

## BOOK REVIEWS / COMPTES RENDUS

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Caroline Thomas. *Global Governance, Development and Human Security: The Challenge of Poverty and Inequality*. London: Pluto Press, 2000, 149 pp.

This book grew out of the panel on human security at the British International Studies Conference in 1998. In face of massive poverty and rising income inequality in the era of neo-liberalism, this book advocates the fulfillment of human security, focusing on the evolving practices of global governance institutions and examining two major (reformist and alternative) pathways forward in the global economy. Explicitly, the author puts emphasis on the fulfillment of human security over the pursuit of the national interest.

According to Thomas, the main purpose of her book is “to contribute a few pieces of the complex, multidimensional jigsaw, by broadening awareness of the global-level structures which impact on human security and by considering what might be done to promote improvements” (p. 4). The central concept in this book is human security. Thomas scans the literature, highlighting various conceptions of human security: “Human security is about ‘the ability to protect people...’” (p.5); and, citing Canada’s former Foreign Minister Lloyd Axworthy, “Human security includes security against economic privation, an acceptable quality of life, and a guarantee of fundamental human rights” (p.6). In the end, Thomas puts forward her own view of human security: “... human security describes a condition of existence in which basic material needs are met, and in which human dignity, including meaningful participation in the life of the community can be released. Such human security is indivisible, it cannot be pursued by or for one group at the expense of another” (p.6). She puts strong emphasis on both the material and non-material aspects of the concept.

After exploring the essence of human security, Thomas sets the stage by marshalling important statistics to show growing

income polarization, between and inside the states. She demonstrates to the readers that capital is becoming more concentrated globally. In Chapter 3, the author relates these phenomena to the neo-liberal political ideology. Various ideas about development are examined but the discussion centres on the neo-liberal development ideas that were implemented worldwide during the period of the deepening material inequalities of the 1980s and 1990s.

The structural and institutional reform of national economies is explored in the next chapter, laying emphasis on IMF/World Bank structural adjustment programs and the responses of these institutions to criticisms. In Chapter 5, Thomas examines three areas: the liberalization of trade, finance and investment. The role of WTO and IMF as the promoter of liberalization is highlighted. Thomas concludes convincingly in this chapter that: “the way liberalisation has proceeded to date appears incompatible with the realization of human security” (p.90). In these chapters, the author takes on neo-liberalism as an influential contemporary political ideology, which she has successfully accomplished.

Noting that the challenge of poverty and inequality is real, Thomas critically reviews various ways to temper these problems in Chapters 6 and 7. Basically, she classifies them into two development pathways: reformist and alternative. The reformist route includes: a desire to expand the liberalization agenda; the intent to introduce policy modification to tackle challenges; and the need to broaden ownership of the liberalism agenda by reaching out to potential opponents, states or civil society groups and tying them in to the project.

In contrast, the alternative pathway rejects the expansion of the liberalization agenda but works within the existing liberalization framework to deal with the issues of poverty and income polarization and encourage substantive participation in global governance structure and sub-state structures to advance the agenda of human security. Some policy suggestions emanate from this approach: the regulation of investment, the imposition of a mandatory global code of conduct, the promotion of fair trade and ethical trade, increasing national regulation of capital, the imposition of a Tobin tax, democratizing global organizations like IMF and World Bank and enhancing their accountability.

Though she does not strongly assert her position, Thomas clearly gives us the impression that the alternative pathway is her

choice. She cautions us that the alternative pathway is still evolving and hence it cannot be formalized in a systematic manner. Unlike some Marxist analysis, her discussion of the role of (revived) international labour movement is scant. Nor does she give us an extended discussion of the impact and potential of the global social protests against neo-liberal globalization and global corporate power, as exemplified by the “Battle in Seattle.” Thomas only maintains that “.... The collapse of the Seattle meeting may be seen as an opportunity for the advocates of the alternative approach, embracing Third World states and civil society groups in South and North. They can push for the sort of multilateral trading institution and the type of trading system that they feel more effectively meet human needs” (p. 126).

Overall, her discussion of the alternative policy options, while cogent and thought-provoking, remains sketchy. There is the important question of how to put all these policy options into actual practice. Notably, a discussion of some *effective* ways to accomplish democratic changes in the global governance structures would be illuminating to academics and advocates as well as those affected by neo-liberal globalization.

In a small text like this, it is unrealistic to expect the author to give us detailed discussion of each and every development policy and global process. Nevertheless, readers still wish the author could give them a lengthier discussion of significant events and promising policy options such as the aborted Multilateral Agreement on Investment and the Tobin tax. Importantly, the grounding of her analysis in a theoretical framework (as opposed to human security that is posed as a normative framework) would have considerably strengthened her analysis.

None of these appear to seriously flaw the text but they do detract from its strength. Despite this, the book is very informative, straightforward, jargon-free and readable. It should have a wide appeal, particularly to those who are concerned with global poverty and inequality and their solutions. Above all, it would make a good textbook for a course on international political economy or development studies.

