



Revisiting & Reclaiming Deglobalization

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**Deglobalization Applied:
A Post-Neoliberal Paradigm
for Myanmar**

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Nearly 20 years after “deglobalization” was introduced as an alternative paradigm by Focus on the Global South, one of its main authors looks back at its strengths and weaknesses and how its interaction with other alternative frameworks can be a mutually enriching exercise.



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The paradigm of deglobalization was advanced by Focus on the Global South in 2000, at a time when corporate-driven globalization appeared to be irresistible. It has had an interesting history since then. Deglobalization first attracted attention and provoked discussion in progressive circles. It was only after the 2008 financial implosion that it attracted attention from the mainstream, with the *Economist* writing that with the “integration of the world economy in retreat on almost every front,” the economic melt-down “has popularized a new term: deglobalization. Some critics of capitalism seem happy about it—like Walden Bello, a Philippine economist, who can perhaps claim to have coined the word with his book, ‘Deglobalization, Ideas for a New World Economy.’ Britain’s prime minister, Gordon Brown, is among those who fear the results will be bad.”¹

As a program for organizing the economy, deglobalization was, interestingly, first proposed in France. It inspired the platform of Arnaud Montebourg, a Socialist running for the presidency of France in 2012. One account noted that “the utopia of démonialisation is all the more appealing as Montebourg points out that it’s not a rich-man’s dream of keeping the poor at bay, crediting Walden Bello, the Princeton-educated Filipino writer, politician and a man of the South for the concept.”²

The same account pointed out, however, that deglobalization had also been embraced by the right in France. Marine Le Pen, the controversial head of the National Front, “carries the idea further, as she advocates an exit by France from the euro and erection of barriers at France’s borders. Her plan, a one-country-versus-all approach, makes no economic sense, but carries strong nationalistic and emotional appeal.”³ Fortunately, no one on the European right says they got the idea from me and Focus. But unfortunately, it is the case that today, deglobalization and the critique of globalization more generally are identified with the right.



Arnaud Montebourg (left) and Marine Le Pen (right)

This situation makes it more imperative to clarify what deglobalization is all about and why it is something that should be associated with liberation, not xenophobia. Yet clarification is needed, not only to detach deglobalization from its embrace by the right but also to assess its relevance as a liberating paradigm for today's world. In other words, the world has moved forward—or backward, as the case may be—since the 2000's, when we first articulated deglobalization. Aside from the 2008 financial crisis, other developments have come to the fore, such as the acceleration of climate change, automation, and inequality. In the light of these changes, it is worthwhile to revisit deglobalization to see if it still provides a way to cope with these developments and to compare it to other alternative paradigms that have drawn attention more recently.

How the Right Hijacked Deglobalization

But before we embark on this broader task, it is important to answer the puzzle: How was the critique of globalization hijacked by the right?

In a speech in honor of Nelson Mandela in Johannesburg on July 17, 2018, former US President Barack Obama noted that “challenges to globalization first came from the left but then came more forcefully from the right, as you started seeing populist movements... [that] tapped the unease that was felt by many people who lived outside of the urban cores; fears that economic security was slipping away, that their social status and privileges were eroding, that their cultural identities were being threatened by outsiders, somebody that didn't look like them or sound like them or pray as they did.”⁴

Obama's words underlined an intriguing development: that the right ate the left's lunch. The left's critique of neoliberalism and globalization took off in the mid-1980's in the context of two struggles. In the South, it unfolded as part and parcel of the opposition to "structural adjustment" in developing countries imposed by the International Monetary Fund and the World Bank, the key aims of which were accelerated liberalization of trade, deregulation, and privatization on the grounds that the aggressive release of market forces would make these economies more efficient. In the North, it was triggered by two developments. One was the drive of transnational corporations to relocate their facilities to Mexico and East Asia to take advantage of cheap labor, a trend that accelerated with China's integration into the global capitalist economy in the 1980's. It was also a response to the determined efforts of Ronald Reagan and Margaret Thatcher to drastically emasculate labor and deregulate and denationalize the US and British economies in the early 1980's.

The establishment of the North American Free Trade Area (NAFTA) in 1994 and the World Trade Organization (WTO) in 1995 added fuel to the spread of what came to be known as the anti-globalization or alter-globalization movement, which helped derail the Third Ministerial of the WTO in December 1999 in Seattle. Seattle was an exclusively left-wing affair, as were the protests against the Group of Eight that culminated in a massive 200,000-person rally in Genoa in July 2001. While the September 11 events dented the momentum of the anti-globalization movement, the World Social Forum, which enjoyed the support of the Workers' Party in Brazil that came to power in 2002, provided a North-South avenue for the elaboration of anti-globalization strategies. With the outbreak of the global financial crisis in 2008, the anti-globalization movement reemerged in force in the North in what came to be known as the Occupy Movement, the key political products of which were the coming to power of Syriza in Greece and the rise of Podemos as a political force in Spain. The left's ability to ride on the anti-globalization agenda, however, was severely compromised by the

fact that since the 1990's the center left in the US and Europe had bought into and aggressively promoted the free trade, neoliberal agenda. Thus, in the US, it was under the leadership of Democratic Clinton administration that NAFTA and the WTO came into being and the New Deal-era Glass Steagall Act separating commercial from investment banking was repealed. Later, in the wake of the 2008 financial crisis, Obama's Democratic presidency prioritized saving the banks instead of bringing relief to millions of bankrupt homeowners, then, in what must rank as a historic misjudgment, promoted the Trans-Pacific Partnership that, to the working class, meant a continuation of the export of their jobs to China. Obama's advocacy of the TPP and poor record in bringing back jobs was likely to be one of the central factors that led significant numbers of traditionally Democratic working class voters in the Mid-West to spurn Hillary Clinton, thus providing Trump the edge in the key states that determined the outcome of the 2016 elections.⁵

In the United Kingdom, New Labor pushed the "Third Way," a key element of which was support for thoroughgoing financial liberalization and state support for the drive to make London supplant New York as the global financial center. In Germany, the Social Democrats (SPD) under Gerard Schroeder did what the center-right Christian Democrats could never have accomplished: push neoliberal "reforms"—the so-called Hartz reforms—that loosened wage, tenure, and social security protections for workers. French socialist figures, for their part, became the most enthusiastic proponents of the euro, the adoption of which required countries to maintain tight non-expansionary fiscal policies that militated against social spending.⁶

Having embraced the neoliberal agenda, the established workers' parties became defenders of the pro-globalization agenda, leading not only to failure to expand their mass base but also to part of that base leaving their ranks, like the leaders and rank-and-file that left the SPD in the mid-2000's and helped form *Die Linke* (the Left).



US President Clinton with Former Presidents George H.W. Bush and Gerald Ford at the NAFTA Kickoff. Photo by Ralph Alswang [Public Domain]

A not unimportant role in promoting globalization was played by influential liberal non-governmental organizations, who bought into the neoliberal trade paradigm of the World Trade Organization but sought to tweak it with “reformist” measures like improved market access for developing countries’ exports into developed country markets or making developing country manufactures “compliant” with developed country labor and environmental standards. Their critics saw this as providing the corporate capture of global trade with a human face.⁷

Even as the mainstream left failed to capitalize on the ills of globalization and neoliberalism around which the independent left had built a strong critique to expand its domestic base, the extreme right was detaching itself from the free trade, neoliberal agenda that it had formerly supported along with the center-right. In the US, Donald Trump broke with the Republican Party and big business when he op-

posed the Trans-Pacific Partnership that they almost unanimously endorsed. Seeking to make inroads into the working class, right wing parties in Europe gradually abandoned the anti-tax, anti-big-government, and free-market concerns of their original petit bourgeois base and opportunistically embraced an anti-neoliberal and anti-globalization agenda and the welfare state.

The strategy paid off. In France, the “new look” bestowed on the National Front by Marine Le Pen, who succeeded her father, the notorious racist Jean-Marie Le Pen, elicited this observation from a French socialist senator: “Left-wing voters are crossing the red line because they think that salvation from their plight is embodied by Madame Le Pen...They say ‘no’ to a world that seems hard, globalized, implacable. These are working-class people, pensioners, office workers who say, ‘We don’t want this capitalism and competition in a world where Europe is losing its leadership’.”⁸



Rodrigo Duterte blamed the WTO for the crisis of Philippine agriculture while campaigning for president but adopted the neoliberal paradigm when he came to power (Photo by Basilio Sepe)

Stealing the left's working class base by opposing neoliberalism and free trade and defending the welfare state became the extreme right's passport to power or to the antechamber of power throughout Europe. But there were two ingredients that the right added that marked off its anti-globalization agenda from the left: racism and a reactionary nationalism aimed at migrants.

