as a system but as something which is the effect of our practices, something that we can transform.

**LF** You said that you left economics before the financial crisis. So you are not teaching economics now?

**NK** I came to economics because I grew up in India and economics was something I wanted to understand and I wanted to understand inequality. Studying economics was oriented around how to be rich rather than how to understand poverty. And so over the years I gradually explored my discontent with economics more and more and after my PhD I used to teach economics but it was very difficult to function within that ideology and discourse. And I wrote it in my book *Imagining Economics Otherwise*, it's exactly that, a testament to how I feel about it, but I also write poetry and fiction on similar sorts of things. I am looking at the transition to democracy in Bhutan which is a country pursuing a different kind of development paradigm, Gross National Happiness rather than GDP, so there is a commonality of identity and political economy in what I do, but I explore that through various different ways of writing.

### **Renewable energy: a top priority in fighting climate change**

**Interview with Tariq Banuri, Director of the Division for Sustainable Development at UNDESA. Before joining the United Nations, Tariq Banuri was Senior Fellow and Director of the Future Sustainability Program of the Stockholm Environment Institute. He is also a member of *Development's* Editorial Board.**



**LF** You and your team at UNDESA have just produced the World Economic and Social Survey 2009 'Promoting Development, Saving the Planet'. What are the main messages of the publication?

**TB** The publication has three messages to put it very simply. It's a larger document but I am just going to focus on these three messages. The first one is that we focused on things that unite people and countries rather than very divisive themes or fingerpointing. The theme that we have focused on in addressing climate change is energy, especially renewable energy and energy efficiency. The second point is that looking at energy issues we noticed two things, one is that energy is fundamentally responsible for economic development and for achieving human development targets. Access to cheap and abundant energy was the driver of the industrial revolution and over a period of time it increased well-being tremendously but this is distributed very unequally. Energy consumption in industrialized countries is four times or higher than the average of developing countries. So energy is fundamental for human development. Number two: it is unequally distributed and therefore developing countries will need more. Number three is that renewable energy is too expensive so people cannot afford it, I mean renewable energy is meaningless if people cannot afford it. At the moment the cheapest source of energy is coal which has very high greenhouse gas emission potential but on the other hand it's cheap and you can actually deliver energy quite easily. In industrialized countries what they are trying to do is raise the price of conventional energy so that renewables become more competitive. We don't think that is the right solution, the right solution is to have a strategy that lowers the price of renewables so that it becomes affordable by all people and more importantly that it becomes a default option, that everybody would do it. Now fortunately this is very achievable because prices of renewable energy have come down dramatically and with further expansion of scale within the span of seven years, maybe ten years, we can become completely competitive for what there is a market for. So that's our second point. Focus on energy, number one. Number two the focus should be on expanding the scale and reducing the cost of renewable energy. Number three: how is it to be done? We don't believe in a very gradualist approach, we believe that what the world needs is a big push, massive upfront investment in renewable energies. We also believe that this is not something that is going to cost as much as the climate economists are saying, in fact is a very cheap solution, because once you bring the cost down, everybody will be able to do it and it becomes possible. This is also a programme that needs very short transfers. We just need a transfer for the first 5 to 7 years, then we have a huge reduction in emissions. Once the cost comes down, there is no need for transfers. This is also something that unites everybody. Renewable energy for the poor, power to the people.

**LF** What is the responsibility of richer countries towards poorer countries in addressing climate change?

**TB** If this is posed in a stark way it can become very divisive because countries say: 'why is it my responsibility?' My answer is basically: try to solve the problem, then we think not in terms of cost but in terms of investment. If I invest in something I don't have that problem anymore. In other words, if there is something that is leaking and constantly deteriorates, if I can get somebody to come and fix it then I don't have to worry about it again. So I think that the right way to think about it is: 'can we invest in something which will remove that problem from our table, that is in the interest of both rich countries and poor countries?'

**LF** How does the climate crisis relate to the global economic crisis the world is currently experiencing?

**TB** Well, there are probably some precipitating factors, the thing is that the global economic crisis appears a variation of the business cycle. The economy expands, then contracts. It used to happen quite a bit and after the Keynesian revolution it became more manageable nationally. In the 70s once the international exchange rates were liberalized and so forth, there was a long period of recession. 10 years ago we had the Asian financial crisis and now it has come again and it is a very huge crisis this time. So we think that there is some kind of structural process, something that economists have known for a long time it would happen and we do need a proper remedy for it, looking at reforming the financial institutional structure and so on. At this point in time it does get triggered by some things, it was triggered by the energy crisis and the food crisis, which have to do more with climate change and long-term commodity scarcity, petroleum in particular and other commodities more generally. There is a long-term problem which we need to address including climate change, including that we are exhausting our non-renewable natural resources and overusing our resources and if we don't do it we might be responsible for this, and then the economic system will try to adjust and will put countries in recession.

