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**‘Workfare for the Global Poor’:
Anti politics and the New Governance**

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INTRODUCTION: CIVIL SOCIETY, REGULATORY STATE AND THE NEW ANTI POLITICS

Civil society is very much in fashion, being the currency in which the tokens of the ‘new governance’ are traded. Yet it remains an elusive and ambiguous concept. For those active in social movements, civil society provides an alternative sphere of political contestation to that within the formal political apparatuses of government; for others, such as social change analysts and development theorists, including technocrats and multilateral agencies, civil society has become central to the management of the development process, providing the essential elements of social trust and networks needed for effective implementation of structural reforms. Yet, for some others, civil society remains a locus for the emergence of institutions of collaborative governance that operate at local levels enabling alternative institutions of governance. No doubt, all these many renderings and conceptualisations capture important aspects of political reality. But, at the same time these conceptions remain rather limited in that they suggest a simplistic binary antagonism between civil society and the state.

Consequently much of the growing literature on civil society fails to recognise that the new forms of organisations implicit in these accounts of social functioning are neither public nor private. Rather they are located at the interstices of public and private power. These organisations are neither completely autonomous of the state nor totally dependent on the state. Instead, they are best viewed as hybrid structures that have many of the attributes of public organisations. One implication of this is to challenge the well established and taken-for-granted dichotomy between public and private that has underpinned much of liberal political theory. As Francis observes:

This dichotomous framework is further reinforced by liberalism’s normative component: the belief that the preservation of the distinction between public and private is a necessary condition of a liberal polity and successful market economy and that the erosion of this boundary is the key ingredient of totalitarianism (Francis 2001: 277).

Nevertheless, the apparent neat boundary between *public* and *private* is confounded by an increasingly interdependent *public* and *private* sphere. This creates what in effect amount to an array of organisations and institutions that have the attributes of both public and private spheres. In essence, this perspective draws attention to none other than the very

difficulties of demarcating the boundaries of the public and the private.

In a similar vein, the argument in this paper proposes — through a detailed consideration of global social policy — to analyse the concept of a civil society in relation to a broader reconfiguration of state institutions and techniques of governance. The nub of the argument is that civil society, or rather the ensemble of governance within civil society, forms the lynchpin of the new governance of the new regulatory state. Civil society, it is argued, needs to be viewed in the context of the development of institutional structures that privatise the institutions of public governance. In essence, this approach places the proliferation of institutional innovation around civil society within a broader picture of the restructuring of the state in the direction of the new regulatory state.

The paper examines the new governance of the regulatory state through a detailed consideration of the way new forms of global social policy are implemented by the World Bank and other multilateral agencies. This new transnational social policy — framed within post Washington consensus (PWC) — has stimulated the development of new forms of intermediation between state and civil society. The agenda of the PWC has clearly been associated with Joseph Stiglitz (Stiglitz 1998a and 1998b), and exemplified in the World Bank's Development Report of 2000/2001 on attacking poverty.¹ The PWC is best seen not as a departure from the policies of structural reform, but should be understood as an attempt to develop a political institutional framework to embed the structural adjustment policies of the Washington consensus.

Within the PWC, social policy has become central to the governance agenda of institutions such as the World Bank for two main reasons. First, the heightened unemployment following the Asian economic crisis in countries such as Thailand (Phananiramai & Hewison 2002), where the ranks of the working class expanded significantly as a result of two decades of industrialisation, led the World Bank to focus more sharply on the politics of managing this unemployment. Political management of unemployment was as much an ideological experience as a social policy venture mainly because the intent of many of these social programs was to shift the burden of unemployment on to communities or individuals. This is a point well made in Weber's (2001) perceptive paper on the global development architecture and micro credit strategies which analyse the role of social safety as mechanisms of political crisis management. Therefore, building on such notions as social capital or community

empowerment, social programs have had the effect of turning unemployment from a social issue or a social problem to one of social conduct.

At the same time, it is proposed that this 'new governance' works towards neutralising the structures of economic and social power. Consequently, the defining characteristic of the new regulatory state is the reconstitution of the state in a manner that depoliticises the governance of social and economic life. Harriss (2002), in an excellent account of the way in which the infatuation with the notions of social capital leads to a depoliticised version of development, points out that:

... these ideas are deceptive because they are used to veil the nature and effects of power, and – as I have argued this book – they hold out the prospects of democracy (in 'civil society') without the inconveniences of contestational politics and of the conflicts of ideas and interests that are an essential part of democracy (Harriss 2002: 116).

Certainly Harriss is right to argue here that notions such as social capital, evident in new forms of governance, conceal the operations of power. Equally it is important to recognise how anti political notions are embedded — as Harriss recognises in the latter part of the quote — in the fabric of governance institutions.