In Denmark, the Peoples' Party broke with its parent group's anti-tax focus, becoming instead, a defender of that country's generous public sector, provided that its benefits would be limited to Danes. Norway's Progress Party followed suit. Austria provided one of the best examples of the electoral payoff of the right-wing "turn to the left," according to John Judis:

In Austria in the early 1990's, the Freedom Party, which had been steadfastly libertarian in its economics, took advantage of the dominant parties

embrace of neoliberalism. In order to prepare for EU membership, the Social Democratic Party and Austrian People's Party, working in a "grand coalition," had championed massive privatization of Austria's industries, which led to the loss of about 100,000 jobs. In response to public clamor over the move, the Freedom Party became a defender of the welfare state and critic of the EU's economics and globalization. The strategy worked. In the 1986 elections, 10 per cent of the party's voters were blue-collar workers; by 1999, 47 per cent were. Rightwing populist parties got the same kind of results throughout Western Europe.⁹

Other right-wing groups in Europe were not far behind in skillfully cherry-picking elements of the traditional left's program and inserting them into a framework of equity, sharing, and community, but one based on blood, ethnicity, and race—in short, an exclusionary nationalist welfare political econo-

my. In debt-wracked Greece, for instance, former Greek Finance Minister Yanis Varoufakis points out that the people he calls the “ultra-rightist thugs” of the party Golden Dawn are “all too happy to act as the protectors of the weak—as long as the latter had the right blood, skin color and prejudices.”¹⁰

Welfare but only for “our kind” is a theme that has also began to resonate on the right in the United States. In an article entitled “Why Trump Must Champion Universal Healthcare,” Richard Spencer, one of the most outspoken and controversial white nationalists, argues that “universal healthcare is less confusing and nonsensical (and probably cheaper) than what White people have to deal with now,” but that “we must accept that healthcare is an issue we cannot rationally address until we have a European nation.”¹¹

In the global South, there were right wing figures that also engaged in cherrypicking of left-wing themes. Foremost among them was Rodrigo Duterte, who was elected president of the Philippines in 2016. Duterte had campaigned on an anti-mining platform, winning him the support of many environmentalists. He also inveighed against the World Trade Organization, pinning on it the responsibility of the parlous state of Philippine agriculture for having eliminated the quotas on agricultural imports. The expectations he roused, however, were unfulfilled. His anti-mining stance was shown to be purely rhetorical when he failed to come to the defense of his secretary of the environment, who was ousted from office by mining lobby in Congress. His anti-WTO posturing was likewise shown up when he signed into law the elimination of the quota on rice imports that the organization had long demanded.

In summary, the subordination of trade to the social good, the expansion of social protection, and the re-embedding of the market in society are progressive themes that are appearing in the right’s deglobalization discourse, but they have been articulated within a racist and nationalist framework, within a exclusionary political economy that marginalizes large

numbers of people on account of their race, ethnicity, nationality, and culture. The challenge is how to bring deglobalization back to the left, how to regain its original appeal as an emancipatory paradigm for all rather than just for some.

Undertaking this task means revisiting not only the strategic prescriptions of deglobalization but also its foundational concepts, as they were originally articulated by Focus on the Global South. To this task we now proceed.

Revisiting the Foundational Concepts of Deglobalization

Deglobalization is, at its core, an ethical perspective. It prioritizes values above interests, cooperation above competition, and community above efficiency. It does not say that interests, competition, and efficiency are bad but that their pursuit must be subordinated to values, cooperation, and community.

Translated into economics, the aim of the deglobalization paradigm is to move beyond the economics of narrow efficiency, in which the key criterion is the reduction of unit cost, never mind the social and ecological destabilization this process brings about. It is to move beyond a system of economic calculation that, in the words of John Maynard Keynes, made “the whole conduct of life...into a paradox of an accountant’s nightmare.”¹² It aims to promote effective economics, which strengthens social solidarity by subordinating the operations of the market to the values of equity, justice, and community and by enlarging the range of democratic decision making in the economic sphere. To use the language of the great Hungarian thinker Karl Polanyi in his book *The Great Transformation*, deglobalization is about “re-embedding” the economy and the market in society, instead of having society driven by the economy and the market.¹³

The deglobalization paradigm also asserts that a “one size fits all” model like neoliberalism or cen-

tralized bureaucratic socialism is dysfunctional and destabilizing. Instead, diversity should be expected and encouraged, as it is in nature. As Pablo Solon has pointed out, deglobalization “does not seek to replace the homogenizing vision of globalization with another model that can be universally applied to all countries and communities.”¹⁴ Shared principles of alternative economics do exist, and they have already substantially emerged in the struggle against and critical reflection over the failure of centralized socialism and capitalism. However, how these principles—the most important of which have been sketched out above—are concretely articulated will depend on the values, rhythms, and strategic choices of each community.

In this regard, perhaps what was missing in the original formulation was an elaboration of the idea of community, for it was this ambiguity that allowed the right to step in and hijack the paradigm. For the right, community is determined by race, ethnicity, and blood. It is narrow in terms of who is included in it rather than expansive. For us, community is principally a matter of shared values that transcend differences in blood, gender, race, class, and culture. Community tends towards continual expansion and incorporation of people that share the same values, though of course this sharing may be imperfect, limited, and open to different interpretations. Central to this interpretation of community is the assumption that all people are entitled to the full range of political, civil, economic, social, and human rights, including the right to join a desired community. This does not mean that there are no procedural rules governing the acquisition of citizenship or migration. It does mean though that these rules and regulations are guided by a fundamental openness towards accepting those who wish to join a community. There is a fundamental difference between an immigration approach that is geared towards exclusion and one that is oriented towards inclusion. There are rules that create order in both, but the formulation of these rules are guided by a fundamental orientation.

Reassessing the Deglobalization Program

Moving beyond these contrasts between our paradigm of deglobalization and that of the right, we now look at the concrete program for deglobalization as it was initially formulated to see how relevant it is to current conditions. Fourteen key thrusts were proposed:

1. Production for the domestic market must again become the center of gravity of the economy rather than production for export markets.
2. The principle of subsidiarity should be enshrined in economic life by encouraging production of goods at the level of the community and at the national level if this can be done at reasonable cost in order to preserve community.
3. Trade policy—that is, quotas and tariffs—should be used to protect the local economy from destruction by corporate-subsidized commodities with artificially low prices.
4. Industrial policy—including subsidies, tariffs, and trade—should be used to revitalize and strengthen the manufacturing sector.
5. Long-postponed measures of equitable income redistribution and land redistribution (including urban land reform) can create a vibrant internal market that would serve as the anchor of the economy and produce local financial resources for investment.
6. Deemphasizing growth, emphasizing upgrading the quality of life, and maximizing equity will reduce environmental disequilibrium.
7. The development and diffusion of environmentally congenial technology in both agriculture and industry should be encouraged.
8. The power and transportation systems must be transformed into decentralized systems based on renewable resources.



Local food producers in Cambodia planting their seedlings.

9. A healthy balance must be maintained between a society's population and ecology
 10. A gender lens must be applied in all areas of decisionmaking so as to ensure gender equity.
 11. Strategic economic decisions cannot be left to the market or to technocrats. Instead, the scope of democratic decision-making in the economy should be expanded so that all vital questions—such as which industries to develop or phase out, what proportion of the government budget to devote to agriculture, etc.—become subject to democratic discussion and choice.
 12. Civil society must constantly monitor and supervise the private sector and the state, a process that should be institutionalized.
 13. The property complex should be transformed into a “mixed economy” that includes community cooperatives, private enterprises, and state enterprises, and excludes transnational corporations.
 14. Centralized global institutions like the IMF, World Bank, and the WTO should be replaced with regional institutions built not on free trade and capital mobility but on principles of cooperation.¹⁵
- While the foundational concepts of deglobalization were generally welcomed, the strategic program drew a number of comments and criticisms. The principal ones were the following:
- Deglobalization proposed delinking the local economy from the international economy.



A resident of Sdey Krorm village, Cambodia (whose main occupation is fishing) grows vegetables during dry season for the community's own consumption and additional income

- It was still articulated within a developmental framework whereas what is now needed an “an alternative to development.”
- It did not appreciate the urgency of climate change.
- It did not give sufficient stress to food security and food sovereignty.
- It did not pay adequate attention to the gender issue.
- It was not sensitive to structural changes in the economy.

There is, in varying degrees, merit to all these criticisms, and one problem they point to is that we devoted most of our effort to elucidating the foundational concepts of deglobalization and left the

economic program proper rather brief, like the items in a doctor's prescription. An extended explanation could have been given on some of the key points, one that could have addressed some of the issues or problems associated with their implementation in real life. But perhaps the more important reason for the paucity of substantive articulation of some of these proposals is that we ourselves were still grappling with their implications when we first drew up the deglobalization program.

Does Deglobalization Propose Delinking?

In her initial forays on international trade, Marine Le Pen came across as advocating “an exit by France from the euro and erection of barriers at France's borders,” a position that drew ridicule, with one commentator saying, “Her plan, a one-country-versus-all approach, makes no economic sense,

but carries strong nationalistic and emotional appeal.”¹⁶ Le Pen, however, has been superseded by Brexit, whose partisans have brought Britain to the brink of “delinking” from the European Union, its largest trading partner to whom it sends 44% of its exports and from which it sources 53% of its imports. Both Le Pen’s position and Brexit are caricatures of deglobalization.

In contrast, contrary to the claims of some critics, deglobalization in our formulation was never about delinking from the international economy. It was always about achieving a healthy balance between the national economy and international economy, one largely presided over by a state that pragmatically employed tariffs, quotas, and other mechanisms to ensure the survival and health of local industries competing against highly subsidized Northern agriculture and industrial corporate giants with deep pockets. Nor is deglobalization about using trade to shore up the economic power of a section of society to support its political and cultural hegemony, as it is in the Trumpian and LePenian nationalist vision. It is about modifying the rules of trade to protect the welfare of *all* sectors of the community from the predatory acts of corporations that are justified by appeal to free trade, and it was never proposed as a nationalist weapon in global economic and political rivalries.

Development Alternative or Alternative to Development?

