

Rethinking Transformation

Comparative Perspectives from the Global South

International conference in Yangon on 27th – 28th of May and Mandalay 29th of May 2014

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I INTRODUCTION

By Nadja Charaby and Manuel Palz

In recent years world politics was moved by a serious financial crisis, global economic recession and conflicts about the access to resources and their use. Most of these problems were created by the consume-oriented countries of the Global North, the so called industrialized countries, while the countries of the Global South, the so called (least) developing countries are being exploited ever since. Despite the negative experience of capitalism recently, politicians all over the globe haven't launched a discussion on alternatives to development. Progressive and left development approaches are seldom discussed in the international debate on development models. Neo-liberal ideas are still thought to provide the right answers to all the occurring questions on development without being questioned.

To discuss and exchange about alternatives to development and to share the transformation experiences from other countries of the Global South, the Rosa-Luxemburg-Stiftung Southeast Asia (RLS SEA) and the Burmese Local Resource Centre (LRC) jointly organized a conference in Yangon and Mandalay on 27th – 28th May resp. 29th May. The conference with the title "Rethinking Transformation – Comparative Perspectives from the Global South" brought together activists, experts, scholars and researchers from China, Thailand, Philippines, Ecuador, Venezuela and Germany. The main focus of the presentation was laid on alternatives to the development concept that has been transferred from the Global North to those countries from the Global South, even knowing that the models are mostly not applicable. The transformation processes of the Global South's countries are unique as most of these countries have gone through the experiences from colonization, struggle for independence and serious domestic conflicts once independence was achieved. A large number of these countries has been ruled by dictators, juntas or other forms of exploiting governments that basically use the power for their personal benefit. Myanmar is a country owning a huge treasure of fossil resources and it is at the moment an essential question for the country how to ensure a socially, economic and ecologically sustainable and just transformation. The "selling-out" of natural resources to the exploitative foreign investments may endanger the so far made progress.

The conference was opened by Pansy Tun Thein, director of the LRC, providing a brief overview on Myanmar's transformation process. The last years have already widened the gap between the rural population and those living in the cities, especially in Yangon, the country's economic hot spot. Also Nadja Charaby, director of RLS Southeast Asia office, stressed that at this stage of the transformation process it is also necessary to discuss alternatives to the neo-liberal concepts that are dominating the transformation agenda. RLS has been working in Myanmar for 1.5 years and through various activities it was brought to RLS's attention that RLS's critical approach towards economic growth and transformation could help to create a more just and sustainable Myanmar.

After the opening remarks by the directors of the hosting organizations, the first session started with a very informative presentation by Kyaw Myo Min on "Development and social impacts in Myanmar". Myanmar faces an extensive list of development challenges and the resources required to overcome them remain limited. Prioritizing the development issues and sectors is essential, based on effective cost-benefit analysis and an overarching framework for medium- and long-term national development goals. To compare Myanmar's development with other countries from the Global South Prof. Edgardo Lander (Venezuela) gave a presentation on "Extractivism and protest against in Latin America". Prof. Lander drew a comprehensive picture of the last decade in which the mainly left-wing governments have successfully renegotiated the conditions of the exploitation of the enormous natural resources with corporations, increasing the income of the state. This increased budget has been used to finance ambitious social welfare programs which have succeeded in diminishing poverty in a sensible way. At the same time, the permanent ecological and social devastation caused by resource extractivism threatens the gener-

ational justice and thus sustainability of a development model based primarily on export of commodities. The damages for the local, mainly indigenous and peasant societies and the nature that have been caused are threatening the further benefit of this so called extractivist political agenda. Following Prof. Lander's presentation, Dr. Miriam Lang, RLS office head in Quito, Ecuador, introduced alternatives to development to the audience. She explained that there are new discourses arising within the Latin American societies, local and international intellectuals, that try to offer alternative visions on how a "good life" can be led, how social, ecological, and economic problems can be addressed in a better way, how local knowledge can offer answers to global questions etc., rethinking the concept of development itself. To close the first session, Prof. Ulrich Brand – a leading expert on subjects like globalization and its critique, global governance and transformation of the state, environmental and resource politics as well as social movements at the University of Vienna – gave an overview on the achievements and failures of the Millennium Development Goals (MDG) by the United Nations and an outlook on a socio-ecological transformation as basic condition for a realistic post-2015 agenda. According to his analysis, development policies nowadays must focus on the necessary global transformation of the prevailing mode of living and production towards a more equitable, solidary and ecologically sustainable one.

The conference continued with a presentation about the economic development in the Philippines which can be seen as a negative example for other Southeast Asian countries. In the late 1980s the Philippines were a leading economy in Southeast Asia but the focus on just one product (textile industry) has caused many economic problems just recently. Nowadays, the country's economy is depending on service provision, especially on "call centers". Prof. Rene Ofreneo finished his presentation with the alarming words that there is no sustainable economic development in the Philippines and that the country's economy is very unbalanced. Later, Ngo Sothath, an independent Cambodian consultant, gave a presentation on "land distribution and policy in Cambodia". Within in the whole Southeast Asian region, land grabbing has become a very hot issue since big international or domestic enterprises started to invest in the markets. Close ties to politicians and a corrupt administration system makes it pretty easy for these entrepreneurs to buy land cheaper than its real value. This has destroyed the livelihood of the rural population and is also causing severe damage to the domestic economies.

The next day started with a brief summary of the presentations and discussions of the day before. The first presentation of the day was made by Sun Wei, project manager of RLS Beijing. "China on the Path of Establishing Social Welfare System with Chinese Socialist Characteristics" showed the audience that besides the rapid economic growth of the country, social problems, such as housing, schooling or access to medical health care still exist in China. The Chinese government is trying to overcome these problems but is lacking efficient and affordable concepts. After Sun Wei's very comprehensive and informative presentation, Prof. Wolfram Schaffar, University of Vienna, shared his knowledge on the development discussions in Thailand with the audience. In Thailand, there is a rich tradition of grassroots initiatives and networks where alternative development concepts are being discussed and practiced – alternative agricultural networks, local currencies, and communities practicing Buddhist economy. Some of these networks have been very successful and provide the livelihood for many households in large areas. The previous and recent coups in Thailand have brought about a situation where sustainable; religiously inspired alternative paradigms are associated with authoritarianism, while growth-oriented debt-financed or neo-liberal development paradigms are strongly linked to democratic principles and the agenda of former prime minister Thaksin. This led to the situation, that many alternative development networks and NGOs have joined hands with royalist-conservative circles and demanded a suspension of elections.

The conference finished with an intense discussion about Myanmar's future if the Myanmarese government won't adjust their policies to the needs of the whole population. It will be crucial for the country that its labor force is protected by law, that the government protects the people from illegal land grabbing and most important that the current transformation process is not only built up on the exploitation of nature.

After this very successful event in Yangon, RLS continued the discussion with a half day conference in Mandalay, where the same topics were discussed. Though, as the region of Mandalay is directly and heavily affected by mining projects, land grabbing and lumbering, the audience was mostly consisting of activists and civil society organizations (CSOs) who were interested in learning more about the successful protests in Latin America. Again, it became obvious that RLS's critical approach towards development is of great interest for many people in Myanmar and that such event should take place more frequently. RLS SEA and the LRC are both willing to continue working on this topic and to bring the discussion to the political decision makers on the one hand and also to strengthen the position of the CSOs on the other hand in order to achieve a fair, just and sustainable transformation in Myanmar that is not built up on exploitation.

II Speakers' short biography

Mr Edgardo Lander is Professor of Social Sciences at the Universidad Central de Venezuela in Caracas (retired).

Ex-director of the School of Sociology and of Institute for Social Research of the Faculty of Economic and Social Sciences at the same university. Professor at the Universidad Andina Simón Bolívar in Quito. Fellow of the Transnational Institute (Amsterdam). Part of the Rosa Luxemburg Foundation (Quito office) Permanent Working Group on alternatives to Development. Part the Organizing Committee of the World Social Forum held in Caracas in 2006.

Mr Ulrich Brand is doing research and teaches as professor for International Politics on the subjects globalization and its critique, global governance and transformation of the state, environmental and resource politics as well as social movements at the University of Vienna (Austria). He is member of the research group "Beyond Development" coordinated by the Quito office of Rosa Luxemburg Foundation. He was member of the Enquete Commission „growth, well-being, quality of life“ of the German Bundestag.

Ms Miriam Lang studied Latin American Studies in Berlin (Germany) and did her PhD in sociology in 2001. She worked as a journalist for different newspapers in Germany and as a coordinator for UNIFEM programmes in Quito (Ecuador). Since 2009 she is the Regional director of Rosa Luxemburg Foundation for the Andean countries in Quito.

Mr Kyaw Myo Min is an Independent Consultant. He studied in Yangon (Myanmar), Genève (Switzerland) and Singapore and worked for several organisations like the Red Cross or other NGOs. He is specialized in policy analysis and policy research, as well as in organizational development and strategic planning.

Mr Rene Ofreneo is Professor of the School of Labor and Industrial Relations at the University of the Philippines. He has a PhD. in Labor and the Economy and one of the leading scholars on labor and industrial relations issues in the Philippines and Asia. He is also a co-founder and secretary of the Climate Change Congress of the Philippines (CCCP). The CCCP has organized national policy dialogues on climate change action framework with various national and local government agencies.

Mr Ngo Sothath studied Business Administration and Development Studies in Phnom Penh (Cambodia) and is now the Secretary General of Cambodian Economic Association (CEA). CEA aims to promote economic science and its application to Cambodia. It facilitates the sharing of experiences and knowledge among its members and promotes discussion on economic and development issues challenging Cambodia.

Ms Sun Wei studied literature and Sustainable Development in Xi'an (China) and in London (United Kingdom). She worked for different foundations. Since 2012 she is the project manager of Rosa Luxemburg Foundation in Beijing, China. There she is responsible for developing Organizational Support Program and institutionalize internal programming work.

Mr Wolfram Schaffar is Senior Research Fellow at the Royal Netherlands Institute of Southeast Asian and Caribbean Studies, Leiden (Netherlands). He studied in Tübingen (Germany) and was a researcher in Japan, Germany, Thailand and Professor for Political Science / Development Studies at the Institute of Development Studies at Vienna University (Austria). He researches and publishes about Social movements, democratization and state theory of the global South alike Social, political and economic development of contemporary Southeast Asia.