What I mean here is that the new forms of governance that characterise the regulatory state carry a particular conception of politics as anti politics. Let me explain: politics involves a constant conflict as groups seek to gain representation or identity within the polity — indeed it could be argued that democratic politics is but a by-product of this ongoing struggle for representation. Chandhoke makes this point about representation well by observing that:

Politics is a two-way activity ranging from what is experienced into how it is represented in the form of the expressed, and from what is expressed into an interpretation of what is experienced. But politics is also a plural activity inasmuch as it negotiates between different and contested forms of the expressive (Chandhoke 2002: 18).

Instead, within the new forms of governance of the regulatory state, politics — even democratic politics — is replaced by a search for consensus and technocratic management of social conflict as problem solving. And this in turn presumes the existence of some unified pre-political community lending itself to development of notions of social inclusion, community participation or localism that has underpinned political projects from Blair's Third Way to Thaskin's 'localist' strategies or the Singapore Government's

promotion of ‘active citizenship’. The common thread that runs through these programs is a distinctly political project that uses the liberal language of participation and empowerment as strategies of anti politics to marginalise forms and arenas of political contestation. It is in this sense that Ferguson (1990), astutely points out the way in which depoliticisation provides a means of reorganising state power; and how:

outcomes that first appear as mere “side effects” of an unsuccessful attempt to engineer an economic transformation become legible in another perspective as the unintended, yet instrumental elements in a resultant constellation that has the effect of expanding the exercise of a particular sort of state power while simultaneously exerting a powerful depoliticizing effect (Ferguson 1990: 21).

Our basic thesis then is that these new forms of governance within civil society provide a new mode of statecraft or ideological template of institutional innovation that stretches across a broad range of social and economic domains in both advanced liberal democracies as well as authoritarian states. The new regulatory state is not simply about the transformation and reorientation of policies and institutions (although these are important); rather it reflects a deeper structural transformation of the state. It is this structural transformation in the form of the state that is reflected in the variegated political projects that seek to engage civil society in social and economic governance.

More particularly this reorganisation of state power is reflected in the emergence of governance programs during the last decade which can only function *within the framework of the emergent regulatory state that seeks to constitutionalise both the economy and civil society in order to regulate market and social order*. Economic constitutionalism refers to the attempt to treat the market as a constitutional order with its own rules, procedures, and institutions operating to protect the market order from political interference. Given the affinity of this term to the German *ordo-liberal* school (Peacock and Willgerodt 1989; Jayasuriya 2001 b), it may be appropriate to describe the emerging new governance as a kind of global *ordo-liberalism*. The central characteristic of this ‘economic constitutionalism’ is the attempt to insulate social and economic institutions from the assumed debilitating effects of political bargaining (Jayasuriya 1999; 2001 b), so much so that

the economic constitution distinguishes between those actions that are consistent with the economic freedom-based logic of that choice and those that are not. The former represents “conforming” conduct, the latter is politically based regulatory discretion. Economic constitutionalism thus represents a cognitive map or template for evaluating governmental action (Gerber 2001: 17).

But the crucial point here is that economic constitutionalism encompasses much more than a shift towards a rule-based, rather discretionary, economic policy; it is equally concerned with enabling ‘conforming conduct’ within the sphere of civil society. From this perspective, economic constitutionalism seeks to institute processes and structures of governance that activate modes of conduct appropriate to an efficient market economy. Accordingly, civil society becomes an integral element in the management of an efficient economic program. Hence various innovative institutional schemes to enable greater participation and deliberation of individual within civil society become tethered to a broader pattern of economic constitutionalism. Empowerment in this version of governance projects works to instil the virtues of market discipline through various processes of participation and deliberation.

It is these imperatives that make for the dominance of social policy strategy which is now perceived largely as an instrument of economic reform. From this standpoint, social policy was seen as a mechanism through which certain forms of ‘responsible’ agency or conduct could be fostered. Once the objective of governance reform was perceived in terms of transforming the individual behaviour, enhancing social policy began to take on a significant role in the new governance agenda of multilateral agencies (see Cammack 2001). In the next section, we turn to locating this new governance agenda of multilateral agencies and placing it within the broader framework of governance within the regulatory state.

NEW GOVERNANCE AND ANTI POLITICS

The new governance of the regulatory state has three main features. First the regulatory state operates through a system of ‘meta governance’, that is, the state operates to provide the infrastructure of governance in preference to direct intervention in the allocation of social goods. The notion of governance, however, is a misnomer, for a more complex new state architecture that is reflected in the emergence of the new regulatory state, that shifts from a direct allocative role — such as through corporatist states in Western Europe or developmental states of East Asia — to being a more indirect provider of regulatory frameworks (Jayasuriya 2001a). Hence, the emergent new regulatory state is more akin to a set of institutions that operate as a set of meta governance structures. Governance here works at a distance once removed from the direct governance of allocation of social goods to individuals.