In recent years, development has become a controversial word, with its connotations that the non-western countries had only one way to go, and that was to follow the stages of development pioneered by the West. Even “sustainable” development has come under fire, with some critics seeing it as “an attempt by the proponents of neo-liberal or state-dominated systems to survive the obvious negative impacts of ecological and social crises, at least in the short run, while retaining legitimacy in the face of increasing demands from the public for greater responsibility and accountability.”¹⁷

Certainly, few of those proposing deglobalization envision development as following the trajectory of the West or even of the newly industrializing countries. In so far as we have used development, we have meant it as the *building of a society’s capacity to meet people’s needs*. That industry must eventually supplant agriculture as the largest economic sector in terms of GDP, and that the services sector will eventually be the biggest employer, are not views that we hold. In fact, a vibrant agriculture that not only keeps its workforce but expands it while raising incomes would be seen as positive. Deglobalization, however, is not anti-industry. Industry and manufacturing are not, however, seen as important not because of their “adding more value” to GDP than agriculture, but owing to their building capacity, making an economy more self-reliant because it has a diversified production base. That a country’s industrial structure must be environmentally congenial or sustainable goes without saying, which means extractive industries and ecologically and socially disruptive industrial processes that trigger land grabs, are wasteful in terms of their material inputs, or cannot minimize their industrial waste, pollution, or carbon output, would have to be banned or phased out.

This brings up the question of growth, which will be more fully discussed in the next section. But in connection with the idea of development as the building of capacity, agricultural and industrial output do need to grow in order to raise the population’s standard of living. However, growth rates would be much less than the 6-10 per cent per annum rather than have been characteristic of the newly industrialized countries or emergent economies like China, Korea, and Southeast Asia, owing to three factors. First, in the deglobalization paradigm, production would be accompanied by radical redistributive policies, which was not the case with these countries. Second, recognition of the reproductive rights of women, along with greater income equality and better health and social services, would lessen the pressure to have large families, which is a key force behind high population growth rates that growth apologists use as a justification for high econom-

ic growth rates. Third, a conscious effort by civil society would be made to discourage consumption along the unsustainable western model, delinking the measurement of social worth from material consumption and linking it with the growth of non-material sources of psychological satisfaction.

If sustainable development is seen as undertaking radical reform in order to build the capacity of a community to survive and flourish while enhancing the environment, then it would probably meet with little objection.

That the main public face of sustainable development is Columbia University's Jeffrey Sachs, who first made his name, promoting shock therapy as the road to economic health for the post-socialist societies of Eastern Europe, is perhaps one of the reasons the term provokes so much suspicion today. What has been called the "Sachs Conundrum" seems to be his split public persona between being Mr. Sustainable Development and Mr. Shock Therapy. As Japhy Wilson writes, doubts abound about Sachs' new advocacy, "[a]lthough he is now celebrated in many quarters for his promotion of international aid and the alleviation of poverty, Sachs is still loathed by the working classes of several countries for his merciless enforcement of shock therapy, and is known to many social justice activists throughout the world as 'Dr Shock' – the malign embodiment of the worst excesses of the free market revolution."¹⁸ Currently, Sachs is known as the principal inspiration behind the United Nations famous "Millennium Development Goals" and its successor the "Sustainable Development Goals."

But the problem goes beyond Sach's image. As Ashish Kothari and his colleagues point out, in the hands of its advocates, orthodox sustainable development discourse depoliticizes the process of transformative change and conceals the fact that unequal social structures have to be changed to bring about a better life for the world's billions that are currently marginalized, that inevitably, there will have to be losers in this process which will inevitably involve much conflict. As formulated by Sachs, for instance,

the four pillars of sustainable development—economic prosperity, social inclusion, environmental sustainability, and good governance—can be achieved if only the elites of the world can see that it is in their interest that the poor of the world be lifted up from their current condition. Moreover, if they can see that this will cost them nothing or little, they will be all the more willing to support sustainable development. In Sachs' book *The Age of Sustainable Development*, there is no mention of economic exploitation, of capitalism and capitalism's drive to create poverty and inequality. In so far as corporations contribute to poverty, inequality, and environmental destruction, it is owing to misguided policies which are remediable because there is really no reason deep social conflicts should persist. Change is brought about by the power of ideas and exhortation to achieve the sustainable development goals plus foreign aid.¹⁹ It is a deeply apolitical approach that is singularly unhelpful in bringing about transformative change.

To be fair, the problem goes beyond Sachs. The deeper problem is the loss of social imagination among a large part of the liberal and progressive community, especially those in international NGO's and multilateral organizations, so that Sachs, as well as his fellow economists Joseph Stiglitz and Paul Krugman, with their emphasis on reforms carried out by liberal technocratic elites, not radical transformation based on social movements, represent the limits of progressive policy.

But to return to our main point, while using the language of development, deglobalization is really at bottom an alternative to development in the orthodox sense, something that will become even more evident in the following sections.

Deglobalization, Decoupling, and Degrowth?

In recent years, the most contentious debate in ecological economics has been that between decoupling and degrowth. This debate is central to defining the substance of deglobalization.

Decoupling means delinking the rise in GDP from the rise in carbon emissions. Relative decoupling refers to a GDP growth rate that rises faster than the carbon emissions rate. Absolute decoupling means the GDP growth rate continues to rise while the carbon emissions rate either flattens out or decreases. Absolute decoupling is what matters for climate activists. Two things make this possible. One is the “dematerialization” of commodities, that is, the amount of materials that go into a product becomes greatly reduced owing advances in information technology. Often cited in this regard is a “law” associated with Intel founder Gordon Moore that the number of transistors that could be loaded on a computer chip would double every two years. This translated into raw digital power increasingly exponentially even as the materials needed for creating information devices decreased, thus leading to a rapid decline in the price of these products. The second is more efficient use of energy throughout the economy. The first phenomenon led to reduced draw on natural resources. The second led to lower carbon emissions in the production process and consumption. Most of the debate has centered on the role of energy efficiency in cutting down greenhouse gas emissions, a position associated not only with liberal advocates like Amory Lovins but also with progressives like Robert Pollin who argues that “absolute decoupling” of GDP growth from carbon emissions is possible, citing data that showed that in 21 countries, including the US, Canada, the UK, Spain, and Sweden expanded their GDP while reducing their carbon emissions.²⁰ Thus, “the first critical project for a global green-growth program is to dramatically raise energy efficiency levels—that is, using less energy to achieve the same, or higher, levels of energy service through the adoption of improved technologies and practices....Expanding energy efficiency investment supports rising living standards because, by definition, it saves money for energy consumers.”²¹

The problem with the decoupling argument is two-fold. First, as pointed out by Tim Jackson and conceded by Pollin, there is no evidence of absolute decoupling of growth and carbon emissions either

at a global level or among, respectively, low, medium, high income country groupings between 1965 and 2015, although this may have occurred in some countries. Also, there is no evidence for absolute decoupling of growth and resource consumption. Indeed, “Global resource intensities (the ratios of resource use to GDP), far from declining, have increased significantly across a range of non-fuel minerals. Resource efficiency is going in the wrong direction. Even relative decoupling isn’t happening.”²²

Second, what appears be happening is the rebound effect or “Jevons effect,” after the British economist William Jevons, who formulated the observation that by raising the productivity of coal, that is, making its use more efficient in the production of iron, the price of iron would drop, creating more demand for iron and consequently increasing the use of coal. Efficiency gains in one area translate into savings that fuel energy consumption in other areas, thus raising fossil fuel use overall and raising carbon emissions. Thus Jackson says that “simplistic assumptions that capitalism’s propensity for efficiency will allow us to stabilize the climate and protect against resource scarcity are nothing short of delusional.”²³ The problem is that this may not simply delusional but politically dangerous. As Jorgen Norgaard writes, “Unfortunately, the notion of decoupling has served as a peacemaker between environmentalists and growth-oriented politicians by conveniently exempting economic growth of any responsibility for environmental problems.”²⁴

Once the decoupling myth is brushed aside, there can no longer be going around the fact that the addiction to growth must be confronted squarely. Since the demands of addressing poverty and respecting global justice and equity demands that the countries of the South will have to experience some growth, then it is clear that the adjustment in terms of radically restraining growth and consumption must fall for the most part on the rich countries, though of course, in both the rate of growth and consumption the poorer countries must not follow the way of the West by putting the emphasis on equity-enhancing economic strategies.

The shift in the West must not be seen as simply one of cutting down on material consumption but one that is psychological in nature, one that embraces less material consumption as a precondition for a superior way of life. Perhaps there is no better way of putting it than the way Kothari and his colleagues articulate the transformation:

[T]he emphasis should not only be on “less” but also on “different.” Degrowth signifies a society with a different metabolism (the energy and material throughput of the economy), but more importantly, a society with a metabolism which has a different structure and serves new functions. In a degrowth society everything will be different from the current mainstream: activities, forms and uses of energy, relations, gender roles, allocations of time between paid and non-paid work, and relations with the non-human world.

While integrating bioeconomics and ecological macroeconomics, degrowth is a non-economic concept:

On the one side, degrowth certainly implies the reduction of energy and material throughput, which is needed to face the existing biophysical constraints (in terms of natural resources and ecosystem’s assimilative capacity). On the other side degrowth is an attempt to challenge the omnipresence of market-based relations in society (i.e., commodification) and the growth-based roots of the social imaginary, replacing them with the idea of frugal abundance. It is also a call for deeper democracy, applied to issues which lie outside the mainstream democratic domain, like technology. Finally, degrowth implies a redistribution of wealth within and across the Global North and South, as well as between present and future generations.²⁵

A similar vision is offered by Tim Jackson, one of the most respected proponents of degrowth. Jackson advocates the replacement of an economy allowing a “limited form of flourishing through material success” with “an economy whose task is to provide capabilities for flourishing within ecological limits.”²⁶

Giving more substance to this vision, he writes:

The rewards from these changes are likely to be significant. A less materialistic society will be a happier one. A more equal society will be a less anxious one. Greater attention to community and to participation in the life of society will reduce the loneliness and anomie that has undermined wellbeing in the modern economy. Enhanced investment in public goods will provide lasting returns to the nation’s prosperity.²⁷

As far as the relationship between decouplers and degrowthers is concerned, it is clear that deglobalizers would be on the side of the latter. So long as it is understood that the main adjustment in terms of “degrowing” is understood to lie with the North and that the so-called emerging economies must also rein in their high growth rates the degrowth paradigm is not only compatible with but must be assimilated into deglobalization.