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Christopher Candland and Rudra Sil (eds). *The Politics of Labor in a Global Age: Continuity and Change in Late-industrializing and Post-socialist Economies*. Oxford: Oxford University Press, 2001, 353 pp.

Literature on the impact of economic globalization on labour tends to focus on experiences in advanced industrialized countries and assumes that old labour institutions and practices will give way to the universalizing logic of the new post-fordist work paradigm. This valuable collection of essays challenges both assumptions. It breaks new ground in comparative labour studies by examining shifts in labour relations in twelve late-industrializing and post-socialist economies. It concludes by suggesting that the impact of globalization in these countries is best understood, not as a source of convergence, but as a set of pressures that are mediated by specific institutional and historical legacies.

The case studies reveal a rich diversity of responses to the common challenges posed by economic globalization. They can be broadly divided into two main responses; the first, and most common, response is the marginalization of labour in the face of pressures to privatize state assets, freeze wages and create more flexible labour markets. This is the case, the authors suggest, in countries such as India, Pakistan, Mexico, China and Russia, where labour has historically been subordinated to a political party (“political unionism”) or a system of “state corporatism” existed. The authors record resistance to these new economic and social policies, but “party loyalty”, a lack of union autonomy, and in the case of Mexico, union competition, make resistance largely ineffectual.

The second response, that of partnership or “societal corporatism”, is best exemplified by Ireland, the Czech Republic, Hungary and the auto industry in Brazil. In these countries, although the process of liberalization was negotiated with labour as an institutional partner, the authors remain equivocal about its outcome for labour. Ireland is the clearest example in the volume of “societal corporatism” where the author (Eileen Doherty) attributes the impressive growth rates (8.4 per cent per annum between 1994-1997) in Ireland to “social partnership” but stresses the high unemployment rate and “social exclusion”. She writes that:

It remains to be seen whether social partnership mechanisms effectively address the problems associated with long-term

unemployment and social exclusion, or whether Ireland is evolving towards a bifurcated economy, characterised by expanding jobs for skilled workers, but declining prospects for those less-educated. (Doherty, p.153).

There are two further case studies that do not fit neatly into either marginalization or partnership. The first is Solidarity in Poland where the close alliance between the unions and government ends up in a sharp confrontation and “divorce”. Partly because of opposition to liberalization by its rival OPZZ as well as strikes amongst its own members in many factories, Solidarity unions went out on strike in 1992 against their own government forcing a showdown with Lech Walesa, the President at the time. However, arising out of this confrontation with its erstwhile close ally, the government decided that unions had to be included in negotiations in the future.

The second example is that of Japan which can best be described as a case of compliance in the country’s historically successful low wage-driven export-led industrialization strategy. Alone among the case studies, the mainstream of Japanese labour embraced co-operation with management in order to increase output and “expand the pie” so that the living standards of workers and society at large could be raised. However, under the impact of globalization (or what the author, Charles Weathers, calls “the age of super-competition”) the Japanese model of cooperative industrial relations is in a state of flux. The author concludes his case study by arguing that the pressures to liberalize (and further erode “lifetime employment”) is “likely to further marginalise the influence of organised labour”(Weather, p.177).

The essays in this volume make a persuasive case for the need to recognize the diversity of institutional responses by labour in the face of the challenge of economic globalization. This is especially true in the case of post socialist economies where, as Ridra Sil argues, “the non-market norms and social relations evident among managers and workers in Post-Soviet Russia are nested within social networks and moral understandings that originated in the Soviet era” (Sil, p.228). Similarly, in what was the German Democratic Republic (now East Germany), a distinct “moral economy” persists in spite of integration into a united (capitalist) Germany. As Jeffrey Kopstein argues

The idea that such fundamental areas of human life such as housing, schooling, and day care, as well as food and other staples should be subject to cost-benefit calculations and the ups and downs of the market does not sit well with most East Germans, regardless of political orientation. (Kopstein, p.236).

The contributors to this volume are political scientists and appropriately examine the relationships between the government/party on the one hand and the trade unions on the other. With the fascinating exception of the essay by Scott Martin, the authors do not examine social relations in the work place nor do they examine how unions are being drawn into community struggles as social services are cut-back under the impact of policies of fiscal austerity. They focus on the “politics of labour” and confine their examination to the nation state.

In the mid 1990s a number of social scientists began to signal a different logic at work in the global economy, a logic that argued that international labour standards must be introduced to prevent a “race to the bottom” and that workers must adopt international strategies to protect their rights and livelihoods. The disruption of the World Trade Organization (WTO) Ministerial Meeting in Seattle highlighted publicly this new logic. It pointed to the emergence of an alternative, counter hegemonic, globalization “from below” seeking to rein in the forces of neo-liberal globalization.

The emergence of these anti-globalization movements has introduced a broader conception of labour involving coalitions between labour, environmental and social justice interests, as well as alliances with non-governmental organizations, consumer organizations and community groups. They cut across the boundaries of national/international, production/consumption, labour/community. They take advantage of information technology to communicate instantly, directly and globally around a campaign style of organization that targets the weak links in capital’s chain.