However, we need to be cognisant of the fact that this new regulatory state is no less an interventionist state than the allocative Keynesian or developmental states. But, the state in this context engages in a distinct form of intervention that requires the enrolment of agencies and actors lying outside the traditional boundaries of government. It is this ‘colonisation’ of civil society through the new regulatory state that is appropriately described as a shift from *government* to *governance*. In short, the advent of the new regulatory state brings with it not only the breakdown of traditional domains and activities of public governance but also significant institutional innovations of meta governance, such as partnerships and contractual governance, that enable the enrolment of non state actors in governance across a broad spectrum of social and economic domains. The spectrum of these institutional innovations can range from programs of localisation in countries such as China or India, to participatory budgeting in Brazil and to workfare programs in the US and the UK. *Whatever precise form these programs may take one of the central effects of ‘meta governance’ is the way it depoliticises social and economic life by distancing the allocation of social goods from the centres of political decision making.*

Within global social policy a key signpost of this meta governance is a system of contractual governance that provides for civil society organisations to become the lynchpin in new and emerging patterns of institutional intermediation. A crucial point that we develop here is that these new institutional patterns are linked through what may be termed a ‘*chain of contract*’ to higher levels of supervision and monitoring at both the national and supranational level. At the same time, as Robertson, Bonal and Dale (2002) note, these chains of contract also imply a ‘rescaling’ of the levels of governance so that:

shifting scales involves the active construction and reconstruction of territories for the purposes of governing. In particular, issues that appear fundamental at one scale disappear entirely from view at another; factions that are active participants at one scale can fade from the scene or even change at another’ (Robertson, Bonal & Dale (2002: 472).

Second, the new governance, characteristic of the regulatory state operates through institutional structures that co-opt non state actors in the institutions of governance. This places a high premium on processes of deliberation and participation within these governance institutions. At first glance, this language of participation strikes a tone of dissonance with neo liberal programs of economic reform. And this is indeed one of the central claims of this paper: that *these notions of participation act to produce new forms of depoliticised governance that operate to obscure the contestation and antagonism at*

the core of democratic politics. In fact, the very ideal of deliberation only works so far as it neutralises the broader context of economic and social power that lie in the background of deliberative institutions. At the same time, these institutions — through notions such as social capital — enhance a view of individuals as problem solvers enmeshed in social networks rather than engaged in political struggle and conflict within representative institutions. In short, the emphasis on participation and deliberation that pervades a whole spectrum of institutional experiments within civil society is enmeshed in governance projects that work through a form of anti politics. *At the heart of the new regulatory state then, lies the depoliticised management of civil society.*

Within this new framework of global social policy civil society functions not as a spontaneous autonomous sphere—as the neo Tocquevillians like Putnam (1993) would have it—but rather, as a managed and constructed civil society where core institutions are linked to the delivery of basic social services and welfare. Moreover, new institutions such as social funds are located in the intermediate arena between the public and the private, creating a ‘hybrid public organisation’ that operates through a contractual relationship with central state structures. But, alongside this enrolment of non state actors in the policy process there are equally important procedures for deliberation and participation. However, this participation — as we argue — is increasingly about problem solving and inclusion rather than about a contestation and conflict over political representation.

Third, the new governance of the regulatory state works through the enabling of responsible conduct, particularly by facilitating the strategic capacities of individuals as managers of risk in the global economy. Clearly, in relation to various poverty reduction programs, ‘the goal is to enable the poor “to engage effectively in markets”; the result is to deliver the poor into greater dependence upon markets’ (Cammack 2002 :6). And this is the point: participation within civil society cannot be divorced from the broader program of economic constitutionalism of the new regulatory state.

But the question at stake here is not participation, but participation for what purpose? Participation within the new governance is conceived of in terms of the management and regulation of risk rather than resource distribution. And to boot: risk regulation is seen in terms of changing the character and profile of risk by what Ewald (2000) has termed a ‘precautionary principle’ rather than collective solidarity to diminish

the vulnerabilities to risk. The latter principle would have in some form or another entailed a political process of resource distribution rather than individualisation of risk through the practices of empowerment and participation. One of the main effects of this approach to risk regulation is to marginalise the relations of power and inequality in which individuals are located, and serves to strip away the ‘public’ character of individual agency.

Social policy provides an excellent illustration of this management and regulation of risk. For example, many of the social funds programs that are examined below internalise market discipline through various attempts to create ‘risk management’ institutions. These strategies are, however, not about the diminution, or even collectivisation, of risk as in the classical welfare state, but rather directed at changing the form through which the shape and character of risk is perceived. In this context deliberation and participation become critical to the way these objectives are realised. More especially we explore how social capital is informed by a notion of ‘responsible agency’, that seeks to prepare individuals to face the vulnerabilities and risk associated with the global economy. The next sections of the paper explore some of the distinctive elements of the new social policy governance in more detail (see Box 1).