III Social-ecological transformation as basic condition for a realistic Post-2015 agenda

By Ulrich Brand

Something seems to be going on in the international discussion on development politics. While the Millennium Development Goals (MDGs) are only applicable to the so-called developing countries, the Sustainable Development Goals (SDGs) as envisioned at the Rio+20 Conference, are supposed to be of global range and also applicable to the societies of the global North. The SDG's ten goals - inter alia in the areas of food security and sustainable agriculture, water and hygiene, energy, climate change and resource management - are currently being substantiated in a dedicated working group (UNO 2012).

In order to appraise and advance the implementation of the Post-2015 agenda and particularly the SDGs, at least three dominant trends which contravene the SDG goals are to be considered and modified: The expanding development model of resource extractivism in many countries of the global South, the intensifying imperial mode of living in countries of the North and the South, as well as the low effectiveness of global governance. In the following paragraphs I will outline these three trends.

According to my analysis, development policies nowadays must focus on the necessary global transformation of the prevailing mode of living and production towards a more equitable, solidary and ecologically sustainable one. Otherwise, promises are threatened to remain empty and well-intended strategies which are going to fail. Development policies need to be transformative and should support alternatives and, in order to be able to do so, undergo processes of societal self-transformation, i.e. away from paternalistic structures and practices dominated by Northern thought-patterns (exemplary for the area of aid politics Gebauer, 2014, in general Ziai 2014). This will be the focus in the second part of the article.

Trend 1: Resource extractivism as old-new development model

The phrase "resource extractivism" was coined by Eduardo Gudynas (2009) and points to an important tendency: An old-new development model is currently updating itself on the basis of inner and global conditions and dynamics. The high prices for resources in the world market, geopolitical shifts (particularly the economic rise of China and the high demand for resources accompanying the country's industrialization), modified strategies of capital valorization and the competition for resources have increased the general importance of resources and their appropriation. In relation to Latin America, the United Nations Economic Commission for Latin America and the Caribbean (ECLAC) states a tendency towards reprimarization, i.e. the region's return to the production of primary goods as an option for a successful development strategy in Latin America (ECLAC 2011). According to Maristella Svampa, resource extractivism is a development model "based on the excessive exploitation of (...) increasingly scarce natural resources and the extension of this process to territories which beforehand were considered "unproductive" (Svampa 2012: 14; see also Brand/Dietz 2013).

The observed continuation of resource-intensive modes of living, consumption and production in the global North and South (see next section) keeps raising the attractiveness of resource extractivism and abets a developmental and social model that builds on the exploitation of resources and appropriation of resource rents in a dominant manner. Even in Latin American countries with progressive social movements and governments, as in Argentina, Bolivia, Brazil, Ecuador and most obviously in Venezuela, this development model is strongly represented (for Indonesia, see Pichler 2014). On the other hand, the continued exploitation of fossil and mineral resources as well as the agro-industrial production of food and energy crops exacerbates existing social-ecological crises such as

climate change, deforestation and water pollution, in addition to the loss of food sovereignty and biological diversity – which is exactly what the SDGs seek to combat.

Trend 2: An attractive imperial mode of living

The conscious and democratic formation of global societal conditions, the establishment of free and solidary, equitable and ecologically sustainable conditions, has to transform a constellation which Markus Wissen and I call “imperial mode of production and living” (2011, 2013).

The global North’s mode of living is “imperial” insofar, as it implies a principally unlimited, politically, legally and/or violently secured access to resources, space, labor power and natural sinks elsewhere. For a long time, the development of productivity and prosperity in the capitalist centers was based on a world and resource order that was advantageous for them – and based on suffering and misery in many countries.

During the process of capitalistic globalization, the imperial mode of living was deepened in two directions: On one hand, access to global resources and labor power was restructured and intensified via the world market. Formerly Northern fossilist consumption patterns such as automobility and agro-industrial production remained persistent and were intensified. In addition, in the course of its liberalization, global air traffic increased significantly and access to cheap industrial products was expedited. The second direction is that we currently experience the dynamic expansion of the imperial mode of living especially in the countries with emerging economies (Brand/Wissen 2011).

The expectations arising from the so-called third generation of human rights, i.e. the collective rights and the right to development, are one crucial aspect of this expansion. “Development” still means economic growth and commodification – more or less at any price and especially at cost of sustainable societal nature relations. Let us keep to the agricultural sector: The Argentinian Pampa, previously known as fertile grasslands for extensive stock farming, was covered almost completely with genetically modified Monsanto-soy within the last 10 years in order to grow feeding stuff for swine production in China.

Trend 3: Enduring global management illusion: global governance

The purpose and objective of global governance is often formulated as “developing a system of international rules and institutions and new international cooperation mechanisms which permits the continuous treatment of global challenges and transboundary problems” (Messner 2000: 125). By this, the state and the intergovernmental system become some kind of problem-solver in accordance with the common good, as it is assumed that everybody has an interest in solving problems like hunger, poverty, unemployment or destruction of the environment. This understanding is also reflected in the debates around the MDGs and SDGs. Whether state policies as such are involved in causing the problems, or whether the proposed solutions are to the benefit of countries and population groups determined selectively, is not being questioned. On the example of newer initiatives in the field of trade politics - keyword: Transatlantic Trade and Investment Partnership (TTIP, Raza et al. 2014) - we can see that it is first and foremost about neoliberal forms of global governance, i.e. about establishing liberalization and deregulation policies.

According to Lothar Brock, the global governance debate itself became part of a hegemonic discourse and should better reflect this, “in order not to bury the explosiveness of its own approach under fantasies of socio-technological feasibility” (Brock 2003: 84).

From such a perspective it is hardly ever asked whether and how far effective sustainability and environment policies could rather be pursued against than under the conditions of a capitalist world market and all related

interests, strategies and competitive relations. This becomes particularly clear in the field of resource politics, but also in climate politics with instruments such as emission trading and paying ransom for pollution. Controversially, we can say that the purpose of global governance to improve political regulation and put things in order is part of the problem, as long as the resource extractivist development model, the imperial mode of living as well as the general dominance-based neoliberal imperial order are not being discussed.

On this basis, global governance, as well as the associated orientation by a Post-Washington consensus and the strategies of eradicating poverty or the Millennium goals, can be interpreted to the effect that it safeguards the ruling North-South relations (Bello 2005, see also Raza 2005). Already in the beginning of the discussion, the "South-Centre" criticized that the institutionalization of global governance is not being discussed independently of questions of international power and legitimation of authority (South Centre 1996: 32). Hence it is not surprising that global governance is understood in parts of the non-Western world as "continuation of imperialism and as re-colonization of one's future through neo-imperialistic institutions" (Conrad/Randeria 2002:9, cit. acc.to Ziai 2006: 88).

The MDGs and SDGs risk to continue the predominant perspective of international politics which has actually failed: a top-down-approach which assumes that the basic parameters for fundamental changes can be established by means of Western and white knowledge – but without questioning the existing thought patterns, political structures and power relations. The socio-economic nucleus of global development which is problematic at least from the political perspective of poverty, distribution, environment and gender politics, cannot be changed that way; it can at most be embellished by expressions such as "green economy" (Brand 2012). So not only the development models at local and national scales should be changed, but also the international political system that safeguards these models.

The Post-2015 Agenda on the horizon of a global social-ecological transformation

On the politico-strategic level, expressions such as "social-ecological transformation" or "great transformation" were coined (WBGU 2011, Brie 2014, Bauriedl/Wichterich 2013, Klein 2013, Dellheim et al. 2012, Demirovic 2012, Brand 2012, with similar expressions New Economics Foundation 2010, UNEP 2011). They are supposed to point to a solution for the multiple crises the developmental and ecological crises are part of. In contrast to "change" or the increasingly toothless expression "sustainability", the term "social-ecological transformation" has radical semantic implications. The similarly used term "great transformation" stems from Karl Polanyi who described in his 1944 published book "The Great Transformation" the transition to industrial capitalism in the 19th century. In discussion nowadays, we need to think of transforming away from a capitalism that depends on fossil energy sources and is in permanent need of natural sinks and resources. It is high time to initiate the often-quoted post-fossil age. As already mentioned, this discussion, including the concept of transformation that emerged from it, is being led in the light of the environmental, climate and resource crises.

Some take another step further and think of a great transformation away from a neoliberal capitalism that does not only push ecological destruction, but also social polarization and the decline of solidarity. In the progressive and developmental political spectrum and also among some conservatives, the demand to exit financial market capitalism is part of the basic political vocabulary. Besides the ecological dimensions, the focus here is on the social and economic dimensions of the matter.

Rather few understand it as a transformation away from capitalism as such, which means away from a society in which central areas of societal life are first and foremost subject to the principles of profit, capital accumulation

and economic growth. This would not only mean to weaken the financial markets, but the economic and political power of capital altogether and its structural dominance in society.

Dieter Klein, however, sees a risk that the term “social-ecological” or “great transformation” is taken as a diffuse and noncommittal everyday term which, besides its radical semantics, does not say or mean much. And indeed, many approaches stay behind their own diagnoses. One example of this is the main report of the German Advisory Council for Global Change (WBGU 2011). A radical diagnosis is being followed by rather toothless proposals: politics should do the trick.

When reflecting on the project of a social-ecological transformation and exploring the current conditions for this endeavour, we should at first clarify one issue: As Alex Demirovic kept pointing out in the context of the transformation debate, the logic of transformation is inherent to the bourgeois-capitalistic society itself (2012). The same applies to post-colonial societies. So it is not about saying yes or no to societal change per se, but instead about the underlying logic of change or transformation. This is especially true for current developments in Myanmar. With this, we can undertake an important clarification of the term “transformation”.

The dominant logic here is that of making profit, of accumulating capital and of expansive economic activities which comes along with the familiar problems: the extensive use or even overuse of labor power which frequently leads to agglomeration of people, burn-outs and the informalization of employment in the societies of the global South. On top of this comes the increasingly dramatic overuse of nature.

Here, the term “social-ecological transformation” unfolds its significance, even if it is only implied in many contributions to the discourse. The ruling logic of change and the constant self-revolutionizing of capitalistic societies becomes a problem, as it causes ever stronger and less controllable crises. Hence, this term and the associated strategies hold quite a potential, particularly for a progressive project at the height of the time: The project of a global solidary modernity.

My point is that, in the face of the multiple crises, a progressive socio-political project which is thereby also an alternative to the powerful dispositive and practices of “development” (Lang/Mokrani 2013, Sachs 1992), is not defined through little political steps but through a concept that puts the societies of the global North and the global South on a different basis in order to create and safeguard prosperity and well-being.