**LF** Why do you think addressing the climate crisis should be a priority if we want to improve the well-being of the poor and marginalized?

**TB** I think the main thing is that if we don't address the climate crisis there will be very severe dislocations of economic lives as well as people's lives. And much of that, the brunt of that will be borne by poor people partly because of the way in which the climate crisis will unfold but partly because we have fewer resources with which the poor can cope. So I think from the perspective of the poor is very important that we respond to the climate crisis and avoid as much of the danger to their lives and livelihoods as possible. But it's also very important that we should give poor communities, poor countries the capacity and support they need to respond to it. We have a problem which is solvable, it is not expensive, and it is in the interest of the rich and poor countries alike.

### **How to break the culture of making money from money**

**Interview with David Korten, president and founder of the People-Centered Development Forum and author of numerous books including *Agenda for a New Economy: From Phantom Wealth to Real Wealth*, *The Great Turning* and *When Corporations Rule the World*.**

**LF** The opening of your article, which is an excerpt from your book *Agenda for a New Economy: From Phantom Wealth to Real Wealth*, is a fascinating vision of a utopian world to come. Do you think we can really achieve such a world and how?



**DK** The reason I wrote this scenario is because I am trying to confront the issue of why we are locked into an economic system which leads us on a path to collective suicide. And the book lays out what we need to do to create a whole new framework. Very often people say 'well what would that look like?', 'how would we actually live?' and so I wrote this scenario of what it might look like. We are told that change would be so expensive, there would be so much hardship, we would have to give up so much, well I don't think that's really true. If you look at it the right way, if we make intelligent use of our resources, if we build our relationships of caring, which is part of demonetizing the economy, we can actually have a better life for everyone and this is what it might look like.

**LF** Do you think these changes can be brought about by what you term 'the second global superpower' (meaning global civil society)? What is the role of policymakers in switching to this new model?

**DK** My view is that the only way we can get there is through civil society, people's action of creating anew from the bottom up. At the same time we face a reality that the system of rules that shape our economy give the advantage to the economic predators, to the transnational corporations, to the financial markets. They operate totally in a predatory mode simply to maximize the financial wealth of people at the top. And they are not going to initiate the change, they are going to resist it at every step. This is why it can only happen through citizen action and it has to involve the solidarity of people across all national borders. The system itself tries to keep us divided by nationality,

by religion, by race, by gender and they keep us fighting for a share over a shrinking pie. The real issue is the system which needs to change so that we can all have a better life.

**LF** Can you explain us in more detail what the difference is between phantom wealth and real wealth?

**DK** Yes, it's quite simple. Actually it's been so clear with the Wall Street collapse of the financial system that that whole Wall Street infrastructure of institutions is basically about making money from money. Now money is nothing but a number, it's a part of our cultural conditioning, we are conditioned to think of money as wealth but it's not, it's just a number. It represents nothing else, but gives enormous power to the people who create it. The whole system is dedicated to creating these numbers from nothing through financial bubbles by all means of accounting manipulation in order to give the Wall Street money managers control over all walks of society. So phantom wealth is any kind of financial wealth which is created from nothing unrelated to the creation of anything with real value and I would argue that Wall Street produces nothing of value. They do as long as we depend on money- we depend on the money that they create- but there's much better ways to create and allocate the money that would better serve our society. Real wealth starts with anything of real value, land, labour, health, education, technology, food, endless numbers of things that are real, that are central to our survival, but the most important form of real wealth has no monetary value, like love for a healthy and happy child, or a strong family, a caring community, a vibrant natural environment, these are all forms of living wealth which is the ultimate real wealth.

**LF** In your book you also mention conversation as being revolutionary in changing cultural stories. How do you envisage conversation getting us out of the current crisis?