META GOVERNANCE THROUGH CHAIN OF CONTRACT

Box 1

- ↘ a **growing trend of ownership** among most governments of their poverty reduction strategies, and government representatives as well as many civil society organisations from diverse settings have voiced their commitments to this process and its objectives;
- ↘ a **more open dialogue** within governments and with at least some parts of civil society than has previously existed. Some CSOs are increasingly mobilized and have gained capacity to participate in the preparation and monitoring of the implementation of the PRSP, and favorable “second round” effects may be anticipated;
- ↘ a **more prominent place for poverty reduction in policy debates**, extending beyond social sector interventions with data collection, analysis, and monitoring becoming more systematic; and
- ↘ an **acceptance by the donor community of the principles of the PRSP approach**, from major UN organisations (for example, UNDP and WHO) to bilateral donors (including the Canada, Denmark, France, The Netherlands, and the United Kingdom), and the prospects are good the PRSPs will lead to stronger partnerships with countries and better donor coordination.

Source: World Bank 2002a

One of the important elements of the new contractual governance is the way in which transnational agencies set broad flexible goals (see Box 1) which are then progressively enforced and supervised down a chain to national and sub national levels. In this context, “local” social policy (particularly of low income states) has increasingly come to be set and defined at the level of global institutions’ (Weber 2001: 13). These chains of contract form a very important aspect of global governance. As Cammack (2002) observes, these ‘chains’ are linked through a succession of contracts and partnerships at lower levels which are required to assume ownership of the program. As he notes, with reference to the World Bank’s comprehensive development framework:

In this broader context, it is the fundamental goal of the Bank’s strategy to impose ‘country ownership’ of the CDF both because it recognises that it lacks the means to enforce the strategy itself, and because the legitimisation of its project vis a vis its citizens around the world depends upon its adoption by national governments, which remain indispensable intermediaries in the project for global governance (Cammack 2002: 37).

In fact, as we have seen (Box 1), the obligation to assume ‘country ownership’ is built into the very institutional architecture of the World Bank/IMF poverty reduction strategy. Hence, while participation and empowerment are the catchwords for these strategies, it remains tied to a very specific model of economic participation and independence.

This emphasis on ‘ownership’ of programs has a number of important implications, of which three stand out. First, these ‘chains of contract’ have the effect of *internationalising the state*. Within this new institutional architecture local agencies and organisations are the conduits through which international standards are transmitted. For example, in the poverty reduction strategy the very flexibility that social policy programs give local agencies are set against the broader constraints of general guidelines around which all local programs must be constructed. In the policy literature parlance this builds into the governance of social policy programs of a form of multi level governance. But the most important ramification of this multi level governance lies in the very internationalisation of component elements of the state structure.

It is also important to note that the notion of ‘chains of contract’ carries with it an implicit reordering of the scales of governance. It is this rescaling that Robertson, Bonal and Dale (2002) explore in their sophisticated analysis of the impact of GATS on educational services and governance. They point out that:

through GATS, the conditions are being created for disembedding educational

activity from its fixed institutionalized location as a national regulated redistributive and legitimatory decommodified public good, forcing it into motion and into the global marketplace to be fixed through processes of successive liberalization as part of the built-in GATS Agenda (Robertson, Bonal & Dale 2002: 488).

In essence, the impact of GATS and what could be called the globalisation of education, as they argue, lies in the transformation of 'scales of governance' within the state to include both global and regional dimensions. Hence, as with social policy this new rescaling of educational governance serves to distance the political decision from the actual delivery and implementation of these programs.

Second, within this system of contractual governance, there is a constant tendency for governance to be *decentralised* such that the obligation of ownership, that Cammack (see also Weber 2001) so well describes, is imposed at increasingly lower levels, such that governance is *progressively localised*. A chain of contract in these arrangements relies on what Wiener (2001) calls a 'constant localizing', and indeed privatizing of policing. In the case of social policy, the expansion of the social funds programs such as the World Bank's Social Investment Fund (SIF) in Thailand (Box 2 below), underscores the extent to which the governance of social policy becomes increasingly localised so that at the very end of the contractual chain individual beneficiaries are required to actively engage in the management of their own vulnerabilities and risk. But this management is defined in terms of responsible economic participation in the market economy.

These themes are reflected in the critical role accorded to the enrolment of non state actors for the implementation of social policy. Indeed, many of the new institutional structures which embody principles of participation and deliberation—such as the solidarity program in Mexico, or Thailand's emphasis on local self reliance—are geared towards the production and distribution of social goods. But this new social policy which figures so prominently in the agenda of many developing countries is one that is congruent with market promotion and economic liberalization. And this is what is distinctive about this new constitutionalisation of civil society: it *juxtaposes participation with a social policy agenda that seeks to promote choice and market efficiency*.