Such project requires a material basis or nucleus, as Antonio Gramsci put it. It is undoubtedly about public disputes, about alleged matters of course and about questioning the same (i.e. terms like “growth”, “development”, “progress” and the embedded interests and power relations). However, it is also and particularly about liveable conditions which are appealing to people. Hence, “if hegemony is politico-ethical, it cannot be other than economic too” (PN 13: 1567). And all of this under conditions of strong ecological restrictions with all related implications for the distribution of power and wealth.

A new model of prosperity which we already rudimentary know has to be shaped, conceptually and practically: other forms of alimentation and mobility, of energy supply and communication, of housing and clothing than the purely capitalist, industrialist and fossilist ones. We do not have to start from scratch, as there are manifold discussions, proposals and practical approaches already available – especially in (semi)-peripheral societies. For this, we need many actors with progressive claims and actions who bring forward the project.

Among them are social movements, often in the margins of society and in the function of “molecular organizing” (Candeias 2013), as well as progressive associations and NGOs (to which I would count many political foundations), often closer to the mainstream. Among them are critically-minded people and groups in science, think-tanks, media and progressive entrepreneurs. Among them are also people who might be willing to engage with alternative day-to-day practices in a non-organized manner, but who need to be offered opportunities for getting

started and getting involved; as this usually does not emerge out of nothing. Furthermore, such project is not clearly separated from other spectrums including the social-ecological changes formulated and initiated there, e.g. progressive religious groups and churches.

The horizon of a progressive, social-ecological transformation requires a far-reaching reconstruction of the mode of production and living beyond one-sided perceptions of growth, classical concepts of development, technological options and the myth of decoupling economic growth from resource consumption (Lang/Mokrani 2013; UNEP 2011 on the false promise of decoupling).

Such transformation process towards a truly sustainable energy and mobility system, towards other forms of agriculture and alimentation, towards long-living products and, at least with respect to the wealthier parts of society, towards less material consumption, must not be pursued on the expense of ordinary people.

They, who usually have less room for action and experience powerlessness, must be freed from their fear of changes. For most of them, "reform" is too strongly associated with the increase of insecurity and anxiety, with redistribution from bottom to top. For this reason, matters of distribution remain important, such as the distribution of wealth and income, of power and chances in life. They remain central in terms of redistribution from social top to bottom and the *differentia specifica* of progressive politics in contrast to economically liberal, autocratic and many conservative approaches.

Particularly during the current crisis in the global North and in light of the fear of increasing unemployment and expanding informalization and precarization, in my opinion, a central starting point is the linkage between social-ecological restructuring and a policy of social rights and progressive working time policies. Via the topic of working time policy, many ecological issues come into view, especially in the societies of the global North: those of production and consumption for their own sake, of unconditional export-orientation and the question how much value we attach to wage labour and how much to other activities such as unpaid care for the young or the old or social engagement.

With the transformation into a solidary modernity, attractive orientation models come along: Wealth of time, moderation in the face of demands for resource use and the implicitness of products that are cheaply provided by the world market. Frigga Haug (2011) excellently expressed this with the term "four-in-one-perspective". The main focuses are care for oneself, for others and for the environment; wage labor is only one minor part of individual and societal activities. There are elements which were formulated in the feminist debate long ago (Bauriedl/Wichterich 2013) and are being applied in many concrete projects. In Latin America an intensively-led discussion about "good life" is taking place (Acosta 2009, Vega Camacho 2012, Novy 2013).

Socio-political achievements are rather to be strengthened than cut. However, this is not merely about the return of the state. Rather, its material basis has to be modified which requires a financial transaction tax as well as a capital tax, the prevention of tax fraud in addition to higher inheritance and top income tax rates. However, beyond state and market, it is required that the commons for which society should consider itself responsible, are strengthened.

With such a broad understanding of change, we have reached another core element of emancipatory politics: the democratization of society in the sense of collective discussion and decision-making processes concerning all common affairs, including transparent forms of representation. Who can participate in decisions about societal matters? Democracy in times of environmental damage also means that people feel responsible again for society and therefore for society's relation to nature.

Yet a democratic process of social-ecological transformation also requires the "intellectual and moral competences of the people entitled to participate" (Marti 2006: 22) which is to be understood as general advice rather than

clear criterion for inclusion or exclusion from participation. Nevertheless, the question who possesses the knowledge and power resources to advance or impede important social developments remains important. How are powerful interests enclosed accordingly and how are their material foundations relativized in terms of influence and capital?

This question is particularly important in countries of the global South where economic dynamics often come along with autocratic or even dictatorial conditions.

Outlook

Even if scepticism is indicated in general terms, the beginning SDG discourse and the policies formulated in this context focus their attention on *all* societies. This is a great chance, as this perspective could diffuse from the sustainability debate into other sectors such as economic- and fiscal politics. So it is about a global project which respectively needs to be formulated more specifically.

Currently, several actors and forums position themselves in order to play an important role in the process. Rainer Falk (2014) argues that particularly the Monterrey process on finance for development and the debate about effectiveness after the Paris Declaration are major fields of contested development politics. What needs to be emphasized: Issues of (global) cooperation and partnership should be always accompanied by questions of power: Who controls the discourses, strategies and institutional settings around MDGs and SDGs? Why are empowering concepts and perspectives of human rights and solidarity less present than the more paternalistic ones like poverty and aid within these debates and politics?

Another precondition for a potential success of certain SDG goals is that a broad alliance of actors in Europe should criticize and overcome the dominant austerity policy. This would go hand in hand by putting development policy on a new foundation in light of the project of a social-ecological transformation. International politics and especially the United Nations system are supposed to safeguard the transformation towards a global solidary modernity with many concrete initiatives.

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IV Latin America in the colonial-imperial international division of labor and nature

By Edgardo Lander

Historically, since the beginning of colonial times more than five centuries ago, what is now known as Latin America played a crucial role in the international division of labor and the international division of nature: that of provider of primary goods or commodities based on slavery and other forms of exploitation. This immense transference of wealth to Europe, via the Iberian Peninsula, marked the beginning of the capitalist colonial world system and provided the primitive accumulation of capital that made the industrial revolution possible.

Nothing much changed in this respect with political independence.

It was only after the second World War that this position in the international division of labor and the international division of nature began to be seriously questioned. Realizing the constant *deterioration of the terms of trade* between the value of commodities that were exported and industrial goods that were imported, the Economic Commission for Latin America (CEPAL), under the leadership of Raúl Prebisch pushed for industrialization of the continent via *import substitution*. Facing many obstacles, these industrialization efforts were relatively successful, specially in the larger countries, Brazil, Mexico and Argentina.

This began to change in the 1970s. With the military dictatorships, the debt crisis of the 80s, and the imposition of the neoliberal adjustment policies of the Washington Consensus, starting with the US backed military coup in Chile in 1973, the road to industrialization was to a great extent abandoned and the *traditional theory of comparative advantages* was again used to argue for the need to concentrate on what the continent did best: *produce commodities*. A new age of market fundamentalism was to dominate the continent for the next decades.

In the 90s, as part of the implementation of the neoliberal adjustment policies, the creation of the WTO and multiple bilateral and multilateral free trade and investment treaties, most Latin American countries changed their mining legislation. Previous limitation for foreign direct investment in mining activities were removed. Different countries started to compete with each other in order to create the most attractive conditions for investment by transnational corporations. This meant, among other things, the privatization of state mining companies, further flexibility of capital markets, new regimes of investment protection that gave foreign investments the same rights as national investments, flexibility of labor markets, and in several cases not only low taxes, but a guarantee that these would not increase for many years.

A further push in the direction of an increased concentration on the production and export of commodities, not only in the mining sector but in the energy and agricultural sectors has been the extraordinary increase in both the demand and the price of commodities over the last decade due mainly to the vigorous rate of economic growth in Asia, particularly in China.

China is a country relatively poorly endowed with many natural resources and has very limited per capita land and water resources. Its per capita cultivable land is only 40% of the world's average, and its per capita water availability is only a quarter of the world's average.¹ It is thus highly dependent on the import of commodities not only for its internal consumption, but also as inputs for the industrial products it exports. After three decades of an

1. Claudia Leng, "La buena cosecha entre China y América Latina", *spanish.china.org*, June 25, 2013, <http://spanish.china.org.cn/china/txt/2013-06/25/content_29225506.htm>

average 10% rate of economic growth, China today has the largest industrial sector in the world and has become the biggest export economy. China is today the world's first consumer of refined nickel, refined copper, refined zinc, primary aluminum, refined lead, finished steel, thermal coal and seaborne iron ore.² China accounts for 40% of the total world imports of copper, 39% of nickel, and 48% of iron ore.³ In the case of the most important agricultural commodity in South America today, soya beans, 53% of the world's total imports are made by China.

For Latin America, this has meant a drastic increase in extractive pressures as both the demand and the price for its commodities has continuously grown over the last decade. Latin American exports to China are proportionately more commodity based than is the case with its traditional trading partners, the United States and the European Union. Almost 90% of the total Latin American and Caribbean exports to China are unprocessed or "natural resource" based manufactured products.⁴

The fact that for some countries like is the case of Venezuela and Ecuador, China has become the main source of external financing gives the Chinese government much leeway in their negotiation in order to guarantee long term access to mineral, energy and agricultural resources. Chinese credits to Latin American countries -unlike the World Bank and the International Monetary Fund, impose no political or policy conditions. What is required is access to resources, or that the credit is paid back in oil, as in the case in Ecuador and Venezuela. That is, loans backed by commodities. For all of Latin America, China has become the most important source for international loans.⁵

The other most important rather new actor in mining sector in all of Latin America are Canadian mining corporations that in a few years have spread their activities across the whole continent. The Toronto Stock Exchange has become the most important venue for mining companies in the world.

Alternatives to development and extractivism

Over the last decade and a half, South America was the region of the world where alternatives to development and extractivism seemed possible. Very strong and dynamic social movements defeated right wing military dictatorships, toppled neoliberal governments, and were able to defeat the most important imperial project for the continent, the Free Trade Agreement of the Americas, or FTAA. All this was possible thanks to an extremely wide convergence of movements and organizations in the confrontation with neoliberalism in all its expressions: free trade, agribusiness, destruction of rights and of the public sphere, the commodification and financialization of nature, attacks on cultural plurality and women's rights, etc., etc. |

Leftist and progressive governments came into power on the back of these movements and organizations. As an expression of the demographic significance and the extraordinary mobilization of indigenous people in Ecuador

2. Source: Morqan Stanley estimates, IEA, the Beijing Axis Analysis.

3. Osvaldo Rosales, Mikio Kuwayama, *China y América Latina y el Caribe Hacia una relación económica y comercial estratégica*, CEPAL, 2012.