Deglobalization and Food Sovereignty

Deglobalization, when originally formulated, had as a major concern the protection of small agricultural producers from being bankrupted by cheap imports by big agro-corporations facilitated by the World Trade Organization (WTO), leading to the loss of a country’s food security. We soon realized that this was a rather limited formulation of larger concerns we had. Fortunately, the international peasant organization Via Campesina formulated ideas we were grappling with far better than we ever could under the rubric of “food sovereignty.”

As articulated by its representatives, the key propositions of food sovereignty are the following:

First, a country should strive for food self-sufficiency, meaning the country’s farmers should produce most of the food consumed domestically, a condition that is subverted by the corporate concept of food security that says that a country can also meet a great part of its food needs through imports.



Second, a people should have the right to determine their patterns of food production and consumption, taking into consideration “rural and productive diversity,” and not allow these to be subordinated to unregulated international trade.²⁸

Third, there must be democratic control over trade policy, with farmers making a major input into the process.

Fourth, production and consumption of food should be guided by the welfare of farmers and consumers, not the profit projections of transnational agribusiness.

Fifth, production should be delinked from the global value chains within which TNCs have subordinated local production in the interest of greater profitability.

Sixth, national food systems must produce healthy, good quality, and culturally appropriate food for

the domestic market and avoid internationally standardized or “junk” food.

Seventh, a new balance must be achieved between agriculture and industry, the countryside and the city, to reverse the subordination of agriculture and the countryside to industry and urban elites, which has resulted in a blighted countryside and massive urban slums of rural refugees.

Eighth, land grabs must be stopped and the consolidation of land by landlords and transnational must be reversed and equity in land distribution must be promoted through comprehensive redistributive agrarian reform. Reform should also include provisions for communal and collective forms of ownership and production that promote a sense of ecological stewardship.

Ninth, agricultural production should be carried out mainly by indigenous communities, small farmers,



and cooperatives or state enterprises, and transnational corporations must be phased out from food production.

Tenth, the distribution and consumption of food should be governed by fair pricing schemes that take into consideration the rights and welfare of both farmers and consumers. Among other things, this means an end to dumping by transnational firms of subsidized agricultural commodities, which has artificially brought down prices, resulting in the destruction of small farmers. It would also mean, according to scholar-activist Peter Rosset, “a return to protection of the national food production of nations...rebuilding grain reserves ... public sector budgets, floor prices, credit and other forms of support” that stimulate the recovery of [countries’] food production capacity.”²⁹

Eleventh, industrial agriculture based on genetic engineering and the original chemical-intensive

Green Revolution should be discouraged, because monopoly control over seeds advances the corporate agenda and because industrial agriculture is unsustainable.

Twelfth, traditional peasant and indigenous agricultural technologies contain a great deal of wisdom and represent the evolution of largely benign balance between the human community and the biosphere. Thus the evolution of agrotechnology to meet social needs must take traditional practices as a starting point rather than overthrowing them as obsolete.

Just as proponents of degrowth clarified the principles of climate science and activism that needed to be incorporated into it, Via Campesina and its allies articulated the elements of food sovereignty that needed to be integrated into—and enrich—the deglobalization paradigm.

Deglobalization and Feminist Economics

The gender question barely figured in the original articulation of deglobalization. It is time to show how feminist economics advances and complements the paradigm. Of particular significance are two ideas. One is the demand that women's reproductive work, that is, creating the social and economic conditions for recreation of work traditionally regarded as "productive" work, must be recognized as creating value and this must be recognized in the national accounts. With its focus on GDP and its bias towards productive work as the source of value, traditional economics as well as Marxist economics have disparaged and denigrated women's work despite the fact that research has shown that the total amount of unpaid work in a national economy is greater than the amount of paid work.³⁰

The issue of the value of reproductive work has brought up the broader issue of the "economics of care," which "identifies the need for the care of children, the sick, those with special abilities, and the elderly, as one of the most important human needs for living a full life with dignity."³¹ Once we talk about the economics of care, we move away from the criterion of efficiency to a less tangible and more comprehensive measurement of the value of a product or service than the reduction of unit cost. This approach ties into our discussion in the original deglobalization paradigm of the transition from "efficiency economics" to "effective economics," with the contribution a product or service makes to enhancing the welfare of a community—not reduction in unit cost as in efficiency economics—being the decisive measure of value or worth.

Measuring value within this framework will be a challenge, for the success in an economy that embarks in prioritizing the economics of care or a degrowth strategy would be measured by the increasing ratio of the value of such socially and psychologically rewarding goods and services to the value of material production on a common "metric." Should this common measure be created and agreed upon, it would be a major advance towards the kind of "absolute

decoupling"—of non-material "flourishing" and material consumption—that really matters.

Deglobalization and "Emancipatory Marxism"

Another issue which deglobalization must address more fully are structural changes in the local and international economies. Swift technological change and neoliberal "reform" within a global capitalist system has created a social upheaval the end to which is not yet in sight. The negative consequences of this fatal combination have become all too evident and alarming:

- Since 1980, neoliberal policies have sharply increased wealth and income inequalities in most countries and among countries;
- Contrary to literature about the levelling and democratizing impact of information technologies, the gains from the spread of these technologies have been concentrated in a very few corporations. As Don and Alex Tapscott write, "Corporate forces have captured many ... wonderful peer-to-peer, democratic, and open technologies and are using them to extract an inordinate share of value," with powerful "digital conglomerates" such as Amazon, Google, Apple, and Facebook ... capturing the treasure troves of data that citizens and institutions generate..."³²
- Advances in artificial intelligence now pose a threat not only to unskilled and semi-skilled jobs but to high-skilled ones as well, so that the old dynamic of technological advance destroying old jobs but creating new ones seems to have given way to a dynamic whereby "technology is not creating jobs in the way it once did and is destroying jobs far faster."³³ In both the global North and the global South, the prospect of tech-driven job obsolescence is very real. As Annie Lowery writes, "Studies have shown that almost half of American jobs are vulnerable to automation, and the rest of the world might want to start worrying to. Coun-

tries such as Turkey, South Korea, China, and Vietnam have seen bang-up rates of industrialization—factories requiring millions of hands to feed machines and sew garments and produce electronics. But the plummeting cost and high-speed improvement of robotics now threaten to halt and even shut down that source of jobs. ‘Premature industrialization’ might turn lower-income countries into service economies long before they have a middle class to buy those services ... A common path to rapid economic growth, the one that aided South Korea, among other countries, might simply disappear ... Mass unemployment would likely hit high-income countries first. But it could hit developing nations hardest.³⁴

Unless there is radical structural change, the deadly combination of neoliberal policies, corporate and income concentration, and advances in artificial intelligence would not only give capital unparalleled power over labor but it would make a very large part of society redundant, marginal, and miserable.

If, on the other hand, technology were no longer controlled by the imperatives of capital, artificial intelligence could be liberating, allowing the vast masses of people to truly move from the realm of history to the realm of freedom. This is the intriguing view of what we might term “Emanicipatory Marxism.” According to Paul Mason, in a piece of writing known as the *Fragment on the Machine*, Marx imagined that in a society where information technology was no longer bound by the laws of the market and profit, the main objective of the working class would be “freedom from work.”³⁵ In such a society, “liberation would come through leisure time.”³⁶

Short of a radical transformation of the economic system, so that leisure becomes the condition for the collective creation of socially useful work, there are other strategies that can be undertaken to counteract job-displacing technology. One is strong controls over the diffusion of labor-saving technology, which can be done via trade and investment restrictions. Another is to focus on creating or developing

jobs that cannot be replaced by robots, such as occupations involving a intensive emotional care, like nursing, teaching children, and counseling.³⁷

A third approach, especially relevant for developing countries, is the promotion of agroecology. While industry and industrial agriculture are extremely vulnerable to automation and its accompanying massive job displacement, agroecology, owing to its characteristics of diversity, cultivation by smallholders, and significant inputs of traditional knowledge would be much less vulnerable to robotics and thus much more absorptive of human labor. A focus on agroecology, both rural and urban, could thus be one of the elements of an answer to the threat posed by artificial intelligence.

A fourth response, one which is gaining a lot of adherents, is for the state to provide a “basic income” to everyone. Citing research that contradicts the visceral notion that a “universal basic income” (UBI) would discourage people from working, Anne Lowery writes that UBI would allow people to work on what they would like to do. While UBI is seen in some quarters mainly as a safety net for people displaced by the market, in reality, it “would not be a progressive fix for a broken economy, but a bridge right out of the capitalist system of wage labor itself. Society would ensure that every person’s basic needs were met, no longer leaving health coverage, housing and food to the vicissitudes of the markets. With those needs met, individuals would be liberated to do what they wanted, whether it was tackling hard work for low pay, starting a business, caring for a child, or doing something artistic.”³⁸

Buen Vivir, Deglobalization, and the Convergence of Alternatives

A major contribution to the debate on alternatives to capitalist globalization in recent years has been the paradigm of “Buen Vivir,” or “Living Well,” distilled by progressive scholars from Latin America from the “cosmovisions” of Andean indigenous communities. This paradigm was largely articulated after deglobal-

ization made its appearance as an alternative. However, it fits remarkably well with the spirit and goals of deglobalization.