Box 2
Thailand's Social Investment Fund

One of the most striking elements of the Thailand Social Investment Fund (SIF) is its emphasis on social capital formation and the way it has catalysed the large voluntary response from Thai society to help those affected by the recent social and economic crisis. Particularly innovative is the social fund's "Menu 5" window, in which community organisation Networks – made up entirely of volunteers – distribute social fund financing directly to needy groups in the form of social assistance and cash transfers.

How it works:

- ↘ The social fund enters into a contractual arrangement with these networks usually for a year, to implement Menu 5 sub-projects
- ↘ The networks are responsible for disbursing micro-grants to community organizations who in turn disburse funds to the intended beneficiaries within their respective communities
- ↘ The average community organization grant is \$35,000 paid in two installments
- ↘ In practice, most community networks turn grants into a revolving fund, to increase the number of potential beneficiaries over time.
- ↘ Once the project is complete Independent community organizations are responsible for supervision.

Source: Salim 2001

Box 3
The Thai SIF at a Glance: Total Lending Portfolio*

Sub Project Category	# Sub Projects	Total \$ Approved US (\$) M
Menu 1 Community Economy	3,093	18.0
Menu 2 Community Welfare and Safety	1,177	8.25
Menu 3 Natural Resource Management & Cultural Preservation	763	4.35
Menu 4 Community Capacity Building/ Networking	1,126	15.72
Menu 5 Emergency Community Welfare for the Needy	457	48.63
Total	6,616	94.95
Number of Beneficiaries	2,121,192	
Number of Completed subProjects	2,351	
*As of August 7, 2001		

Source: Salim (2001)

Thirdly, localisation of governance imposes capacities for constant *supervision and monitoring* of each level of governance. Within this new architecture of global social policy *supervision* takes the form of the development of new forms of audit and transparency through which performance has to be constantly measured. But, given the insistence on the importance of ‘ownership’ in these new social policy programs, there is a strong tendency to place a great deal of effort in monitoring compliance with broad institutional procedures at all levels of governance. As Pongsapich points out:

All operations and project implementation procedures need to have accountability, predictability, transparency, and the participation of all concerned stakeholders. This means that civil society organisations need to become involved in public activities to ensure that all four components of good governance takes place (Pongsapich 2002: 252).

In a nutshell, supervision entails the constant policing of each level of governance to ensure fidelity to institutional procedures.

But at the heart of the constant localisation of ownership of social policy programmes is a depoliticisation that works through constant distancing of the centres of decision making from the actual implementation of the programs. Cammack (2002) notes in relation to the Poverty reduction policies and Comprehensive Development Framework (CDF) that:

it is a fundamental goal of the Bank’s strategy to impose ‘country ownership’ of the CDF both because it recognises that it lacks the means to enforce the strategy itself, and because the legitimisation of its project *vis-a-vis* citizens around the world depends on its adoption by national governments, which remain indispensable intermediaries in the project of global governance (Cammack 2002: 37).

As we have seen in the case of social funds, this distancing extends beyond the national governments to more local institution within civil society. *But the overall effect, is that claim to legitimacy through ever proliferating levels of local ownership has the effect of placing political contention of the goals and objectives of social programs beyond the reach of those who ‘own’ the programs.*

ANTI POLITICS OF PARTICIPATION

A distinctive feature of social funds, such as Thailand’s Social Investment Fund, is the emergence of novel institutional forums through which this new social policy is disseminated. The significance of these new institutional fora is that they are located ‘in

and out of the state' thereby imparting to these institutions a quasi-public character; it amounts to a privatisation of public governance. It is the public or the state-like nature of organizations in civil society that has most distinguished the architecture of global social policy. Hence, the important dynamic here is not the emergence of some putative alternative to the state in the form of civil society as some of the more romantically inclined notions of civil society (Keane 1998) would have it, but rather the *fragmentation and dispersal* of public or state power to organizations and institutions within civil society.

The 'privatisation of public governance' perspective then, on the one hand captures the diffusion and dispersal of public power to non-governmental organizations located outside the formal state apparatus; and on the other hand it underlines the way many of these organizations operate *in* and *out* of the state. No doubt, there is tremendous variation in the relative dependency, origin, and purpose of the NGO–state relationship, but the point that needs to be underscored here is the increasing accentuation of the 'state' like character of these hybrid organisations, which in turn serves to depoliticise civil society.

Following on from this 'privatisation of public governance' is an *understanding of citizenship as customership*. Marshall (1964, 1981) famously defined citizenship in terms of the sequential adoption of civil, political, and social rights. In this framework, social rights were seen to flow from membership in a broader political community. However, the kinds of social rights implicit in the new contractual state and its forms of governance are determined not on membership of a broader political community but on being customers or members of the kinds of quasi-public organizations that define the contractual state. The consequence of this theorizing is to privatize citizenship; or, as Somers (2001) puts it, the theory and practice of civil society has:

been privatized in political argument, now seemingly reduced to a cluster of non-political, anti public, and marketized attributes. Neo-liberalism has been able to increasingly hail true citizenship as a form of social activity reflecting the ethically superior private sphere of market priorities (Somers 2001: 44).