4. Monica Bruckmann. Recursos naturales y la geopolítica de la integración Sudamericana, <<http://www.rebelion.org/docs/127270.pdf>>

5. Kevin P. Gallagher, Amos Irwin, Katherine Koleski ¿Un mejor trato? Análisis comparativo de los préstamos chinos en América Latina, Universidad Nacional Autónoma de México, Facultad de Economía, Centro de Estudios China-México. Número 1, 2013

and Bolivia, the new constitutions of these countries are based on the concepts of the good life (Suma qamaña and Sumak Kawsay).

The idea of sumak kawsay *buen vivir* implies not only solidarity amongst humans, but equally living in harmony with and in nature. In the words of Alberto Acosta, who presided the Ecuadorian Constitutional Assembly during most of its debates: “*living well* ’or *buen vivir*, is born out of the collective life experience of the indigenous peoples and nationalities. It seeks a harmonious relation between human beings, and these with nature...”

- For the first time ever, the Ecuadorian Constitution establishes the rights of nature:
"Nature or Pachamama, where the life is created and reproduced, has as a right that its existence is integrally respected as well as the right of the maintenance and regeneration of its vital cycles, structures, functions and evolutionary processes. Every person, community, people or nationality can demand from the public authority that these rights of nature are fulfilled..." (Art. 72)

However after a few years of progressive or leftist governments in South America, nothing has changed in terms of putting a stop to the commodification and financialization of nature. All across the continent, no matter what type of government, leftist, “revolutionary”, progressive, or neoliberal, the indiscriminate assault on Mother Earth has accelerated. As Maristella Svampa, a colleague from Argentina has named it, at the government level, the continent now has a new consensus: the *consensus of commodities*.

In country after country the proportion of primary goods in the composition of exports has increased.

In Mexico:

The national territory granted in concession to mining companies for the extraction of metals and minerals from the subsoil increased by 53 percent in five and a half years of the government of President Felipe Calderón, from 21 million 248 000 hectares in 2007 to 32 million 573 000 hectares up to June 2012, according to statistics from the Ministry of Economy...⁶

During the first ten years of the PAN government in Mexico 26% of the country’s total surface was leased to mining companies. Much of these territories are municipal or communal lands.⁷

The allocation of mining rights in Peru grew by 85% between 2003 and 2008. In Colombia Foreign investment in the extractive sectors, particularly mining- increased by almost 500% between 2002 and 2009. Mining exploration in Argentina- a country with little tradition in that activity- increased almost 300% between 2003 and 2008. Mineral exports expanded in MERCOSUR (Argentina, Bolivia, Brazil, Chile, Paraguay and Uruguay) from 20 billion dollars in 2004 to 58 billion dollars in 2009, before dropping to 42 billion dollars in 2009.⁸

The concentration on the production and export of commodities goes well beyond mining, the same trend is present in the case of energy and agricultural commodities.

6. *La Jornada*, Monday September 3, 2012, p. 31

7. Angélica Enciso, "Devastación, de la mano de concesiones mineras", *La Jornada*, México, August 8, 2011.

8. José Seoane, Emilio Taddei y Clara Algranati, *Extractivismo, despojo y crisis climática*, Ediciones Herramienta, Editorial El Colectivo y GEAL, Argentina, 2013.

In 2012 Argentina, Bolivia, Brazil, Paraguay and Uruguay planted 50 million hectares GM soy, that is, 500 000 km² of a single monoculture. A 200 000 km² area larger than Italy or 150 000 km² greater than Germany. A "green desert" of the approximate size of the Spanish state.⁹

As a result, Latin America, specially South America has been going through an accelerated process of "re-primarization" of its economies over the last decade.

Exports of primary products as a percentage of total exports¹⁰

País	2002	2011
Argentina	695	685
Bolivia	842	955
Brasil	474	662
Chile	832	892
Colombia	622	825
Ecuador	897	920
México	157	293
Perú	830	893
Uruguay	637	74.3 (2010)
Venezuela	862	955
MERCOSUR	545	671
Total Latin America and the Caribbean	407	607

If we take a look at these statistics we find that there is no difference between countries with neoliberal governments like Colombia, Peru and Chile, center-left or social democratic governments like Argentina, Uruguay and Brazil, and so-called leftist or revolutionary governments like Ecuador, Bolivia and Venezuela. We now have what has been called *progressive extractivism* in much of South America.

To be fair, one has to acknowledge the fact that the so-called progressive and leftist government are subject to very contradictory pressures and demands from different sectors of the population. While the indigenous people and peasant communities demand the defense of their territories, and in the case of Ecuador and Bolivia, demand that the content of the constitutions be respected, on the other hand popular urban sectors are more likely to have demands that require an increase in government expenditure in direct money transferences, food and service subsidies and other forms of public social expenditure in education, health and social security. The easiest and most immediate source of government revenue is an expansion of extractive activities. It is also the case that short term demand for an increased public expenditure (related to the electoral cycles) have in all case become more important than the far more challenging goal of transforming societies in the direction of the *good life* and the search for alternatives to the economic models that are destroying the planet.

The explicit option in favor of developmentalism and extractivism is best highlighted by a recent declaration by the presidents of the ALBA (that is the countries with left wing governments) in Guayaquil, Ecuador a few weeks ago:

9. "En Latinoamérica se sembraron 50 millones de hectáreas de soja transgénica", Ecoportal - www.aporrea.org. 18/09/13 - www.aporrea.org/desalambrar/n236468.html

10. CEPAL, *Anuarios estadísticos América Latina y el Caribe*.

... [we] express the right and the need for our countries to take advantage, in a responsible and sustainable way, of renewable natural resources, which have the potential to be used as an important source to finance economic development, justice social and, ultimately, the welfare of our peoples, making it clear that the main social imperative of our time - and our regions- is to combat poverty and misery. In this regard, we reject the extremist position of certain groups that, under the banner of anti-extractivism, consistently oppose the exploitation of our natural resources, demanding that this can be done only on the basis of the consent of the people and communities living near the source of wealth. In practice, this would be impossible to take this alternative and would ultimately risk the social and economic successes that have been achieved.¹¹

What is most alarming about this declaration is the explicit rejection of the right of indigenous people to previous consultation in relation to any activity that might affect their territories, rights that are enshrined in international law (Convention 169 of the International Labor Organization) and in most of the region's constitutions.

Along those same lines, two short text by Rafael Correa, President of Ecuador could be quoted:

I always said that the greatest danger to our political project, once the right was defeated at the polls, was and is leftism, environmentalism and childish indigenism. What a pity that we are not wrong.¹²

Basically we are doing better with the same model of accumulation, rather than change it, because it is not our desire to harm the rich, but it is our intention to have a more just and equitable society.¹³

Non of this is, of course, not to deny the extraordinarily important changes that have happened in the continent over the last decade and a half. It is not the purpose of my talk today to attempt a balance of the Latin American leftist or progressive governments. However, a few things are worth mentioning.

- Overall democratization of the continent, increase in popular political participation and greater respect for human rights.
- Shift away from neoliberal economic policies. The bringing back of the State. Social welfare policies destined to revert some of the damage done by the neoliberal experience.
- Taking back state control over so-called "natural resources", and/or a significant increase the proportion of the profits of their exploitation that is retained by the state. This made possible very significant increases in state budgets. In the "progressive" or leftist countries, this led to a huge increase in social expenditure possible, with its resulting reduction in the levels of exclusion, poverty and in some cases, a

11. Declaración del ALBA desde el Pacífico. XII Cumbre de Jefes de Estado y de Gobierno del ALBA-TCP. Guayaquil, 30 de julio de 2013.

12. Rafael Correa, *El Universo*, Quito, January 20, 2009.

13. "The challenge of Rafael Correa" in *El Telégrafo*, Quito, January 15, 2012.

reduction of inequality. According to the UN Food and Agricultural Organization, hunger has been reduced by one half over the last 13 years for, the whole of Latin America.¹⁴

- Paying back the debt to Bretton Woods institutions, which meant getting rid of the impositions of the neoliberal adjustment policies of the Washington Consensus that had such dire impacts across the continent, as is the case in Europe today.
- The creation of several economic and political integration processes across the continent. MERCOSUR has expanded. Venezuela has become a full member and Ecuador, Bolivia and Chile are now Associate members.
- The explicitly leftist association ALBA (Bolivarian People's Alliance) (Venezuela, Ecuador, Bolivia, Cuba, Nicaragua, and several Caribbean countries).
- UNASUR (Union of South American Nations). The importance of these new integration process can be best highlighted by the emergency meeting held in Santiago de Chile (September 2008) to deal with the severe threats to the stability of the government of Evo Morales in Bolivia as a consequences of right wing de-stabilization efforts. For the first time ever, a main political crisis in Latin America was solved without any involvement of the United States, Canada or the Organization of American States. This was literally a before and after moment in Latin American history.
- CELAC (Community of Latin American and Caribbean States). It is the first organization that includes all the Latin American and Caribbean states, including Cuba, which has been excluded from the Organization of American States where the United States has historically imposed its own will. The United States and Canada are not members of the organization.
- Diplomatic autonomy as was seen in the examples of offers of political asylum for Edward Snowden by several Latin American countries when not even China or Russia were willing to upset the United States.

Resistance to extractivism

Due to the continuation and deepening of the developmentalism extractive model common to all South American countries, resistance to extractivism in all its forms and the defense of territories by peasants, indigenous people and communities as well as small rural towns has become the main focus of popular struggles in most of the continent.

There are many reasons for the rejection of extractivism. Viewed from the perspective of the historical ways of insertion of Latin American economies in the world economy, this process of re-primirization is a return to a colo-

14. *Aporrea*, "América Latina es ejemplo en la lucha contra el hambre: FAO", October 5, 2013, <www.aporrea.org/internacionales/n237499.html>

nial mode of participation in the *international division of labor and nature*. The governments argue that this is just a first stage of the development process, necessary both to respond to social demands and to accumulate the resources required for a productive, non-extractive economy. However, in the words of Fernando Coronil:

Even when these nations try to break free from their colonial heritage, that is, their dependence on the export of primary products, through the implementation of development plans directed at diversifying their economies, they generally need foreign currency to achieve this. But they can only access foreign currency by exporting primary products, which again increases their dependence on exports. Paradoxically, by trying to exploit their comparative advantages, these countries that are exporters of natural assets, are frequently re-assuming their colonial roles exporters of primary products- a role now redefined in terms of the neoliberal rationality of globalizing capitalism. For them, neocolonialism is the next step on from post-colonialism.¹⁵

The fact that advantages are not given but created by specific public policies, as well known Cambridge economist Ha-Joon Chang has argued, is being ignored.