There are said to be four key principles underlying the indigenous cosmovisions:

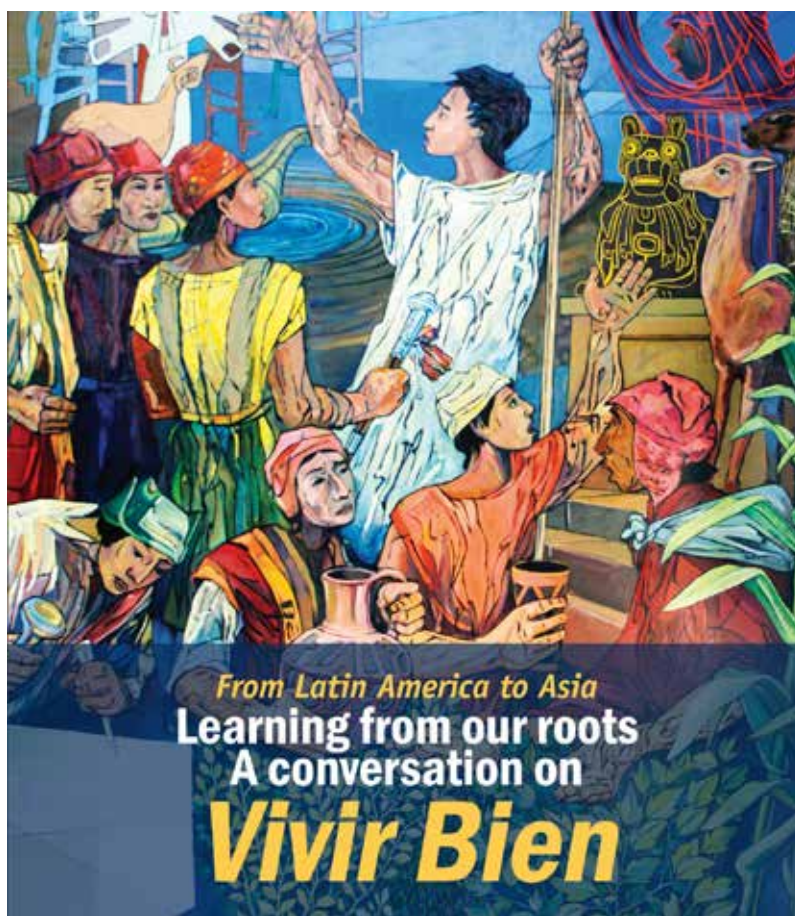
- It is not centered on man and society but on the whole, the universe, the *Pacha*, of which human society and the earth are parts.
- There is a unity of past, present, and the future. "In the Aymara way of thinking," writes Solon, "there is no death as understood in the West, in which the body disappears into a hell or a heaven. Here, death is just another moment in life, because one lives anew in the mountains or the depths of the lakes or rivers."³⁹
- The thrust of *Buen Vivir* is towards equilibrium, not progress or growth.
- *Buen Vivir* does not aim towards homogeneity but towards diversity and not only respects difference but sees it as a source of strength.

Buen Vivir obviously has similarities or complementarities with the deglobalization and other paradigms discussed here. Like deglobalization, degrowth, ecofeminism, and post-capitalism, it is critical of development as growth. As Raul Prada puts it:

Does this deny the need to generate wealth, or minimize the economy? No, but the objectives change: objectives such as the calculation of efficiency, utility, and maximum profit lose relevance, and give way instead to the survival of human beings, seen as natural, interdependent beings—not detached from nature or the community. *Buen Vivir* is an axiolog-

ical principle (production geared to values) which aims not only at meeting the material needs of the production of use-value, but other values of emancipation. Above all, it is freedom—not reduced to a Western negative freedom—that links human beings to politics and the ability to have a direct influence on decisions that affect their lives, their natural and community contexts. This is cultural plurality in the broadest sense.⁴⁰

There are many other points of convergence among the different paradigms. For instance, *Buen Vivir* shares deglobalization's stress on respecting diverse roads to the achievement of the "good life," as well as the latter's stress on the primacy of values and community.



Focus on the Global South's publication on *Buen Vivir*

While the emphases of the different paradigms might be different and there might even be some real differences—for instance, Buen Vivir's acceptance of inequality as a part of the cosmic condition while the other paradigms value equality⁴¹—the overriding thrust is convergence in their values and directions, in particular, the subordination of the market to social solidarity, the value placed on cooperation over competition, the move away from GDP as a measure of social well-being, the reintegration of the economy and the environment, and the respect for different roads to the "good life." Perhaps, rather than talking about how one paradigm might subsume the others under one overarching framework, with a unified narrative and discourse, one should simply acknowledge this convergence and leave the different paradigms the space to borrow from each other's conceptual wealth. Deglobalization certainly is enriched by perspectives from the other narratives even as it expresses them in its distinctive discourse. A paradigm focuses observation and analysis, and adopting an artificial overarching framework risks losing the capacity for developing unique insights that each alternative paradigm makes possible.

Conclusion

Deglobalization was first articulated by the left, but it was taken over by the right, which invoked its progressive propositions on trade and welfare but placed them in an exclusionary political economy the key principles of which were racial and ethnic supremacy. The main reason for the left's losing the initiative was the identification of the mainstream left with neoliberalism and globalization.

While the foundational concepts of deglobalization met with approval in progressive circles, the economic program was regarded by some as needing more substantive articulation. Key issues that needed to be addressed more fully were whether deglo-

balization favored delinking from the international economy, whether it was a "development alternative" or an "alternative to development," whether it favored decoupling or degrowth as the way forward in addressing climate change, what its relationship was to the food sovereignty paradigm, what its stand was on feminist economics, how it related to structural changes in the economy like advances in artificial intelligence, and what its relationship was to Buen Vivir and other paradigms influenced by indigenous perspectives.

In the discussion of these issues, it was clarified that deglobalization did not mean delinking from the international economy; was more of an alternative to development than a development alternative; favored degrowth over decoupling; was enriched by the perspectives of food sovereignty and agroecology; and sought to integrate the insights of feminist economics, in particular, the value of reproductive work and the centrality of work related to care in the post-growth economy. Also, like emancipatory Marxism, deglobalization recognized both the massive threat posed to workers by advances in artificial intelligence and the liberating potential of the latter in terms of releasing people from the burden of work to concentrate on fulfilling their potential as creative beings.

Deglobalization also has much in common with the perspectives and values undergirding Buen Vivir. Indeed, the shared perspectives among all the alternatives to development are striking. However, rather than subsuming all the discourses under one overarching discourse, it is probably more productive for each of these discourses to be articulated and developed separately, with their complementarities being pointed out along with their differences. A paradigm serves as a conceptual and ethical filter that surfaces realities that might not appear or receive a similar emphases in other paradigms. The insights each paradigm now delivers might be lost under a homogenizing conceptual framework. #

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Deglobalization Applied: A Post-Neoliberal Paradigm for Myanmar

Walden Bello

In 2017, the Transnational Institute (TNI) commissioned Walden Bello to do an alternative economic strategy for Myanmar, which had just recently experienced a transition from a reformist military regime to a civilian government headed by Aung Sang Syu Kyi, which was being pressured to adopt the orthodox neoliberal development paradigm promoted by the Asian Development Bank and the World Bank. This provided an opportunity for a concrete application of the principles of deglobalization to a society that was searching for a way out of an exploitative economic system but was still not snared by the neoliberal project. The result was Paradigm Trap: The Development Establishment's Embrace of Myanmar and How to Break Loose.

The final chapter, "A Post Neoliberal Paradigm for Myanmar" is reproduced here with the permission of TNI. The full study is available on the TNI website, the link to which is: <https://www.tni.org/en/publication/paradigm-trap>

When then President Thein Sein declared the beginning of a period of economic reform when he assumed office in 2011, there was at first a guarded response on the part of the donor community. When, after a few months, the government appeared to be intent on leaving behind the decades of enervating control of the economy by the military, guarded response turned into enthusiasm. As the partnership between donors and the transition government solidified, not a few were reminded of the famous last words of the last Burmese royal envoy to England in the late 19th century: “We are glad to note that western nations agree with us that the time has now come to develop this rich country.”⁴²

In the next few years, the donor agencies, in particular the Asian Development Bank and the World Bank, along with the government of Japan, worked with the Myanmar government to produce a strategy for development. Having cooperated on other occasions, the donors had a meeting of minds on the new model. It would be market-driven, export-oriented, and fueled by foreign investment. This was not surprising, since this had become since the 1980’s the accepted neoliberal prescription for development.

Damaged Goods

What the so-called Myanmar reformists did not know was that the model they were being sold had increasingly run into difficulties elsewhere in the world. In Latin America, Africa, and parts of Asia, the same structural adjustment model that had been imposed on developing and so-called transitional (or post-socialist) economies had neither produced growth nor reduced poverty and inequality. What they were sold by the donors as the model that had resulted in Asia’s miracle economies was, in fact, very different from the real strategy followed by Japan, South Korea, and Taiwan, which had involved a significant degree of state intervention and planning, protection of the domestic market, and strong controls on foreign investment.⁴³ What they

were not told was that the export-oriented model of growth had run its course as export markets in the global north were drying up as stagnation gripped the global capitalist economy from 2008 on.