**DK** Our biggest trap, the thing that holds us captive to the system are the stories that circulate in our culture, by which we define what it means to be human and what human possibilities are, and all the various aspects of what is wealth and what proper life should be. All of those stories are currently framed within a culture in ways that support the system of domination and exploitation which I refer to as Empire. The thing that is really interesting to me is the deep level of conversations among people. You begin to see that there's this contrast between the false stories of Empire and the real stories that define a real reality. The things that they really believe in their moments of reflection are the real story but they are so in conflict with the cultural stories that they think 'so there must be something wrong with me, I am not really understanding, or maybe I am crazy'. But it's through conversation that our shared truths, real truths come out and ultimately transform the culture. An example I often use is from the women's movement, how that emerged through conversations among women at a time when the prevailing story was that the key to happiness was to find the right man, marry him and devote your life to his service, and if you were a woman and that story was not working for you, you were supposed to believe that the fault was in you, that you were not a proper woman. So women got together and started having heartfelt conversations about their role and those cultural beliefs, and it turned out that that story was not working for many women. Women became very much aware that the fault was not in themselves, the fault was in the cultural stories so they changed the cultural stories and that unleashed the feminine power in society.

**Beyond Economics: Responding to the interlocked financial, climate and care crises?  
New York, 29-31 October, 2009  
United Nations/DESA**

**Day 1: Thursday, 29th October 2009 (DC2, 23rd Floor conference room, Two UN Plaza)**

| Time      | Session  |
|-----------|--|
| 0900-1300 | <i>Editorial Board (by invitation only)</i>  |
| 1430-1445 | <i>Launch of the journal 'Beyond Economics'</i>  |
|           | <i>Introduction</i>  |
|           | <ul style="list-style-type: none"> <li>• <b>Josine Stremmelaar</b>, Coordinator Knowledge Programme, HIVOS, The Netherlands, Wendy Harcourt Editor Development, SID, Italy</li> </ul>  |
| 1445-1545 | <i>Thematic Section:</i>   |
|           | <ul style="list-style-type: none"> <li>• Facilitated by <b>Sadig Rasheed</b>, Former UNICEF Director of Programmes, USA</li> <li>• Panel Members: <b>Nitasha Kaul</b>, Economist, Centre for the Study of Democracy, University of Westminster, UK, <b>Claudio Sardonì</b>, Professor of Economics, Department of Economics, La Sapienza University Rome, Italy, <b>Gisela Dütting</b>, Associate Researcher, Aletta Institute for Women's History, The Netherlands, <b>Cecilia Alemany</b>, Manager, Influencing Development Actors &amp; Practices (IDeA) at AWID, Mexico</li> </ul> |
| 1600-1700 | <i>Dialogue:</i>   |
|           | <ul style="list-style-type: none"> <li>• Facilitated by <b>Nermeen Shaikh</b>, Author of <i>The Present as History: Critical Perspectives on Global Power</i>, USA and <b>Jacqueline Pitanguy</b>, Director, CEPIA, Brazil</li> <li>• Panel Members: <b>Shobha Raghuram</b>, Independent Researcher, India, <b>Jonathan Glennie</b>, Christian Aid's Country Representative in Colombia, <b>Manisha Desai</b>, Director Women's Studies &amp; Associate Professor of Sociology, University of Connecticut, USA</li> </ul>  |
| 1700-1730 | <i>Local Global Encounters:</i>  |
|           | <ul style="list-style-type: none"> <li>• Facilitated by: <b>Marisa Belausteguigoitia</b>, Head, Gender Studies Programme, National Autonomous University of Mexico</li> <li>• Panel Members: <b>David Korten</b>, President &amp; Founder, People-Centered Development Forum, USA, <b>Anwar Fazal</b>, Director, Right Livelihood College, Malaysia</li> </ul>   |
| 1730-1800 | <i>Concluding session in Memory of Smitu Kothari:</i>  |
|           | <ul style="list-style-type: none"> <li>• Facilitated by <b>Fatma Alloo</b>, Founder of TAMWA, Tanzania, in memory of Smitu Kothari, Editorial Board Member</li> </ul>  |

**Day 2: Friday, 30th October 2009 (Church Center, 10th floor conference room, 777 UN Plaza)**

| Time      | Session   |
|-----------|---|
| 0900-1745 | International Policy Seminar 'Responding to the interlocked financial, climate and care crises' (Church Center)   |
| 0900-1045 | <i>Session One</i>  |
|           | <ul style="list-style-type: none"> <li>• Facilitator: <b>Wendy Harcourt</b>, Editor, Development, SID, Italy</li> <li>• Keynote Speech: <b>Stephen Marglin</b>, Walter S. Barker Chair, Department of Economics, Harvard University</li> </ul>      |
|           | Responses: <b>Lourdes Arizpe</b> , Professor, National University of Mexico, <b>Shantanu Mukherjee</b> , Senior Policy Advisor, Microeconomics, UNDP, USA, <b>Tariq Banuri</b> , Director, Division for Sustainable Development United Nations, USA |