Historical experience has shown that extractive activities create relatively very few jobs, particularly very few quality jobs. Working conditions in mining activities tend to be by far the worst. Mining communities are often characterized by poor housing, limited or non-existing public services, violence and prostitution. When the exploitation of the commodity is no longer profitable, sometimes huge communities are left behind with no alternative source of income.

Commodities tend to have huge price fluctuations in international market, leading to cycles of expansion and bust for countries that are highly dependent on particular commodities.

A concentration on extractive activities in high price commodities, leads to the so-called *Dutch disease*. As a result of the abundance of foreign currency resulting from the export of the commodity the national currency becomes overvalued. It thus becomes cheaper to import most things than to produce them locally. Locally produced goods are not competitive in the international market. Production of industrial and agricultural goods is thus negatively impacted. Venezuela is a classic example of the Dutch disease caused by the so-called *resource curse*. Venezuela, the country that has the world's largest oil reserves has had an oil centered economy for a century. In spite of a sufficient fertile agricultural land and a limited population in relation to the size of the country, a very high proportion of the food consumed in the country has to be imported.

This is also closely associated with a *rentier state* and its corresponding political culture. Since the central government receives a large proportion of the national income, political institutions and parties tend to be organized around the struggle for the distribution of these resources. The result tends to be a highly centralized not particularly democratic state and a very weak, dependent society. Once established, this political culture and institutions tend, as is to be expected, to be self-reproducing. This creates great obstacles for autonomous local or grassroots organizations as well as for the recognition of the pluricultural character of most of these societies. I could go on and on about the Venezuelan experience in this respect.

These extractive policies have led to a reversal of the productive and industrialization achievements of the period of import substitution in the continent. This has led to what Pierra Salama has called *premature de-*

15. Fernan do Coronil, *The Magical State. Nature, Money and Modernity in Venezuela*, The University of Chicago Press, 1997.

industrialization.¹⁶ Even in the case of Brazil, a BRICS country, one of the most dynamic emerging economies, there has been a continued decline in the participation of industrial products in its exports. The proportion of its primary exports to China as a percentage of total exports has increased from 20% in 1995 to 80% in 2008.¹⁷ These are however not the main reasons why extractivism has become such a politically charged issue in Latin America in recent years.

Social and political opposition to extractivism has had to do basically with the destructive environmental and social impacts of these activities: expulsion of peasant and indigenous people and communities from their ancestral territories, destruction of vital headwaters, contamination or diversion of water, massive deforestation, contamination of land, removal of vegetation and top soil, large scale use of pesticides and other highly contaminating agrochemicals, substitution of food production oriented to self-consumption and local markets by agrifuels and other export oriented commodities. Large scale mining projects require massive amounts of electricity, often leading to the construction of huge hydroelectric dams that cause environmental damage and often displace tens of thousands of people. This is the case of the biggest dam under construction in Latin America today, the Belo Monte Dam in the Brazilian Amazon.

Although probably not a main driver of these struggles, the concern about the local and global climate impact of large scale extractive projects like open pit mining, extensive agricultural monoculture or fossil extraction has become an increasingly important concern.

The eco-territorial turn in popular struggles in Latin America

There are a large variety of forms of struggles, such as popular assemblies, occupying the disputed territories, road blocks, local and regional referenda and local or regional strikes as well as legislative proposals drawn up through popular initiatives to prohibit large scale mining. In some cases, in Peru and in Argentina, local and regional governments have decided to confront not only the mining corporations but also the national governments by prohibiting certain extractivist activities in their territories through the establishment of strict zoning regulations. These are mostly eco-territorial struggles or socio-environmental struggles rooted in local communities in and can in no way be seen as isolated ecological or environmental campaigns.

For indigenous people across the continent resistance to extractivism in their territories -as history has shown over and over- is clearly a question of cultural, and even physical survival. The logic of what has been characterized by David Harvey as *accumulation by dispossession* has been rapidly expanding. Due to the high prices of commodities and new technological developments indigenous territories that until recently were considered as too far off or too expensive to exploit have become profitable ventures for corporations. From the point of view of their impact on indigenous territories it does not make much difference if these corporations are private, owned by the Chinese government or by the national government.

16. : Pierre Salama, China-Brasil: industrialización y “Desindustrialización temprana”, Cuadernos de Economía, 31(56), 2012.

17. Monica Brukmann, “Recursos naturales y la geopolítica de la integración latinoamericana”



According to the Latin American Observatory of Mining Conflicts "There are U.S. \$ 30 billion worth of investments in mining that are at this moment paralyzed as a consequence of popular resistance to mining in Latin America" ¹⁸

Criminalization and repression of struggles against extractivism

Across the continent environmental and human rights legislation is either weak or lightly enforced. The governments tend to have little patience with indigenous and popular resistance to their development plans. Thus protest and peaceful mobilizations against extractive projects are frequently met with repression. In some cases even with accusations of terrorism. The areas around extractive activities are often militarized. That is the case, for

18. Observatorio de Conflictos Mineros de América Latina (OCMAL), "La resistencia a la minería en América Latina tiene paralizados US\$30 mil millones",

<<http://www.conflictosmineros.net/contenidos/3-latinoamerica/14886-la-resistencia-a-la-mineria-en-america-latina-tiene-paralizados-us-30-mil-millones>>

example, of Colombia. In Ecuador, Mexico and Peru the penal code was amended in order to define common social protest activities, such as road blocks, as criminal activities.¹⁹

Hundreds of popular environmental activists have been killed by state forces or by paramilitary assassins hired by landowners or mining and oil companies in the last few years in Latin America.²⁰

I would like to end this presentation by highlighting a few of the most paradigmatic current struggles against extractivism in South America.

Victories are possible

In spite of all these odds against them, some significant victories have been recorded in the last few years. In 2010 Costa Rica after a long battle by a broad alliance of communities, social movements and a left political coalition, a total prohibition of open pit mining across the national territory was established.²¹

In Argentina, in 2010, parliament, facing very strong opposition from transnational mining corporations and Argentinian mining interests, finally approved a law for the protection of the glaciers. The Canadian corporation Barrick Gold wanted to “re-locate” three huge glaciers in order to mine gold 4.600 meters above sea level in the peaks of the Andean Mountain Range.

The resistance to extractivism is an on-going struggle, People across the continent are not giving any signs of giving up.

19. Observatorio de Conflictos Mineros de América Latina (OCMAL), Acción Ecológica, *Cuando tiemblan los derechos: Extractivismo y criminalización en América Latina*, Quito, 2011.

20. Joan Martínez Alier, “Ecologistas de panza llena... de plomo”, *La Jornada*, Mexico, October 5, 2013.

21. “Costa Rica aprobó ley para prohibir minería metálica a cielo abierto”, San José, November 12, 2010. voselsoberano.com.

<http://voselsoberano.com/index.php?option=com_content&view=article&id=8284:costa-rica-aprobo-ley-para-prohibir-mineria-metalica-a-cielo-abierto&catid=22:internacional>

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11. International Monetary Fund Washington, D.C. IMF Country Report No. 13/250 August 2013
12. La Jornada, Monday September 3, 2012, p. 31
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V Development and Social Impacts in Myanmar

By Mr Kyaw Myo Min

OVERVIEW ON CURRENT SITUATION

Myanmar is considerably less developed than its fast-growing neighbours, with an average of 5 percent economic growth and an estimated per capita income of US\$702. Myanmar has been one of the poorest countries in the world for the past 20 years as a result of its backward economy and education system

Poverty levels are currently high, at an estimated 26 percent of the population, and food poverty is around 5 percent. The National Strategy on Rural Development and Poverty Alleviation aims to reduce the poverty rate from 32 percent in 2005 to 16 percent by 2015.

Remote border areas, mainly populated by Myanmar's minority ethnic groups, and areas emerging from conflict are particularly poor.

The country has significant growth potential, with its rich variety of natural resources, and currently, agriculture generates 43 percent of gross domestic product and 54 percent of employment in Myanmar.

Currently, Myanmar's growth draws largely from exploiting its natural resources (gas, gems, wood) and agriculture (legumes, cereals, peas).

Myanmar's forest cover and quality have steadily declined over the last 30 years, although it remains higher than other countries in the Greater Mekong Subregion (GMS). Forest cover decreased from 61% of the land area in 1975 to 49% in 2006. Natural forest loss averaged 392,540 hectares annually during 1989-2006, representing a major acceleration in forest cover loss.

Inflation has been lowered to 5.5 per cent (IMF), investments have increased fivefold with over \$1.4 million in foreign investment, international reserves have gone up, and the fiscal deficit has been reduced.

On the other hand, the country continues to be ranked 149 out of 168 countries on the human development index.

Economic growth has averaged 5 per cent in recent years with a per capita income of \$702. Poverty levels are currently at an estimated 26 per cent of the population. The poverty rate in rural areas is 1.8 times higher than in urban areas, compared to 1.6 times in 2005.

Many factors continue to disrupt the political situation in Myanmar, and these factors will influence future developments to some extent

- National League of Democracy (NLD) as biggest opposition party
- the presence of national ethnic armed groups
- Myanmar has been one of the poorest countries in the world for the past 20 years as a result of its backward economy and education system
- Myanmar's economy suffers from inequitable and unbalanced regional development.
- The country's economy is structurally flawed and unduly constricted because of very poor policies.
- Policy decisions are being made largely in a non-transparent, top-down, discretionary manner as was the practice in previous governments.

RECENT DEVELOPMENT²² EFFORTS BY THE GOVERNMENT

Four Waves comprehensive reform agenda framework by Government:

- 1) Political and democratic reforms;
- 2) Socio-economic reforms;
- 3) Governance and administrative reforms;
- 4) Private sector development.

3 long- term goals

Policy Priorities for 2012-15 towards the Long-Term Goals of the National Comprehensive Development Plan (FESR) - for inclusive growth and poverty reduction

- 1) Full implementation of economic integration with ASEAN in accordance with ASEAN Economic Community (AEC) 2015 schedules,
- 2) Achievement of MDGs and other human development objectives by 2015, and
- 3) Graduating from LDC status and moving to a knowledge-based economy by 2020.