The reformist regime was being sold damaged goods, and not knowing any better, it gave the donors free reign to transform the economy. From a semi-closed economy Myanmar was turned into an almost totally liberalized economy. Not even two already fairly liberal investment laws passed in 2012 and 2013 could satisfy the donors. They pressured the government to agree to the World Bank’s International Finance Corporation to redraft the laws and consolidate them into one law for both foreign and domestic investors that eliminated a few weak provisions favoring domestic investors.⁴⁴ And the IFC proceeded to make Myanmar “a beautiful woman” who would be able to attract the desired suitors, as one of its consultants put it.⁴⁵

The Paradigm’s the Problem

The NLD government that assumed office in 2016 undoubtedly had a number of flaws, including the strong tendency of Aung San Suu Kyi to micromanage economic policy. But it was right to go slow in following up on the commitments made by the past government. What was and is needed, however, is not a piece by piece review of commitments but a comprehensive evaluation of the development paradigm proposed by the donors and a decision whether to adopt it or opt for another strategy. To take an example, what the NLD government must decide is not whether or not to accept foreign investment, but what would be the development paradigm within which foreign investment will be inserted. Within an alternative strategy to that of the donors, foreign investment may well be positive in some areas of the economy, but not in others. Moreover, the kind of investment matters. As one Karen leader made clear while discussing JICA projects, “We’re not saying no investment. We want good investment. We want investment that benefits the people, that does not harm the people.”⁴⁶ To take another example, within

such a framework, the question is not whether or not to produce for export, but how much of an emphasis exporting should have and which exports to support? To take a third, within such a paradigm, the question is not whether or not to grow, but what level of growth should be targeted—high, medium or low—and what *kind* of growth should be supported.

But just as important as the question of which paradigm to adopt is the process of deciding on it. Myanmar is a classic case of the neoliberal paradigm being imposed from above and from the outside, with no participation at all from the population. To the donors, what mattered was not the people but the governing military elite, in particular its reformist wing, and the cronies, who had to be persuaded to place their ill-gotten wealth behind the development strategy they were advocating. If the donors did little, if any consultation of the NLD, which was by all indications a popular political force, they could hardly be expected to consult the people about where they wanted to go.⁴⁷ In so far as the donors put in place so-called consultative mechanisms, it has been mainly to disarm communities and coopt them to their developmental choices, like the IFC's move to "consult" and convince ethnic minorities to support "sustainable hydropower."

With the change in the governing elite, the donors now want to bring the NLD into the process. They have no choice. But it would be a strategic mistake for the NLD to confine the discussion and debate on the economic future of Myanmar to itself and the donors. Aung Sang Suu Kyi should take this opportunity to lead the country to a new process of making decisions by mobilizing the people to participate in the discussion on which economic road to take.

Avoiding the ASEAN Road

In this participatory discussion, the people of Myanmar should look closely at what is happening around them in the region. The other countries in ASEAN are growing in traditional terms, but this growth is taking place with growing disparity be-

tween the countryside and the city, rising inequality, further marginalization of ethnic communities, greater obstacles to the collective organization of labor, a growing migrant work force with few recognized rights, commodification and privatization of communal lands, corporate confiscations of small landholders and deteriorating conditions for rural workers, and accelerated deterioration of the environment everywhere. If there is any place where one can point to as a classic case of "accumulation by dispossession," it is ASEAN. As Derek Hall, Philip Hirsch, and Tanya Murray Li put it, the process of accelerated capitalist transformation in the region "systematically produces wealth and poverty, accumulation and dispossession."⁴⁸ One might be more precise: It is creating wealth and accumulation for the few and poverty and dispossession for the many. In the past this process of transformation was justified by some as the price of progress, by others as the inevitable consequence of the development of the "forces of production."

Confronted with this bleak landscape that they cannot deny, the donors are either rendered speechless or they say, there is no alternative to the neoliberal development model they propose. But if this is the future that Myanmar opts for, it is clear that it would just have traded a semi-closed economy marked by shared poverty to a liberalized economy marked by multiple disparities and growing inequality. Indeed, throughout Southeast Asia today, more and more voices are saying that the destruction of community, environment, and livelihoods in exchange for permanent insecurity, widespread poverty, life in squalid urban slums, and man-made "natural" disasters is unfair, unequal, fraudulent, and definitely not an inevitable price for the achievement of social well-being and individual fulfillment.

Re-embedding the Market

There is an alternative, or one might prefer to say, there are alternatives, and they have been building up over the last few years as the global capitalist economy has slid from crisis to crisis and settled into

long-term stagnation. These alternative approaches have been given different names, like social democracy, socialism, participatory economy, deglobalization, degrowth, ecological economics, or post-capitalism. Many thinkers and activists on the ground have contributed to elaborating this perspective while emphasizing different dimensions of it, and it is mainly the dimension they have stressed, and not their fundamental values and perspectives, that has distinguished proponents from one another.⁴⁹

The central issue that these perspectives have dealt with has been the role of the market. In the neoliberal view, the highest value is giving the market free reign, with as few obstacles to its operations as possible except when it comes to criminal fraud. From the alternative point of view, which we will provisionally call the “Post-Neoliberal Paradigm” (PNP), the free market is not a natural condition but one that arose historically with the rise of capitalism and involved what the great Hungarian thinker Karl Polanyi described as the “dis-embedding” of market relations from the larger matrix of social relations that were governed by the values of community and solidarity.⁵⁰ Today, when the supreme market has become the prime force driving marginalization, dispossession, poverty, and inequality, the pressing task is not to eliminate the market, as in socialist central planning, but to “re-embed” it in the social matrix, subordinating its dynamic to the higher values of community, solidarity, equality, and justice.

To the people of Myanmar, coming as they do from a past where state coercion was the main mechanism producing dispossession and marginalization, it may not be immediately obvious why the unrestrained market should be regarded as the problem. Yet, even the dynamics of the period of partial liberalization in the 1990’s and 2000’s was already marked by a volatile process that saw the market supplanting state coercion as the main mechanism of dispossession and marginalization. Land-grabbing, which became rife during this time, was, in fact, driven by the rise in land values as Myanmar became more integrated into the regional and global markets. With full liberalization, market exchange may become the

main mechanism of land alienation in place of coercion, but it will be no less destructive of community, solidarity, and justice as coercion, as it has throughout Southeast Asia. For example, many of the malls and elite and middle class housing estates that have mushroomed in suburban areas throughout the region were purchased from farmers in once vibrant agrarian communities that voluntarily engaged in what they thought was a good deal, only to realize, once the cash was gone, that they had exchanged relatively secure livelihoods for insecure existence in urban slums.

It is this perspective, where the market operates but is guided or constrained by the overarching values of community, solidarity, and justice that we have brought to the task of formulating an alternative economic path for Myanmar.

An Agriculture-led Post-Neoliberal Paradigm

Our proposed strategy is an agriculture-led strategy, where industry, trade, and energy provision are developed principally through synergy with the needs of the agricultural sector. The goal might be formulated as *equitably shared prosperity, with mutually enhancing and balanced development between city and countryside, among states, among social groups, and among the ethnic communities of Myanmar*.

A fundamental precondition for a successful strategy is establishing the people’s right to their lands on a firm basis. Thus it would be important to establish a Ministry of Agrarian Justice that would have executive and judicial powers to return wrongfully confiscated land to their rightful owners. It would also be necessary to amend or repeal all those laws that have been used to legitimize land-grabbing and to pass a land use law that would guarantee people’s rights to land and recognize different forms of ownership including customary tenure by ethnic communities. Finally, the bulk of the current Agricultural Development Strategy and Investment Plan (ADS) should be abandoned and replaced by a PNP.

Establish a Ministry of Agrarian Justice. Forcible dispossession has been such so widespread in Myanmar that any viable plan for agricultural transformation prioritizing eliminating poverty, eliminating inequality, and promoting generalized security must have security of ownership and tenure over land and reparations for past dispossession as a centerpiece. As noted in the second chapter, it has been estimated that some 5.3 million hectares have been forcibly confiscated, with some 100,000 hectares attributed directly to actions by the Tatmadaw. These figures might, in fact, be underestimates, since they apparently go back only to the late eighties. Confiscations during the socialist period by the state, asserting its so-called “ultimate ownership” of land, of the lands of peasants who did not comply with government directives or for other arbitrary reasons must be included in any final tally.

There is a need to establish an executive body with far greater powers than the current Land Acquisition Investigation Commission that is independent of existing ministries.⁵¹ In fact, it must be a separate ministry, with a name like Ministry of Agrarian Justice. The powers of such a body must include a) investigative power; b) dispute settlement power; c) power to prosecute land grabbers and their accomplices, with no time limitations; and d) power to provide restitution or reparations to victims of land grabs, a process that will not only include restitution of lands but also provide income foregone over the years by the victims. The mandate of the ministry must extend all the way back to the socialist era and all the way to the present land grabbing that is accompanying the ethnic cleansing visited on the Muslim population in Rakhine State, where an unholy alliance has apparently been forged on the ground between the military and radical nationalist Buddhist elements.

The establishment and work of such a ministry would have consequences beyond just the settling of concrete land disputes. It could have a transformative effect on the legal basis of ownership, moving it from a narrow interpretation of property rights to a broader right to land with multiple dimensions, including the land's being the ground of identity and community.

Repeal, revision, or amendment of agrarian laws.

Myanmar's laws relating to land and land use are a thicket of laws, many of them contradictory, most of them not sympathetic, if not hostile, to the interests of the poor and communities, especially in the ethnic regions. Foremost in any process of legal reform must be amendment of Section 37 of Myanmar's Constitution which states that the union or national state as “the ultimate owner of all lands in the Union, shall enact necessary law to supervise extraction and utilization of State-owned natural resources by economic forces; shall permit citizens right of private property, right of inheritance, right of private initiative and patent in accord with the law.” Aside from being a source of abuse, like forcible dispossession of communities, this provision gives the state blanket power over property that it does not possess and is a holdover from the anachronistic ideology of bureaucratic socialism. This constitutional provision must be amended to recognize at least five fundamental forms of use and ownership: communal, cooperative, collective, state, and private. Property owned under these categories may be alienable, but under very strict legal and customary processes.