The global 'workfare' promoted by programs such as social funds differs markedly from the Marshallian model of 'social rights'. Indeed, as Somer's insight suggests, social policy in the regulatory state shifts from the language of social rights to that of customership. Perhaps more strikingly, the new quasi-public governance accentuates the link between

citizen and civil society organization while attenuating the relationship between state and citizen, and this has inevitable implications for the practice of citizenship.

Box 4

Social Funds and Participation

Participation occurs along a continuum. On one end are “beneficiaries”, who are the recipients of services and resources. More and more successful projects, however, define participants as “clients” and invest in setting up timely feedback mechanisms to ensure they stay in touch with what their clients want. In these projects, “clients” are perceived as those who buy something (for example, financial services) and must agree to pay more than a symbolic fee for it. They also ensure that a clear contract exists with clients, which lets them know what they must do to keep the services coming. The challenge is to devolve the decisionmaking power and control over resources to participants as “investors” or even “managers” who make strategic and operational decisions about how services are designed and delivered. But it is important to remember that many people are not willing or able to take on the additional risks and increased responsibilities associated with higher levels of self-management.

Source: World bank 1996

Box 5

Background to Social Funds

Social Funds have spread rapidly in developing countries since the well-known Bolivia Emergency Social Fund was launched in 1987. The first large-scale funds were designed as temporary institutions to mitigate the adverse impact of structural adjustment by creating employment and delivering emergency social programs. As objectives have evolved over time, funds are now also used more generally to support development in the social sectors and poverty reduction at the local level. Social funds are typically set up as autonomous institutions to provide funding to local organisations (community-based organisations, NGOs, or local governments) in a more rapid, flexible, and transparent manner than line ministries. The funds do not themselves identify or implement micro projects. Instead, they respond to requests generated by local groups, appraise projects for funding, supervise implementation of projects, and monitor their effectiveness.

Source: World Bank 2002b

Perhaps most crucially, these new institutional fora need to be located in the context of participation and deliberation that has been advocated and promoted by domestic political actors as well as transnational agencies. In this sense, the new global workfare calls for an active model of participation, but this is a participation that takes place not in the public sphere but in the intermediate hybrid public/private institutional forums such as social funds. It is a form of depoliticised participation or active participation that marginalises conflicts of power and interests within market societies.

Accordingly, the purpose of participation and deliberation in these quasi public organisations is concerned with problem solving or the effective management of policy rather than the achievement of a legitimate political and constitutional consensus. As Steele notes, a fundamental distinction between deliberative models of democratic legitimacy and problem solving lies in the fact that in the latter ‘the subject matter of deliberation is more likely to be an individual decision for action, rather than the adoption of a formal legal standard or other law. This means that participation of this type is likely to be a requirement of law (if law is involved at all), instead of being a part of the process of legislation’ (Steele 2001: 417).

In other words, participation is not seen as an end in itself; rather, it is seen in an instrumental fashion as a means of achieving better technocratic policy outcomes. More especially, these institutions attempt to develop the strategic capacity of citizens in the implementation of public policies. Indeed, these developments in global workfare reinforce important trends in European social policy in which:

a problem-solving style of policy making is taking root. This has a number of interrelated dimensions. One is that discussion between the social partners at the European-level involve deliberation (preference changing behaviour) and planning rather than the straightforward bargaining which is more characteristic of interactions between employers and trade unions at national level. A distinctive feature of this deliberation is reasoned argument in which social partners find ways of to advance certain matters relating to the organisation of the labour market, even in the absence of an agreed view on how to solve the particular matters at hand (Teague: 2001 22).

The crucial point about this depoliticised management is that participation operates in tandem with neo-liberal ideas of choice and efficiency. It is useful to place these notions of participation and deliberation as problem solving as it is especially appropriate in a regulatory state which acts like an enterprise rather than a civic organisation (Oakeshott 1975). In a ‘civic association’, rules do not derive authority from any end outside of the association or from its use for the creation of a desirable set of outcomes. As such, a civic association — though this is no part of the Oakeshott argument — can be identified in terms of the non instrumental use of public reason. By contrast, in an ‘enterprise association’ the validity of rules springs not from the association itself but from the ends or purposes of the organisation. An enterprise association, therefore, is a purposive and end-oriented organisation. From the perspective of an enterprise association, participation is understood in terms of its ability to promote a given set of policy outcomes. In short, it promotes a view of participation as problem solving.