Poverty Reduction Fund

- 1) Sub-national fiscal system
- 2) Available to the state/region ostensibly for whatever priorities they determine
- 3) First and thus far only cross-sectoral transfer to the sub-national level
- 4) Only fully devolved resource transfer from the union to the state and region level
- 5) One billion Kyat per state (2012-13 budgets)

Nay Pyi Taw Accord for Effective Development Cooperation

In line with Paris Declaration and the Busan Partnership principles for Effective Development Cooperation

- To develop a culture of democratic practices that recognizes human rights and empowers citizens through participatory processes
- To deepen consultation on development priorities and plans across all levels of government
- To engage strongly with civil society in participatory approaches, including providing greater voice to women, minorities and marginalized people
- To strengthen the rule of law and improve access to justice, and
- To enhance the transparency and effectiveness of government programmes.
- Myanmar has made some progress toward achieving its Millennium Development Goals (MDGs), but there is room for further improvement to reach the targets for 2015. A labor law has been passed that could help avoid labor problems as the economy becomes more industrialized.

Establishment of Myanmar Development Resource Institute (MDRI) and its three separate centers: the Center for Economic and Social Development, the Center for Strategic and International Studies and the Center for Legal Affairs.

²² International Monetary Fund Washington, D.C. IMF Country Report No. 13/250 August 2013

POVERTY

According to the Integrated Household Living Conditions Survey in Myanmar 2010, almost 54% of the entire agricultural population does not own any land: the average landless rate in agriculture among the poor was 34%, almost twice as high as the non poor.

Poor households tend to be larger than non-poor households. Poor households have more economically active members, implying that poverty is not due to lack or absence of work but to low returns to work.

Key factors contribute to rural poverty:

- 1) labor is unskilled and generally subject to casual wages
- 2) lack of assets (particularly land)
- 3) lack of infrastructure
- 4) inadequate access to proper public services (poor education system, no quality healthcare)
- 5) ethnic conflicts - political instability
- 6) weak institutions - administrative obstacles and policy making process
- 7) miserable macro-economic management
- 8) improper banking system
- 9) human capital
- 10) low income
- 11) corruption
- 12) vulnerability – capacity to cope with risks (disasters or changes in economic situations)

Problems generate impacts on social, economical and environmental

Survey of Myanmar Public Opinion December 24, 2013 - February 1, 2014, says....

3 biggest problems Myanmar as a whole are:

- 1) Unemployment,
- 2) Ethnic Violence and
- 3) High Prices.

Industrialization and *climate change* are also problems and vulnerable especially to the agriculture and natural resources sectors.

The implementations of the governance mechanisms (Participation, Transparency and Accountability) are poor, which has thereby failed to recognize and redress negative impacts on economic and food security of local communities.

The country must tread carefully so as not to get caught up in the euphoria of rapid economic growth that will undoubtedly hinge on cheaply exploiting its natural resources and poor population.

Myanmar's rising population and accelerating economic development are generating increasing volumes of solid waste lead to environmental and human health consequences of inadequate waste management practices.

DEVELOPMENT, LAND DISPUTES AND IMPACTS OF SOCIAL, ENVIRONMENTAL & LIVELIHOOD TO RURAL POOR

Tanintharyi Region:

- Exploitation of land compensation arrangements for the Dawei Special Economic Zone project by brokers and middlemen, to the detriment of local communities
- Big plants can damage the environment greatly (charcoal power plant, chemical oil factory and cement factory)
- Possible distinct of traditional horticulture and agriculture

Shan State:

- Exploitation by mining and other resource extraction enterprises of local communities' lack of land registration
- Dam Projects along the Thanlwin River triggered:
 - o *Community Displacements*
 - o *Deforestation*
 - o *Extinction of animal species*
 - o *Survival issues*

Sagaing Region:

- Exploitation of land and compensation arrangements issue for Letpadaung copper mine project
- Lose of cultural and religious heritages (Removal of Buddhist Ordination Hall)
- The environmental pollution and degradation
- Side effects and health problems on inhabitants
 - **Social and moral problems**

Mandalay Region:

- Eviction of squatting "Saint San Yae" monastic school in Patheingyi Township led to the shortage of water, food and no shelter for orphans

Kachin State:

- Thousand of local livelihoods were destroyed and people were displaced by force for Myitsone hydro-dam (it was suspended because of its potentially adverse environmental and social impacts), a good example of publicly uninformed decision Development

Rakhine State:

- Exploitation by Shwe Gas Project in "Kyauk Phyu" township,
- No compensation arrangements
- Environmental pollution and damages to reservoirs sources of drinking water
- Endanger to species in the water by the chemical wastes

Yangon Region:

- Eviction of "Thameekalay" Village – displaced and affect on livelihoods and food security

- Evicting slum dwellers from various townships since the beginning of 2014, across the region, leaving thousands homeless, under an official order issued by the Yangon Regional Government, claiming land as either military, state or company owned.

CHALLENGES

Myanmar is a rich country filled with poor people who have high hopes. Meeting their expectations will require a new approach to economic development.

Numerous bottle-necks constrain the reform process. The major challenge now is how to take reforms forward, track progress and ensure a broad based ownership of these reforms.

Agricultural productivity and growth is constrained by a number of factors, including inappropriate investment in irrigation, inadequate technology dissemination and technical support to farmers, policy inconsistency and a lack of well-defined land tenure/occupancy/ ownership rights.

There are still substantial challenges with regard to access to quality education, access and availability of health care services. Despite increases in government spending in the health and education sectors in 2012–2013, national financial investment is still limited, with education accounting for 4.9 percent and health only 3 percent of the current budget.²³

Multiple Constraints and Risks that may limit the progress

- 1) Weak macroeconomic
- 2) Management and lack of experience with market mechanisms
- 3) Limited fiscal resource mobilization
- 4) Underdeveloped financial sector
- 5) Lack of responsive, transparent and accountable regulatory framework
- 6) Inadequate infrastructure, (transport, electricity access, and telecommunications)
- 7) Limited economic diversification
- 8) Social unrests and ethnic tension
- 9) Lack of Corporate Social Responsibility
- 10) Lack of Corporate Social Responsibility
- 11) Lack of administrative and institutional capacity
- 12) Poverty and underdevelopment

Fighting *corruption* and address *weaknesses in the judicial and legal system* are also crucial areas in need of intervention.

²³ Report of the joint visit of the Executive Boards of UNDP/UNFPA/UNOPS, UNICEF, UN-WOMEN and WFP to Bangkok, Thailand and the Republic of the Union of Myanmar

Decision-making is ad hoc, not yet based on a carefully-devised master plan. It will be a challenge to maintain a balance between the speed of the reforms and their effectiveness.

Effective management of foreign aid can be a major challenge given that a substantial amount of funds are expected to flow in within a relatively short period of time.

The challenges in Rakhine and Kachin States are largely humanitarian: recurrent violence, displaced populations and continued human suffering with substantial humanitarian needs.

Armed Conflicts in Shan State and South Eastern Myanmar: armed conflicts have stopped but peace remains fragile, and needs to be reinforced through a political process and post-conflict recovery that can show a tangible peace dividend.²⁴

Areas across the country have extreme levels of poverty and require *infrastructure development* (particularly energy, water and sanitation), disaster risk reduction and development of human capital.

This variety of contexts faced in Myanmar present a real challenge to the Government and to development actors working in Myanmar essentially face a whole spectrum of development situations representing very different challenges and requiring very different responses.

RECOMMENDATIONS

Although Myanmar has a large opportunity to accelerate growth, every area of economic and social management appears to need attention. Maintaining political stability and, the rule of law is a prerequisite if Myanmar is to retain the confidence of international investors and development partners, and business, local and international.

Myanmar faces an extensive list of development challenges and the resources required to overcome them remain limited. Prioritizing the development issues and sectors is essential, based on effective cost-benefit analysis and an overarching framework for medium- and long-term national development goals.

Effective policymaking, planning, implementation, and monitoring will require reliable, timely, and relevant information on the country's social, economic, and environmental conditions, success in such an endeavor depends on ensuring macroeconomic and political stability.

The government may wish to consider focusing promoting and effective use of public resources, ensuring transparency in the management and decision making pertaining to its resources, and providing adequate public services and infrastructure for the poor.

Some points to consider:

- To consider reforming urban governance and jumpstarting urban planning
- To improve the business environment (understanding Corporate Social Responsibilities)

²⁴ (UNDP Annual Report 2013)

- To strengthen government institutions (focus on nurturing administrative and regulatory systems; managing resources; and, most importantly, enhancing the capabilities of government personnel throughout the system)
- Public outreach by the government, engagement on a direct, individual level to the population
- To increase its budgetary resources to social sectors such as health and education and thereby to strengthen government capacity so as to provide the quality of service required to build necessary Human Capital
- Ensure that social protection policy be developed and aligned with the second phase of the Government's overall reform strategy, people-centered development approach, and specifically linking social protection with the Rural Development and Poverty Alleviation Strategies
- Create a high-level national institution (committee) for the coordination of social protection to ensure its policy formulation, and monitoring implementation to inform the policy makers and the public
- Review, Revise and Enforcement of "Laws to control and protect from environmental pollution in relation with Special Economic Zone and Industrials" (Environment Impact Assessment – EIA and Health Impact Assessment – HIA should also be reflected)
- Community participation and consent in the processes of decision making (would overcome many of the issues currently resulting from the operation of extractives projects)
- Land laws should support communities and particularly farmers, and labour laws should protect the workforce
- To encourage a public debate within Myanmar that will lead to better policy choices and economic outcomes and to help observers outside Myanmar get a better understanding of the issues and options
- Encourage energetic cooperation, including with bilateral and multilateral organizations and NGOs, for an integrated and all inclusive social protection system

Myanmar has the possibility to finally realize its enormous economic potential, catching up with its neighbors while avoiding some of their mistakes.

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VI China on Path of Establishing Social Welfare System with Chinese Characteristics

by Sun Wei (Abstract)

A frequently asked question to China is “what is the socialism with Chinese characteristics?” Due to the ever changing social development, the answer itself has been in the process of being explored since the foundation of People’s Republic of China. Reflection on the Chinese experiences with welfare system over the past 65 years may help us to depict the picture of socialism with Chinese characteristics.