- 1100-1230 **Session Two – Beyond Economics**
- Facilitators: **Sanjay Reddy**, Professor, Department of Economics, *Barnard College, Columbia University, USA* and **Nicola Bullard**, Senior Associate, *Focus on the Global South, France*
  - Panel Speakers: **Claudio Sardonì**, Professor of Economics, *Department of Economy, La Sapienza University Rome*, **Nitasha Kaul**, Economist, *Centre for the Study of Democracy, University of Westminster, UK*, **Mariama Williams**, Research Associate, *International Gender & Trade Network (IGTN), USA*

- 1400-1530 **Session Two – The search for new development frameworks**
- Facilitators: **Arturo Escobar**, Professor of Anthropology, *University of North Carolina, USA* and **Helen O’Connell**, Independent Consultant, *UK*
  - Panel Speakers: **Jonathan Glennie**, Christian Aid’s Country Representative in *Colombia*, **Seth Kaplan**, Managing Partner, *Alpha Int’l Consulting Ltd, USA* **Manisha Desai**, Director Women’s Studies & Associate Professor of Sociology, *University of Connecticut, USA*

- 1615-1745 **Session Four – Ways to move towards a new global economy**
- Facilitators: **Yvonne Underhill-Sem**, Director, *Centre for Development Studies, Faculty of Arts, University of Auckland, New Zealand* and **Cecilia Alemany**, Manager, *Influencing Development Actors & Practices (IDeA) at AWID, Mexico*
  - Panel Speakers: **David Korten**, President & Founder, *People-Centered Development Forum, USA*, **Anwar Fazal** Director, *Right Livelihood College, Malaysia*, **Gisela Dütting**, Associate Researcher, *Aletta, Institute of Women’s History, The Netherlands*

**Day 3: Saturday, 31st October 2009 (Church Center, 10th floor conference room, 777 UN Plaza)**

- | Time      | Session  |
|-----------|--|
| 900-1030  | <b>Session Four – Rethinking Human Development Beyond Economics</b> <ul style="list-style-type: none"> <li>• Facilitator: <b>Stefano Prato</b>, Managing Director, <i>SID, Italy</i></li> <li>• Panel Speakers: <b>Shobha Raghuram</b>, Independent Researcher, <i>India</i>, <b>Thierno Kane</b>, Director, <i>Civil Society Organization Division, UNDP, New York</i></li> </ul> |
| 1045-1215 | <b>Session Five -Moving Forward: Building a Political Agenda and Knowledge Network for Sustainable Human Development</b> <ul style="list-style-type: none"> <li>• Facilitator: <b>Wendy Harcourt</b>, Editor, <i>Development, SID</i></li> </ul>   |
| 1215-1230 | <b>Wrap up of the Meeting</b>  |

**Beyond Economics: Building collective responsibility for sustainable livelihoods**  
**The Hague, 11 December, 2009**  
**Theatre Concordia**

Chair: **Jan Pronk** – President Society for International Development and Chair in the Theory and Practice of International Development at the Institute of Social Studies

- 1430- 1445 Introduction by **Wendy Harcourt** – Editor, *Development*
- 1445 – 1530 Keynote speech by **Rick van der Ploeg** – Oxford University – ‘*Climate Change, scramble for natural resources, financial crisis and sustainable development*’
- 1530 – 1545 Comments from the Participants
- 1545 – 1700 Panel discussion: ‘*How to bring ordinary people’s needs to the centre of economics*’  
Speakers: **Franck Almaric** – Independent Writer (France), **Arthur Muliro** – Society for International Development (Kenya), **Allert van den Ham** – Director Programmes and Projects, Humanist Institute for Cooperation with Developing Countries (The Netherlands)
- 1700 – 1715 Close