Recognition of rights to land possession and use is, as we have seen, the key to individual and community welfare and prosperity. In our opinion, two recent laws, the Farmland Law and the Vacant, Fallow, and Virgin Land Management Law, have posed such great obstacles to the achievement of this goal that they must either be repealed or radically amended to eliminate their use for future land grabs.

Revise the National Land Use Policy paper and legislate it.

We feel that the National Land Use Policy document serves as a good beginning for an eventual National Land Use Law.⁵² It contains sections mandating the participation of smallholders and communities in decision-making over land use and management, providing for their protection vis-à-vis business and political interests, and giving them significant control over business and development projects. However, there are some essential revisions that need to be made before it can be submitted to Parliament as a bill.

There must, first of all, be an overarching, explicit acknowledgment and articulation of people's right to land, and that this is concretely exercised through the principle of land sovereignty, that is, the right of working people to have effective access to, use of, or control over land and the benefits of its use and occupation, where land is understood as resource, territory, and landscape.⁵³ Here it must be emphasized that the state must be especially vigilant of the right to land of the ethnic nationalities and must be committed to restitution to these communities for past and ongoing violations of this right.

It also needs a preamble that captures the various dimensions of the value of land for the people. A model for such a preamble might be found in the primer *The Meaning of Land in Myanmar* produced by the Transnational Institute. The primer breaks down the meaning or importance of land into the following dimensions: "Land is livelihood and life with dignity," "Land is freedom from exploitation and slavery," "Land is inheritance and remembrance," "Land is family integrity and togetherness," "Land means family continuation across generations and represents knowledge passed from one generation to the next," "Land is the link between people's past, present, and future," "Land is individual identity," "Land is ethnic identity; land is community," "Land is education and health," "Land is safety and security," and "Land has value that cannot be measured."⁵⁴ Discourse is an important factor in any terrain of struggle. Discourse is power, as Foucault reminds us, and a preamble of this kind to a National Land Use Act would help transform the national discourse over land from one that focuses on it mainly as an economic commodity to one that values it as many-sided resource of communities.

Aside from stating overarching principles and adding a preamble, there are a number of revisions that need to be made to the National Land Use Policy document, the most important of which are:⁵⁵

- A greater stress on women's equal rights to land as men, based on their central role not

only in production but in the social reproduction of the community.

- Elimination of the reference to Section 37 of the Constitution that gives the state the ultimate ownership of land;
- Removal of references to the use of "market mechanisms" to curb problems like land speculation, since legal penalties and community action are most likely to be more effective and just;
- An explicit blanket ban on all forced evictions, an item in earlier drafts that disappeared in later ones;
- Affirmation of restitution or the return of lands to communities from which they have been confiscated or from where they have been displaced by civil war.⁵⁶
- Setting of an across-the-board land size ceiling not only on land concessions but on redistributed and restituted lands;
- An explicit provision that in case of disputes, projects are not only suspended but discontinued if a ruling goes against them.
- Respect and support for emerging environmental enclosures or sanctuaries.⁵⁷
- Provision of alternative land-based livelihoods for opium growers instead of the purely repressive approach of the current drug eradication campaigns.⁵⁸
- A process whereby Township and Ward Land Use Councils can appeal if not override decisions made by higher bodies like the State Land Use Council or the National Land Use Council.

Replace ADS with the PNP. Our analysis of ADS in the second chapter concluded that while it has some

useful sections, its general direction is very questionable. It is essentially an export-oriented strategy which integrates smallholders as subordinate partners of large capital at different parts of the so-called value chain. It proposes to insert Myanmar's agriculture in a globalized production and marketing system over which its farmers and citizens would have little control. Thus we oppose adopting it and propose the formulation of an alternative strategy.

In terms of basic principles, the agriculture-led PNP should be guided by, among other principles, the following:

- Producing for the domestic economy must have precedence over producing for export.
- Achieving self-sufficiency in essential food products such as rice and other grain, meat, poultry, and vegetables, guided by the principle of food sovereignty, meaning the right of producers and consumers to determine and produce healthy, nurturing, and culturally appropriate food.
- Promoting and spreading smallholder farming through the restitution and redistribution of land confiscated from land grabbers.
- Where land is limited, promote collectives, cooperatives, or state agricultural enterprises organized and managed by rural workers.
- Institute strict controls on the size of private landholdings.
- Active promotion of organic and other methods of sustainable, low external-input agro-ecological production system and setting up a program of transition from chemical-intensive agriculture.
- Promote sustainable livelihoods for forest communities, including mixed agro-forestry production systems.
- Make use of both traditional and modern knowledge in developing sustainable agriculture that does not stress the climate.
- Provision of living wages for rural, industrial, and service workers, and promotion of their rights to organize.
- In line with the principle of subsidiarity, emphasize decentralized and democratic planning and decision-making—at the cooperative or communal level if possible—on crop choices, technical options, and social preferences.
- In decision-making, response to the market should be just one of several central considerations that must include equity, gender justice, and social solidarity.
- Form producer associations and consumer associations to influence the prices of agricultural and industrial commodities, with the participation of government bodies.
- Establish foreign investment rules that are strict, fair, and widen access to useful and sustainable foreign technologies.
- Use quotas and tariffs to protect local agriculture, while not allowing corporate-biased intellectual property rights to limit the use of useful and sustainable technologies.
- Promote use of and research into environmentally benign, climate-resilient farming technologies that make use of local knowledge.

Agriculture and Industry

Most conventional economists prescribe agriculture as the leading sector, with the development of industry occurring as a response to the needs of agriculture. Upon closer reading of their proposals, however, it emerges that they see small landholders as producers that are mainly serviced by industrial enterprises

that control seeds, fertilizers, and pesticides. In fact, one has the impression that the conventional prescriptions are only paying lip-service to smallholders as producers and would much rather have agribusiness plantations in the role of producers.

Yet there is a lot of space for a truly positive interaction between small agricultural producers and local industrial enterprises. Owing to growing concerns about health, biodiversity, and climate, there is increasing demand for organically produced grain, vegetables, fruit, and livestock all over the world. Myanmar and Asia are no exceptions. Smallholder agriculture is particularly suited to agroecology—an approach that makes use of natural ecosystems and relies on local knowledge to plant a diversity of crops that raise the sustainability of the farming system as a whole by reducing the ecological stresses induced by chemical-intensive monoculture.

Organic agriculture or agroecology could be serviced by a local industry of small and medium enterprises and cooperatives that would be geared to supplying the diverse, “tailor-made” inputs to organic farmers. Distribution could also be done by small and medium enterprises and community cooperatives. Also, there is likely to be demand for Myanmar’s organic products in foreign markets, although servicing the domestic market should be the priority.

Industrial potential of a local pharmaceutical Industry. Instead of being focused on becoming an appendage of existing Southeast Asian production networks, Myanmar could focus on industries that do not demand large capital inputs whose products are in growing demand. One of these is the pharmaceutical industry. The success of the Indian, Thai, and South African pharmaceutical industries in producing generic drugs owing to a combination of strong government action and local initiative is one that has important lessons for Myanmar.

At the time of independence in 1947, India’s pharmaceutical market was dominated by Western MNCs that controlled between 80 and 90 percent of the market primarily through importation.

Approximately 99 percent of all pharmaceutical products under patent in India at the time were held by foreign companies and domestic Indian drug prices were among the highest in the world. The Indian pharmaceutical market remained import-dependent through the 1960s until the government initiated policies stressing self-reliance through local production. At that time, 8 of India’s top 10 pharmaceutical firms, based on sales, were subsidiaries of MNCs. To facilitate an independent supply of pharmaceutical products in the domestic market, the government of India founded 5 state-owned pharmaceutical companies. Today, India is the world’s fifth largest producer of bulk drugs.

Government policy culminated in various actions including: the abolition of product patents on food, chemicals, and drugs; the institution of process patents; the limitation of multinational equity share in India pharmaceutical companies, and the imposition of price controls on certain formulations and bulk drugs. Subsequently, most foreign pharmaceutical manufacturers abandoned the Indian market due to the absence of legal mechanisms to protect their patented products. Accordingly, the share of the domestic Indian market held by foreign drug manufacturers declined to less than 20 percent in 2005. As the MNCs abandoned the Indian market, local firms rushed in to fill the void, and by 1990, India was self-sufficient in the production of formulations and nearly self-sufficient in the production of bulk drugs.⁵⁹

The same synergy between state action and local initiative on the part of private enterprises and cooperatives can be repeated in Myanmar, with the government taking strong action in the area of patents, like employing compulsory licensing, disregarding product patents in favor of process patents, and avoiding commitments or compliance with unfair agreements like the WTO’s Trade Related Intellectual Property Rights Agreement. The government can also facilitate technical assistance agreements with India and South Africa. It can also establish its own

pharmaceutical enterprises to spark a healthy competition with the private sector and cooperatives. Allocating money for research and development will, of course, be an important role for the state to fill, and there is much flexibility here since a significant chunk of funds can be transferred from the bloated military budget to public health R&D.

In terms of specialization for the industry, this can be in the area of developing medicine for tropical diseases such as dengue fever and malaria, recrudescence diseases such as tuberculosis that are again becoming major killers, and new afflictions such as bird flu.