There are three development stages so far in establishing welfare system in China. The first stage started in 1949 till 1978, the era of planning economy. Based on the differentiated urban and rural household residence registration (hukou) policy, welfare system was also dual-structured. Government fully subsidized governmental units at various levels to offer benefits including labor insurance, medical care, housing, pension to employees and even other benefits such as job opportunity towards their children in urban area, while in the rural, government transferred its responsibility to local community cooperatives which relied heavily on contribution of cooperative members for mutual assistance among themselves. The second version of welfare system came into being along with the introduction of market economy during transformation period (1979-1999). Social security mainly consisted of social insurance and social relief & aid were the core of the social welfare. Government, corporations and individuals share responsibilities in setting up workfare including unemployment insurance, occupational injury insurance, pension, medical care and maternity insurance. Instead of playing the leading role at the first stage, the government withdrew gradually and motivated such sectors as business corporations and NGOs to offer welfare services. On the one hand, people have diversified options of social services in market; on the other hand, incidents of social injustice broke out dramatically partly due to not well-functioning of the social relief and aid which was inherited from the past decades and covered limited number of disadvantaged population, and also with lack of distribution mechanism of national wealth, the gap between rich and poor has been ever growing. Therefore, China began to adjust social welfare system after stepping into the 21st century. The leading role of the government has been gradually restored in providing basic social services equally to urban and rural residents. Other social sectors are still encouraged to offer supplementary services.

Debates on relevant concepts have always contributed to the fluctuation mentioned above, including the relationship between the just and efficiency, contradiction of equity and disparity between rich and poor, role of market and government, etc.

VII Alternative Development Concepts and their Political Embedding

Examples form Thailand and Bhutan

By Wolfram Schaffar, (draft version, 23 May 2014)

1 Introduction: Examples of alternative development projects / networks in Thailand

In Thailand, there is a rich tradition of grassroots initiatives and networks where alternative development concepts are being discussed and practiced - alternative agricultural networks, local currencies, and communities practising Buddhist economy. Some of these networks have been very successful and provide the livelihood for many households in large areas.

Examples are: The Inpaeng network, Sila Asoke, Local currencies in Northeast Thailand (Isan)

Characteristics of alternative development initiatives / networks are the following. They originate from informal economic or religious networks in rural areas that have existed for a long time. They are drawing on local cultural or religious traditions and can be seen as examples of what Schumacher in his seminal work *Small is Beautiful* has witnessed in Myanmar and popularised as forms of Buddhist Economy. In this sense, these initiatives and networks can be characterised as reaction to consumerism and the indebtedness which resulted from export-oriented agriculture. In their origin, the initiatives and networks are dissident, political-cum-economic alternatives.

These networks and initiatives existed in Thailand already for more than two decades when in 2006, the concept of Sufficiency Economy was announced as official economic strategy of Thailand. Some of the networks - most notably the Inpaeng network - were cited as role models for an alternative economic development paradigm. Sufficiency Economy can be characterised as a Buddhist inspired concept (or "philosophy", as the proponents call it) that criticises consumerist lifestyle, an export orientation of the economy - in particular the orientation of agriculture on cash crops. As an alternative, SE proposes a re-orientation towards self-sufficiency and a moderate middle way of production and consumption in order to achieve a more resilient economic system with greater independence from the vicissitudes of the world markets. In 2006, state sponsored think tanks launched a comprehensive research and support programme and started public discussion rounds and seminars on questions such as how to popularise SE principles in the rural area, how implement Sufficiency Economy principles in the industrial sector and in the banking system - a SE mainstreaming programme. A number of globalisation-critical NGOs - including transnationally organised NGOs and networks working on sustainable farming, fighting the free trade agenda of the WTO and the neo-liberal agenda of the WB - participated in the discourse. The appreciation of SE went even further. In 2007, SE was enshrined in the new constitution and became official guideline for economic policy in Thailand.

Superficially, Thailand reminds us of the situation in some countries of Latin America where alternative development paradigms have been discussed and practiced on the grassroots level and later became state policy. Especially Venezuela, Bolivia and Ecuador where the new alternative paradigms have been enshrined in constitutions.

However, it is exactly the political embedding of alternative development concepts which distinguishes the situation in Latin America from the situation in Thailand. In Latin America, most of the alternative projects and networks were formed against the background of an authoritarian state pushing for extractivism, export-oriented industrialisation and neoliberal restructuring. As such, these networks discuss economic as well as democratic

alternatives. The situation that in some countries alternatives ended up as official state policy, is the result of a democratic struggle that brought together pro-democracy groups, unions and rural movements / alternative networks. In Thailand, alternative development concepts have their origin in progressive and democratic initiatives, too. However, later they have been used and instrumentalised by royal-conservative elites. In the present conflict between Yellow Shirts and Red Shirts (Peoples Democratic Reform Council- PDRC, and the United Front for Democracy and against Dictatorship - UDD), alternative development discourses are closely linked to the Yellow camp and are used as legitimisation for an authoritarian, anti-democratic policy which culminated in the present coup d'état.

II Origin of alternative development initiatives and networks

Many alternative development networks in Thailand have their origin in radical opposition movements. Two traditions - a political and a religious - can be distinguished.

Political tradition of radical alternative development projects

The period from 1973 to 1976 is known as the democratic window in Thai political history. In 1973 the military government was pushed back by strong movements of students and unions. The subsequent opening led to a rich democratic debating culture at Universities (Thammasat Univ.) as well as in the parliament. Very much like students movements in European countries in the 1970s, reading circles at universities and in unions discussed Marx and other radical thinkers.

In October 1976, however, the military returned to power by a coup d'état which was followed by a violent crack-down on unions and students' organisations in Bangkok. Many activists fled to the jungle and joined forces with the Communist Party of Thailand (CPT) which had been leading an armed insurgency since the 1960s. However, students and activists who joined the armed struggle were soon alienated by hierarchical structure of CPT. This is why many of them abandoned the party when an amnesty bill in 1977/78 opened the way back into society.

As a carrot-and-stick strategy, the Thai government not only passed the amnesty bill, but also intensified its armed fight against the CPT using the so called four-cuts-strategy that targeted the rural population in the insurgents areas. Daily violence, disappearing of villagers and impunity of security forces in the rural areas was a common experience at that time. Parallel to these violent measures, large scale government projects - dams, national parks, push for cash-crops, but also illegal logging etc. threatened the livelihood of rural population.

Equally alienated by both, the state and state violence as well as the CPT and its hierarchical command structure, many former students and political activists stayed in the rural areas and started working in concrete rural development projects - still with a radical political ambition, but not in party structures. The central idea behind many projects and NGOs was that radical political and economic alternatives have to come from the grassroots level. Moreover, these projects were born out of a reaction to pressures from the government, as reaction against the army's counter-insurgency strategies, against large infrastructure programmes, and also as alternative to cash crops, which were another strategy of disciplining and controlling population by capitalist means.

Turning to self-sufficiency, developing economic independence from government programmes and from the capitalist markets was one important subversive strategy. Organising clandestine and informal community structures was an answer to state violence - any formal organising would have called state reaction, and students feared the counter-productive effects of CPT-style organising. These are radical, anti-capitalistic and organisation-critical roots of many alternative development projects in the 1980s - the origin of the school of *Thai localism*.

Buddhist alternative tradition

Another radical source of alternative development projects is religious. Theravada Buddhism comes close to a state religion in Thailand with a state sponsored and state controlled Sangha (Buddhist community/church). Against this background, several movements occurred in the 1980s, centring around charismatic leaders who opposed the state sponsored order and sought a purer version of Buddhist belief and practice. Often the discovery of new meditation techniques stood in the centre of these sects, and mass meditation events were the backbone of the new communities and often led to schism with the state sponsored Buddhist sangha. But also taking seriously Buddhist principles in everyday life, integrating religious principles into daily practices of modern life was a central aim of the movements.

Santi Asoke originated in such a schism. After it was officially excommunicated from the the state sponsored structures, the Santi Asoke community withdraw to the rural areas of Southeastern Isan and started rural projects in order to reach self-sufficiency and economic independence.

The characteristics of these religious sects resemble the politically motivated alternative development projects. They have their roots in a strong criticism of state-sponsored structures. They try to survive against pressure from official religious Sangha structures, and the aim to put into practice purer, more ascetic and radically non-consumerist principles of living. This often implies a radical criticism at capitalist and materially oriented modes of economy. Thus, Buddhist networks also constitute an anti-capitalistic and organisation-critical alternative, with community-building as central part of it - but religiously inspired.

III Thaksin and political embedding

The Asia Crisis hit Thailand in 1997/1998. After almost two decades of a booming economy, with double digit growth rates, the real-estate bubble in Bangkok burst and led to a deep recession. As a consequence, the growth-led debt-financed development paradigm was thoroughly de-legitimised. Two trends resulted from the crisis: A reaffirmation of local initiatives because these structures proved to be resilient and survived rather unaffected by the crisis. Secondly, the knowledge about these projects was popularised. People who had migrated to Bangkok and had found work in the booming urban economy in the 1980s and 1990s had to migrate back to the rural areas to survive. Rural self-sufficient structures proved to be a cushion for many - it served as social security network. Moreover, the King took up the issue in his annual speech in 1997 and 1998. It were through these speeches that the term Sufficiency Economy was coined. His appeal to re-structure the Thai economy had utmost symbolic weight because of the high symbolic authority of the monarchy. As a consequence of his speeches, the state sponsored (and royally sponsored) committees for researching SE were established.

Another way out of the crises was proposed by Thaksin Shinawatra. Elected in 2000, he took office in 2001 and he started a dual-track economic development programme. One track concentrated on neo-liberal restructuring, which included privatisation, liberalisation of state companies, support of export-oriented industries. On the rural level, he established a fund for developing small-scale enterprises, which should specialise in one specific product and become sufficiently professional to compete in the global market (One Tambon One Product).

This OTOP programme was typical for Thaksin's second track - a strong commitment of the state. Complementary to the neo-liberal restructuring, he launched infrastructure programmes in rural areas, streets were built or modernised, electrification and internet access was supported (cf. One-Million-Baht Village Fund). He also announced a moratorium for indebted farmers and gave access to cheap consumption credits. More importantly, Thaksin launched social security programmes, including the establishment of a universal coverage health care scheme.

IV Split and politisation of the two development paradigms

Thaksin's policies were heavily criticised as populism by neo-liberal elites and international development organisations - spending too much money in state programmes and basically handing out money directly to the people for free.