But the anti political sources of this view of participation lie beyond its role as problem solving, in the very manner by which it marginalises representation. Behind the ‘problem solving’ view of participation is an assumption that participation — conceived in local terms — will reveal in fairly short order the real ‘needs’ of the community: these community interests are somehow seen as being pre-political. But what this account diminishes is the role of representation in articulating and giving expression to various identities and interests in the political community. And the important point is this: for this representation to take place it has to be mediated through a range of representative organisations, forms, and institutions; this means that there can be no simplistic overlap between the community and interests. Hence ‘representation therefore modifies our understanding of democratic theory, which tells us that people represent their interests in the state through an activity we call politics. It makes visible the mediations as well as the mediators, the practices as well as the practitioners’ (Chandhoke 2002: 19). It is this autonomy of representation that is missing in the conceptions of politics that underpin politics of participation within the regulatory state.

SOCIAL CAPITAL AND RESONSIBLE AGENCY

Box 6

Social Capital and Social Policy

The role of social and political exclusion is particularly important. Some groups are excluded from political participation because they are too few in numbers to attract government attention, too weak to lobby effectively for their rights and interests, or too unimportant as voters or taxpayers in the eyes of the government. The poor may also face social exclusion, both in the form of social discrimination (e.g., discrimination against women, ethnic or religious minorities, orphans, and single mothers) and in the form of not having adequate social capital – the networks of influential norms and established relationships that enable people to act in concert for mutual benefit

Source: *Thailand Social Monitor* 2001: 47, World Bank

At the heart of the new global social workfare lies a concern with developing a stock of social capital amongst individuals and communities. Poverty and inequality are defined in terms of a lack of social capital (see Box 5). In the particular context of the global social policy, social capital refers to a web of networks and social relationships that individuals can draw on in times of social and economic emergency. More especially, social capital is geared towards the creation of certain types of agency which are able to withstand the

risks and vulnerabilities of the global economy. Social capital, in this view, serves to foster certain forms of responsible agency. Responsible agency in this social capital variation comes to be understood as the individual possession of these network resources which in turn enables the individual to participate in the economic mainstream. In this view, responsible agency is geared to economic independence rather than to participation in the public sphere.

Similarly, one of the key implications of the Asian crisis is to highlight the role of civil society and social capital as a central component in the institutional management of the market. The World Bank (World Bank, 1998) analysis of the social implications of the crisis serves to pinpoint the pivotal role played by social capital in enabling individuals to weather the economic crisis. Moreover, the provision of social capital is seen as an important element in shaping the social conduct of individuals, which is a vital ingredient in the consolidation of good governance. From this point of view, social capital is as much a normative view of social conduct as it is a tool of social analysis.

Indeed, the notion of social capital conveys a model of society very different from that which underpinned traditional post war welfare state programs. Society,² in the social capital view, is composed of 'norms' and 'relationships' that can be mobilised for economic development. Fine notes that this particular approach to social capital 'allows the new consensus to be selective in where and how it addresses the role of non economic factors in economic performance' (Fine 1999: 13). Perhaps, more importantly, this focus on norms, networks, relationships, and more generally a 'culture', leaves little room in this perspective for the structural and power inequalities embedded in economic institutions. In a scathing critique of social capital Harriss points out:

That civil society exists in a field of power – or that there are differences of power within the civil society – hardly seems to cross the minds of those who wish to see the space of civil society expanded, and that of the state (and perhaps of the market) reduced. The discourse is in fact deliberately apolitical, in a way that is ultimately supportive of neo-liberal orthodoxy (Harriss 2002: 119).

It is for this reason that civil society plays such an important role in this new economic constitutionalism. Civil society in the PWC of the World Bank and other multilateral agencies is used in the specific sense of paying due heed to the management and mobilisation of social capital entrenched in civil society. This social capital is mobilised for the successful management of economic reform. From this perspective, inevitably, multilateral agencies have sought to place a greater emphasis on the management and

incorporation of non government organisations in the development of participatory decision making processes.

It is instructive in this regard to analyse how the World Bank responded to the Asian economic crisis in Thailand. On the one hand, World Bank policies and programs during and after the crisis were driven by the recognition that the economic crisis required an economic, as well as a social, response. The Bank's SIF in Thailand formed a leading part of this social response to the crisis. On the other hand, the Bank constantly framed the social impact of the crisis in terms of social capital and community capacity. Social capital in the World Bank's approach led it to deny or at least to marginalise the class inequalities of the social crisis. As Hewison (2002) points out:

What is noteworthy in the Bank's approach is a desire to deny aspects of social relations that might be considered to operate within groups arranged horizontally in society. Specifically, the Bank appears to want to deny any class element in the social impact of the crisis (Hewison 2002: 6).

This focus on social capital tends to obscure the underlying relationships of power that shape markets, and as such, is an important component of the depoliticised governance that is the hallmark of the regulatory state.