Especially relevant here for Myanmar would be the transformation of poppy producing smallholders and farming communities from participants in the narcotics trade to being sources of supply for poppy-based medicinal drugs such as morphine and codeine. These pain relievers, which are included in the World Health Organization model list of essential medicines, are critically important to treat a wide range of medical conditions, such as post-operative pain management, palliative care for terminal cancer patients, accident-related trauma and chronic pain syndromes. Such production for therapeutic use is also allowed under the 1961 United Nations Single Convention on Narcotic Drugs. Nevertheless, they remain hardly accessible in Myanmar hospitals, as a result of stringent rules that severely restrict their availability. Here again, Myanmar could learn from the Indian experience, where opium cultivation for medicinal purposes is permitted under a scheme of licenses controlled by the Government. A specific model of partnership between the Government, pharmaceutical companies and independent small-scale poppy farmers could be designed to ensure an affordable supply of medicines for Myanmar patients, while providing a legal source of income for small-scale farmers and so doing contribute to reducing opium production that is directed to illicit markets.

Industrial potential of a renewable energy path.
Should Myanmar decide to use renewable energy

like biogas and solar as the main source of producing power, this would constitute an immense boon to local manufacturers producing renewable energy devices. The demand is there: The country's current electrification rate is 27%, with much of the countryside still not connected to a central grid. "Disadvantage" or "backwardness" can be turned into opportunity.

The technology is also there. This is not the place for a detailed exposition of renewables technology, but the potential for developing a diverse and locally based industry to manufacture and service the energy demands of both rural and urban areas are indicated in a report of the United Nations Conference on Trade and Development (UNCTAD):

Decentralized RETs [renewable energy technologies] are particularly suitable for providing electricity services in rural areas. It has been argued that decentralized systems can provide local power and so can be locally designed. Generally, they also have low up-front costs (though often higher costs per kW installed than centralized technologies), and can help avoid the high costs associated with transmission and distribution. They operate at smaller scales (kWh), appropriate to local needs and are accessible in remote locations as they are situated close to users. Also, the possibility of adopting RETs is particularly important in the light of the limited success of conventional national grid-based rural electrification programmes to reach small, dispersed rural communities in developing countries.⁶⁰

The industry-agriculture linkage could operate at a very basic level, for instance, small-scale farm production and livestock breeding produce superfluous food crop biomass and livestock-manure biogas that can be channeled not only to household use but also to decentralized grids for community or commercial use.

UNCTAD warns, however, that "To be sustainable, efforts to strengthen access to RETs need to be accompanied by the right incentives, policy alignment,

political and institutional support, and the development of local technological capabilities – the “know-how” and the “know-why.”⁶¹ This is where government can come in, to create the incentives, provide temporary subsidies, and protect small and medium producers from unfair competition from bigger enterprises, in addition, of course, to choosing the country’s basic energy path.

In sum, the conventional economic paradigm sees Myanmar as an industrial latecomer in Southeast Asia’s development that is imprisoned in a pattern of extractive development and whose only choice is to pick up those industrial processes being discarded by the other countries and their investors. A different paradigm, one that places the emphasis on ending poverty and inequality, raising the welfare of the population, and prioritizing serving the domestic market would yield opportunities that cannot be captured by the extractive, export-oriented lens. Within this alternative paradigm, an innovative interaction between an activist state and a dynamic private sector composed mainly of small and medium enterprises and cooperatives can develop in a way that is not possible under a neoliberal framework for industrialization.

Trade

We did not devote a chapter to trade, but discussed trade as it related to agriculture, industry, and energy. Trade policy, in our view, should be mainly determined by the country’s policies toward the productive sectors. Contrary to the neoliberal principle of “consumer sovereignty,” trade should also be equally responsive to the producer. While seemingly attractive to the individual qua individual, consumer sovereignty has actually often been destructive of the interests of individuals as constituting an economic community, since it has been used to undermine the function of production on which the welfare of that community rests. Thus it is clear that a PNP trade strategy for Myanmar would directly conflict with a neoliberal trade paradigm, which would almost totally eliminate a constructive role for gov-

ernment and civil society in protecting and promoting the productive sector.

What would be the guiding policies for trade in a PNP?

First of all, the government should be able to raise or reduce tariffs and institute or remove quotas depending on what would be in the interest of the country’s economy.

Second, the government should be able to use trade policy to expand, diversify, or deepen its industrial and agricultural capacity. It should also be able to use compulsory licensing, reverse engineering, and local-content policies, which prescribe that the local content of a product should be progressively increased, thus promoting the rise of suppliers for finished goods industries.

Third, the government should not allow the country, in its push for technological capacity, to be intimidated by trade-related intellectual property rights (TRIPS) sanctions imposed by northern corporations.

Fourth, to protect the country’s economic sovereignty, the government should avoid entering into multi-lateral or bilateral treaties or agreements that mandate it to reduce tariffs, eliminate quotas, subject it to TRIPS, and bind it to lopsided investment protection mechanisms like “Investor-State Dispute Settlement” or ISDS. Since it would be required to adopt such constraining measures under the RCEP (Regional Comprehensive Economic Partnership) or the projected EU-Myanmar Investment Protection Agreement, it should consider withdrawing from negotiations. Where it has already entered into such treaties, as with the World Trade Organization (WTO), or the ASEAN Economic Community (AEC),⁶² the government should creatively make use of escape or exceptional clauses such as ant-dumping provisions or sanitary and phyto-sanitary standards or resort to established principles like “Special and Differential Treatment” (SDT), or the right of developing countries to have a different set of rules to govern their trade relations from those of developed countries.

The general principle guiding these policies should be that trade should serve to enhance the economic capacities of the partners instead of leading to differential, lopsided development as is the case with WTO, neoliberal rules.

Energy

The Sustainable Energy Path proposed by the WWF and its allied organizations, which relies mainly on renewable energy resources is the most promising approach. However, as we noted earlier, it has some questionable elements, like the addition of significant capacity to large-scale hydro and the establishment of large wind farms and biomass plantations which might create more conflicts over land in a country where massive land-grabbing has already marginalized hundreds of thousands of rural families. Nor does it address the question of ownership and control of the planned renewable energy facilities, which must be along the lines of energy democracy. Moreover, the WWF approach is, like that of JICA and World Bank, top down, with little or no consultation of civil society organizations and little grasp of realities on the ground. However, it does provide a good starting point for an alternative strategy, one that needs to be fleshed out and nuanced with the participation of communities and organizations on the ground.

The key elements of an alternative energy strategy are the following:

- Adoption of solar energy as the fundamental source of power generation, along with other sustainable renewable energy systems like mini-hydro. For instance, there are said to be 1000 mini-hydropower producers in Myanmar, mostly in Shan state, and about 10,000 mini grids not connected to the main national grid.⁶³ The government should provide support to these small energy producers as small and medium enterprises and promote them to other areas to show that there are alternatives to an energy path biased toward huge centralized hydro and coal installations.
- Decentralized electrification, with states and divisions determining connectivity within their areas. In this regard, the drafting of a fairly detailed “Green Energy Policy for Shan State” is an enterprise that might serve as a model for other states and regions. The rationale for decentralization, as opposed to connection to one national grid, is well articulated by the draft:

“Different states have different resources, needs and priorities. Decentralization of certain decisions from Union to state levels may have the advantages of allowing greater flexibility and participation by different states to meet their particular needs and policy objectives. In the case of Shan state, if a sustainable energy vision is to be successfully implemented, many diverse energy options would need to be deployed, including mini-grid microhydro, off-grid and on-grid solar, and biogas and biomass plants. Centralized planning does not always but tends to favor centralized energy options, at the expense of decentralized alternatives. As a result, a case could be made to shift toward decentralized planning to allow for each state or even localities within each state to plan and implement its own energy plan that is best suited to local needs and resources.”⁶⁴
- Energy democracy is extremely important in Myanmar where crony capitalists and the military dominate most of the economy and would regard energy as a new frontier for massive profit-making. As much as possible the facilities must fall under public or community ownership, not under private ownership. And whether owned publicly, by the community, or privately, decision-making must be done by the community in a participatory democratic fashion, such as that championed above, by the Green Energy Plan for Shan State.

There are, of course, areas of economic policy that we have not covered, such as taxation, monetary policy, or fiscal policy. The specification of these policies must, however, be guided by the same values and paradigm governing the PNP as a whole.

Process

As important as substance is process in the formulation and implementation of the PNP. There are several principles proposed here.

First of all, in the formulation and support of the strategy, the Union government, in line with the principle of subsidiarity, should limit itself to articulating the basic principles for a PNP. The specification of the national principles to local conditions in the form of a regional PNP should be the responsibility of the state and regional governments since these units are in the best position to know the actual economic conditions in their areas. This process would be greatly facilitated by a federal structure of governance, a system that is now favored by significant sectors of the population, particularly the ethnic regions. Subsidiarity or devolution should not be taken to mean, however, that there are no policies which are not uniform for the whole country, such as trade, federal fiscal policy, federal monetary policy, and the federal budget.

Second, the Union government should provide the budget to all regions to implement the PNP, but this should be in line with the affirmative action principle

of providing special financial support for those parts of the country that are poorer, more oppressed in the past, and more devastated by civil wars.

Third, people's organizations, communities, and civil society must be a central part of this process of formulating an agriculture-led strategy from below. Not only is this out of adherence to the principle of democratic decision-making, but without the local knowledge that would nuance the formulation and implementation of the PNP in different local contexts, such a strategy would be guaranteed to fail.

A Final Note

By way of conclusion, we would just like to say that when we began this study, a prominent civil society activist told us, "Instead of engaging us in dialogue, we're now seen [by the NDL government] as the problem."⁶⁵ This situation is unfortunate and needs to be corrected. The NLD government and civil society organizations have so much to learn from each other. Hopefully, both can transcend current difficulties and forge a productive partnership for the future of Myanmar.

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