However, Thaksin's approach was tremendously successful as far as sparking new economic growth is concerned. Against the background of growth rates of about 7%, his infrastructure programmes as well as the universal coverage health scheme succeeded as well. Although these programmes were not financed in a sustainable way - for the health scheme, tobacco and alcohol tax was used, and progressive taxation was never discussed - the high growth rates made the programmes a success. The programmes were extremely popular, not only because they worked, but because the way on implementation on the ground meant a paradigmatic shift in public policy and development administration. The health scheme, for example, guaranteed access to medical care on a universal basis for all citizens. This meant a shift away from corporatist or charity based programmes and implemented access to health care as a citizen right. The one-million-baht village fund programme allocated money to the villages and gave the responsibility to decide on the type of investment completely to the village council with no conditions attached.

Both programmes meant a paradigmatic change in the way the central government approached people in the rural areas: Away from authoritarian paternalism towards taking seriously people and their decisions. No question, this mode of implementation opened the door for many cases of mis-allocation of the village fund's money and corruption. However, in order to understand the unabated strong support for Thaksin in the rural areas, it is insufficient to denounce the rural support programmes as populist. We have to take into account not only the sheer amount of money which was channelled through these programmes, but the psychological and discursive effects of it. Firstly, these programmes meant a redistribution of wealth between the urban centre and the rural areas. Secondly, the way the money was channelled led to the empowerment of local political structures - not necessarily in the sense that accountable clean democratic structures emerged.

Thaksin started his career in Chiangmai in the North of Thailand. There he succeeded as a local capitalist there and his power base is still situated in the North and the Northeast. His popularity brought him into conflict with the old Bangkok elites, especially the capitalist elites in Bangkok centering around the Crown Property Bureau. The King of Thailand, too, had pursued various rural development programmes focusing on ideas of sustainability, and starting in 1997/1998, these programmes were pulled together under the umbrella of Sufficiency Economy. In contrast to the programmes of Thaksin, however, the royal programmes followed a top-down paradigm. Decision makers from the Bangkok based think tanks, royal advisors etc. went to the rural areas and advised people about modesty, warned about consumerism.

Against this background, Thaksin was able to translate his popularity into a land-sliding success at the 2005 national elections. However, starting in late 2005 and early 2006, a largely urban, middle-class based movement against Thaksin emerged and started protesting against him. The movement brought together a broad coalition of different NGOs and social movements: globalisation critical movements, like FTA Watch, who criticised Thaksin's free trade policy; human rights groups who criticised Thaksin's violent "War on Drugs" and his attempts to silence the critical press; unions of the state enterprises who fought against privatisation.

This movement was heavily supported by the Bangkok royalist-conservative elites. In summer 2006, the protests in Bangkok had led to a political stalemate but were not strong enough to push Thaksin out of power. This opened the door for the military to stage a coup d'état in September 2006 and install a royalist-conservative government. The duty of the new administration was to dismantle the "system Thaksin" and break his popularity, which the royalists saw as an effect of corruption and populist policies.

Consequently, the main strategy of the new government targeted at what the royalist-conservatives saw as populist programmes in the rural areas. The universal coverage health programme was upheld. However, as an antidote to the popular rural investment programmes and to the consumption credits, the conservative-royalists made Sufficiency Economy their leading economic paradigm. Moreover, when a new constitution was drafted in 2007, Sufficiency Economy was included as leading principle of all state policy.

Together with declaring SE as state policy, the military government started a programme to popularise and mainstream SE. The think tanks which were established in 1997/1998 and which had remained largely dormant for many years were upgraded and started organising public discussion fora. A funding scheme was established allocating a large amount of money to existing projects on the ground that could fit into the royally sponsored programme.

As an attempt to find international recognition and support, the UNDP Development Report on Thailand in 2006 featured SE and connected it to alternative development projects on the ground. The Inpaeng network, for example, was discussed prominently as the role model in this context. This is how many networks and initiatives that existed in Isan independently and for along time were coopted into the SE paradigm. They were used as best-practice examples for SE - and largely deprived of their radical roots.

The whole campaign, however, had the ultimate goal to push back Thaksin's popularity. The analysis behind this strategy was that people in the rural areas were somehow lured into a consumerist, capitalist way of thinking, and that the village fund and consumption credits had seduced the rural population to a false life style and greed. This false consciousness made them adore Thaksin and being dependent on him. SE projects were promoted as a means to re-educate the rural population. Preaching modesty, the middle way, etc. was functional to this end.

Taking up ideas of alternative or Buddhist economy and mainstreaming it as official economic policy, however, meant washing away most of its subversive potential. In the end, each and every economic sector of Bangkok's turbo-capitalist sector could somehow connect to SE and portray itself as promoting SE. The epistemic community which was created around the SE paradigm, however, more and more showed an urban royalist-conservative bias. Conferences and publications heavily relied on funding from royalist sources, and the authority of the King was invoked in virtually all documents.

Criticism at the SE paradigm was voiced from different sides. Some authors criticised traces of middle class resentment against the rural population. They stressed that the SE concept was largely based on projection of middle class people how they would like to see rural people - without their own highly consumerist life-style being challenged. Recent trends of middle class mobilisation against poor and against pro-poor policies in India and countries of Europe underline the ideological frame into which also SE fitted.

Sociological studies criticised that the programme ignored the actual development and situation of peasants in Isan, many of whom rely on migration, and work in the cities. They stressed that given the highly interconnected economy in Thailand, the idea of self-sufficiency had no basis in real life. Moreover, the most serious criticism pointed to the fact that the idealisation of the rural life-style left out questions of inequality and redistribution. Specifically, SE promotes the plan that ideally every household should use its land according to a specific formula - 30% for rice, 30% for a fish pond and water reservoir, 30% for vegetables, 10% for housing. However, the question of land reform is not addressed.

V Recent Protests

The split that opened between rural population in the North and Northeast and Bangkok middle class (and the South) has deepened ever since.

In November 2013, mass demonstrations re-emerged in Bangkok again. This time, they targeted Yingluck Shinawatra - the younger sister of Thaksin. She had won the elections of 2011 and could rely on a strong majority in the North and the Northeast, largely because she drew on her brother's popularity. Her policy, too, stood for the dual-track development paradigm, which her brother started 14 years ago.

On the one hand side, she pushed the negotiations for a Free Trade Agreement with the EU and embraced neo-liberal policies of economic restructuring. On the other hand side, she supported the rural population, e.g. by a subsidies scheme which guaranteed a high rice price. One of her infrastructure programmes was to build high-speed trains connecting South China with Singapore, crossing through the North-East. The promise was not only to connect the areas, but to stir new opportunities for income because the farmers could transport their products easily to the urban centres. For this plan, as well as for other reasons the urban middle class - royal-conservative circles mobilised against her.

The demonstrators used street blockades to "shut down" Bangkok and force the government out of office. Since the experience of the last five elections showed that the royalist-conservatives - their parliamentary arm the Democrat Party - was not able to win any elections - the anti-Yingluck opposition not only wanted to remove her from office, but they demanded to suspend elections. Instead, an appointed government should be bestowed with the duty to reform the political system from scratch.

The rationale behind is still the same idea as at the times of the first coup d'état: The electoral majority of the Thaksinite parties since 2000 is attributed to vote-buying and populist policies - and the rural population is seen as corruption prone and morally weak so that the populist policies - like infrastructure programmes etc. - are falling on fertile ground. Again, the idea that SE principles can save the rural population from a capitalist consumerist way of life plays a central role for the opposition movement.

This is one reason why networks for SE play a vital behind the mobilisations on the streets of Bangkok. Santi Asoke held one central stages during the "Shut Down Bangkok" campaign. Ever since the 2011 elections, the network of Chamlong Srimuang came to Bangkok to a camp in order to push for boycott of elections.

What we see in the present situation in Thailand is a polarisation: On the one hand side, the Red Shirt camp stands for a specific growth-led development paradigm, where state sponsored infrastructure programmes, social security programmes play a central role. Together with these programmes, the trade mark of the Thaksinite parties (Thai Rak Thai, Phak Pahleng Prachachon, Phue Thai) is that they break with the usual paternalistic paradigm of development planning and take the rural population seriously as citizens (village councils for the allocation of village funds - universal coverage as rights-based health scheme). More importantly, they stand for the principle that the parliament and the government should be formed on the basis of voting - with the principle of one-person-one-vote.

The royal-conservatives, on the other hand, stand for a totally different approach: They criticise the capitalist and growth-led strategy of Thaksinite parties as dangerous and un-sustainable. It is important to note that this criticism remains largely on a discursive level: The policy of the Yellow camp (Democrat Party) can also be characterised as dual-track. On the one hand side, they effectively support neo-liberal economic policies as much as Thaksin and Yingluck did, such as signing free trade agreements etc. However, on the other hand side, they sup-

port sufficiency oriented rural development programmes to cushion the negative effects in the countryside. For this aim, already existing alternative development networks were coopted.

The crucial difference between the two camps is that the Yellow camp pushes its policy by highly authoritarian means. The alternative development agenda was implemented by a coup-sponsored government. And ever since, the royal-conservatives have removed the Thaksinite governments from office with either military or judicial force. The recent protests which demand to stop voting is driving the patronising attitude to new extremes. Drawing on the idea that the support of Thaksin by the rural population is an effect of vote-buying and populist policy, they propose highly authoritarian modes of governing the country. The most extreme demands were the idea to suspend voting and appoint the parliament, or to establish an electoral system in which votes are weighted according to the tax a person is paying (the more tax you pay the more your vote counts).

VI Lessons for Myanmar

The unfolding of a political conflict in Thailand has brought about a situation where growth-oriented debt-financed development paradigms are strongly associated with democratic principles, whereas sustainable, religiously inspired alternative paradigms are associated with authoritarianism. This led to the situation, that many alternative development networks and NGOs have joined hands with royalist-conservative circles and demand a suspension of elections.

What are the lessons to be learned for Myanmar?

Clearly, due to large-scale investment in mining, industrial agriculture, export-oriented industrial production the growth-oriented extractivist paradigm of economic development is the dominant paradigm in Myanmar. More and more people on the ground are exposed to the negative effects of this development. However, after decades of economic stagnation, this paradigm is strongly supported by many people - including most parties of the democratic opposition (NLD). This bears the danger that democracy might be associated with / identified with neo-liberal capitalism. Alternative development discourses, consequently, might take an anti-democratic turn.

Ethnicity plays an important role in discourses of alternative development in Latin America. Here it is closely connected with anti-colonial struggles which gives ethnic discourses an emancipatory orientation (cf. discourse in Bolivia). In Myanmar, ethnicity has a very different meaning and plays a very different role in the political system. If an alternative development paradigm is associated to specific ethnic groups, this might further fuel ethnic tensions.

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VIII Alternative to Development

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