This managerial civil society of the new Washington consensus is again evident in the considerable emphasis now being placed by the Asian Development Bank and the World Bank on the participation and partnership of non-governmental organisations in the development process. This marks a significant departure from the technocratic decision making model that characterised the earlier policy paradigms of the previous Washington consensus. But this participation, often at local level, requires by-passing formal political institutional processes which represent interests such as political parties and trade unions in favour of ambiguously defined communities.

But the most important aspect of this emphasis on social capital is the concern with the fostering of responsible agency reflected in the emphasis on norms, values, and conduct that enable individuals to manage the vulnerabilities and risks of the global economy. Whereas the earlier governance programs focused on developing the hard institutional infrastructure needed for a market economy such as credible legal institutions and strong property rights, the social capital perspective complements this macro institutional framework with an emphasis on the development of an appropriate set of norms. In fact, it transcends the earlier debate about the relative efficacy of states and

markets that drove the Washington consensus agenda and the debate over the East Asian economic miracle. The clear high water mark of the latter agenda was the World Bank's *Miracle Report* (World Bank 1993). In contrast, the World Bank's *Road to Recovery Report* sought to analyse the influence of norms, networks and effective civil society embodied in social capital, and best exemplified in the Bank's *Road to Recovery Report* (World Bank 1998).

It is these new forms of agency that are located in the managerial civil society being constituted by the new global social policy through new institutional forms such as social fund programs. Agency, within the rubric of social capital conceived in terms of fostering social networks and relationships, serves at once to disembody the individual agency from political relationships of power and to embed them in depoliticised notions of community and social capital. These new forms of agency or conduct are directed not at fundamental structures of economic and political power but at *managing* the spatial and individual deficiencies of social capital which are deemed to prevent the full economic participation of individuals. In these terms, these new social programs and policies — in a manner similar to workfare programs in the US — serve to link social citizenship not to membership in the political community but to the *degree* to which individuals are able to participate in economic life. It is concerned, above all, with instantiation of certain forms of responsible forms of conduct.

CONCLUSION

Let me conclude by noting a paradox. On the one hand, the new global social policy places great importance on terms like 'participation' and 'empowerment' which of course have been part of the vocabulary of the left; on the other hand, this emphasis on participation and partnership goes hand in hand — as it has in US 'Workfare' programs — with a program of market oriented reform. To understand this paradox we need to locate this enhanced importance of civil society in the context of the emergence of a new form of participation congruent with market reform. From this perspective, the new contractual governance signalled by the regulatory state can be more properly regarded as an attempt to shape new forms of institutional intermediation between state and society. Hence, the emergence of a 'constitutional civil society' represents the manifestation of a distinctive form of politics to mesh in with the rise of the regulatory state. And this is what is intriguing about this new contractual governance of global social policy. It seeks to develop a commitment to active 'participation' within a framework of economic and

market reform, and it suggests that new forms of governance strategies need to be understood in terms of their potential to constitute new forms of participation that make possible a new managerial politics of anti politics.

The analysis of global social policy programs presented here draws attention to the importance of governance programs in nurturing new forms of political rule through a process of depoliticisation. Indeed, one of the most important features of new governance programs promoted by the multilateral agencies is their impact in depoliticising key areas of economic and social life constituting a form of ‘economic constitutionalism’ — a depoliticised governance. This is evident in:

- the role of meta governance in distancing governance from centres of decision making;
- the emphasis on deliberation and empowerment as problem solving which marginalises the autonomy of forms and practices of representation; and,
- the decontextualisation of agency from relations of economic and social power and its consequent embedding within framework of responsible risk management.

One of the intriguing points about the recent emphasis on governance in a variety of contexts, from the World Bank’s poverty reduction to the British New Labour’s Third Way to Thaskin’s attempt to articulate a localist political strategy, is a concern with shifting governance to institutions within civil society. Indeed, many of these institutional innovations seek to cut across the traditional boundaries of authoritarianism and democracy. What is significant about this new governance is the way it embodies a particular conception of politics as management and consensus, well summarised by Dean when she observes that this ‘... focus on legitimation is ultimately depoliticizing. As it posits in advance a unified community, it withdraws the revolutionary energy long associated with claims to universality’ (Dean 2002: 171). We might add that these claims to universality depend on an autonomy of representation, which is what the emphasis on governance within civil society seeks to diminish. It is in this sense that this new anti politics provides a framework for political rule in a range of democratic and authoritarian states.

NOTES

1. For an overview of these debates see Jayasuriya and Rosser (2001)
2. The point here is not a definitional one but rather the way the concept of social capital and civil society is used to become a broader element in new forms of symbolic politics. Consider, for example, how the term 'community' has replaced 'society' in the rhetoric and justification of social welfare programs. In this sense, what we want to capture is the way ideological uses to which the notion of social capital has been used to articulate a particular anti political notion of citizenship.

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