**Beyond Economics: An East African conversation**  
**Dar es Salaam, 2-3 February, 2010**  
**Double Tree Hotel**

**Day 1: Tuesday, February 2, 2010**

| Time      | Session   |
|-----------|---|
| 0945-1015 | <p><i>Session 1 – Setting the Stage: Introducing ‘Beyond Economics’</i></p> <ul style="list-style-type: none"> <li>• <b>Wendy Harcourt</b> – Editor, <i>Development</i></li> </ul>  |
| 1045-1300 | <p><i>Session 2 - Launch of Development journal: ‘beyond economics’; Government: Big or Small? Role of the state in the economy</i></p> <ul style="list-style-type: none"> <li>• Video: Africa Riding out twin crises (IMF Survey, March 2009, 5:34)</li> <li>• <b>Ambassador Juma V. Mwapachu</b> – Secretary General, East African Community &amp; Vice President, Society for International Development</li> <li>• <b>Rt. Hon. Eriya Kategaya</b> – First Deputy Prime Minister and Minister for East African Community Affairs, Republic of Uganda</li> </ul> <p>The huge stimulus packages announced in the wake of the financial crisis have returned government to the centre of economic life as saviour. This is a reversal of many decades of conventional neo-liberal wisdom that smaller government is better for everyone. What size of government do we want? What do we need? Who decides?</p> <p><u>Respondents:</u></p> <ul style="list-style-type: none"> <li>• <b>John Kashangaki</b> – Strategic Business Advisors, Nairobi</li> <li>• <b>Kwame Owino</b> – Institute of Economic Affairs, Nairobi</li> <li>• Video: Africa and the Financial Crisis (Chatham House, December 2009, 3:45)</li> <li>• Reactions from the speakers and open floor discussion</li> </ul> |
| 1430-1530 | <p><i>Session 3 – Capturing the Regulator: Managing the Masters of the Universe</i></p> <ul style="list-style-type: none"> <li>• Video: The Blame Game (AEI VIDEOS, January 2009, 2:40)</li> <li>• <b>Omar Hafeez</b> – CEO, Citibank Tanzania</li> <li>• <b>Martin Kimani</b> – Conflict, Security and Development Group, Kings College London</li> <li>• <b>Sammy Muvelah</b> – Joint CEO, Zimele Asset Management, Kenya</li> </ul> <p>US regulators are accused of being too lenient on or even scared by the very banks they were supposed to be supervising. If a healthy financial sector is at the heart of a strong economy, how powerful should its captains be? Is tougher regulation needed to rein in individual influence in institutional action? More broadly, how should economic accountability be secured and enforced?</p>  |

1600–1730

*Session 4 – Lessons from the Unmeasured Economy*

- **Magode Ikuya** (Uganda)
- Video: Jua Kali protest over the grabbing of their plot (Citizen TV, 2009, 2:20)
- Video: Police clash with waste paper recyclers (Citizen TV, 2009, 1:39)
- **Jacob Akech** – Society for International Development, Regional Office for Eastern Africa

What are some of the successful alternative economic and institutional models to private property rights, resource extraction and private profit making? What can we learn from participatory models that are engaging with communities in bottom-up processes for alternative development trajectories?

**Day 2: Wednesday February 3, 2010**

Time

Session

0930-1030

*Session 5 – Leading New Forms of Citizen Engagement*

- **Fatma Aloo** (Tanzania)
- **Chambi Chachage** (Tanzania)

Government bureaucracies, business firms and civil society organizations are arguably the main forms of organizing human agency. But are these the only ways in which citizens can engage with the processes that shape their lives and welfare? What are the new emerging forms of self-organization among citizens in the region? How are civil society groups taking advantage of rich, open, networked communications infrastructure to redefine their engagement with the broader society? How are these possibilities being harnessed and channeled for new forms of democracy and participation? With what implications for social cohesion?

1100-1230

*Session 6 – Practical Forms of Citizen Engagement*

- **Rakesh Rajani** – Director, Twaweza East Africa Citizen Agency and Public Accountability Initiative
- **Arthur Muliro** – Deputy Managing Director, Society for International Development

Twaweza – Amplifying Citizen Voices

Twaweza, is a bold citizen-centred approach to development and public accountability. Twaweza is a ten-year initiative that will work across Kenya, Tanzania and Uganda and aimed at promoting citizen involvement and oversight. Twaweza believes that informed and motivated citizens are the most powerful agents of sustainable change. It holds that citizen agency is both a goal in itself and an effective means to improve service delivery and public resource management.

SID's Scenarios Project – Catalyzing Public Discourse

In 1998, SID initiated the unique East Africa Futures Programme of research-driven, public interest scenarios initially focusing on the individual countries of the region and evolving into a full-blown regional scenarios exercise. Since then, SID has continuously engaged a broad selection of East Africa's policy actors in a process of reflecting on the possible alternative futures that individual countries (Kenya, Tanzania and Uganda) and the region might have to face.

1230-1300

**Session 7 – Summary and Conclusion**

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|---|--|--|
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