In their introductory chapter the editors promise to bring “society – and labour – back in” (p.5) to the scholarly study of the impact of economic liberalization. To adequately undertake such a task the editors will need to broaden their understanding of the response of labour in the era of globalization.

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Caroline M. Robb. *Can the Poor Influence Policy? Participatory Poverty Assessments in the Developing World*. Second Edition. Washington, DC: World Bank, 1999, 2002.

*Can the Poor Influence Policy* is a volume that is potentially of interest to development practitioners for two main reasons. Firstly, it provides anecdotes that can facilitate understanding and assimilation of development practitioners working in the particular geographical regions that are mentioned. That is, the volume can be useful to those who conduct area-specific participatory poverty assessments. Secondly, the latter half of *Can the Poor Influence Policy* provides solid general advice regarding such topics as the poor's involvement in budgeting, detailing and addressing various dimensions of poverty including state responsibilities, gender and social exclusion, and legal regimes, all the while problematizing the term "powerless".

It is necessary to note that in the first fifty or so pages of *Can the Poor Influence Policy*, in attempting to convince the reader that, indeed, the poor can influence policy, the author repeats this assertion far too often. Unfortunately, once it is acknowledged that the poor can have an influence, the question of how this occurs, or can be encouraged, is not addressed in these initial pages. Instead, definitions of participatory poverty assessment (PPA) and participatory policy research (PPR) are hammered out. In a nutshell, "A PPA is a method to include poor people in the analysis of poverty with the objective of influencing policy" (p.4), while PPR uses tools from various research methodologies to analyze policy to this end (p.17). The volume, then, is decidedly focused on policy, rather than on other methods of advancing the causes of the poor, which might include lobbying or NGO and civil society action.

In order to increase policy impacts, the author Caroline Robb suggests that it is fundamental to include key policy-makers in planning and fieldwork, and locals in reporting, while convening workshops bringing together all these stakeholders, and negotiating high-level commitments. In these latter pages, detailed concrete suggestions for increasing impacts at the national (p.62) and at the community levels (pp.68-69) are introduced. Beyond appearing as a very sensible set of prerequisites for successful policy implementation, these guidelines move *Can the Poor Influence Policy* beyond an audience solely interested in World

Bank mechanisms and priorities. They promote follow-up and ensure implementation of pro-poor policies.

One of the most important ideas emerging from this volume is precisely the importance of sharing poverty assessments and policy research with stakeholders at all levels, and coupling this with local and international partners. Together, this central idea, and suggestions on how to ensure this occurs, as well as an extensive bibliography, are enough to recommend *Can the Poor Influence Policy* to development practitioners working in the field.

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Charles Leadbetter. *Up the Down Escalator: Why the Global Pessimists Are Wrong*. Viking, 2002, 384 pp.

Joseph Stiglitz. *Globalization and Its Discontents*. Allen Lane, 2002, 304pp.

Increasingly for workers in the North and the South, their fates are determined by the new phase of capitalist development known as globalization. From very different perspectives, both these books address very broadly indeed the parameters that globalization sets for the workers of the world. Charles Leadbetter comes from a Marxist background and has written perceptively in the past on workers in the “new economy”. Joseph Stiglitz, on the other hand, is a mainstream economist who until recently was Chief Economist at the World Bank. Leadbetter would no doubt categorize Stiglitz as a pessimist in that he is now one of the sharpest critics of neo-liberal globalization. But, why might the workers of the world welcome globalization?

Leadbetter’s thesis is premised on the notion that “pessimism is in power” and colours the way in which we view the future. For him “the anti-globalization and environmental movements prey on fear of the future” (p.3). Current world-wide pessimism is seen to unite the new right and the anti-globalizers. Instead he advocates a rather Panglossian take on the current phase of capitalist development, giving it a subtle progressive cultural home. Leadbetter starts by making the not totally unreasonable claim that “Globalization is a more open, complex and fluid process than the



nightmarist scenarios of the arch-pessimists suggest” (p.323). Indeed we maybe should not think of globalization as a one-way, unstoppable process simply imposing free-market economics across the globe. This teleological approach would, apart from anything else, not be able to recognize the very real pressures this new mode of accelerated capitalist development faces in terms of achieving a degree of sustainability and of governance.

Leadbetter has interesting things to say about the new world of work in the advanced industrial societies. As Industrial Editor at the *Financial Times* he saw the new capitalism developing from the inside and transforming the way the way information work has developed. With innovation being central, work has become more flexible and self-motivated, characterized by what Leadbetter calls “authorship”, a form of self-expression reminiscent of things the early utopian Marx write about. Yet for the vast majority of the world’s workers this relatively optimistic work prospect is irrelevant. The author recognizes that the most serious charge against globalization is that it deepens poverty and inequality levels for the workers of the world. Yet Leadbetter persists in arguing that “participation in the global economy, *on the right basis*, does not cause poverty on the contrary it seems to reduce it” (p.315). But then we need to ask ourselves how many countries in the South are, in fact, able to enter the new global economy “on the right basis”.

It is Stiglitz who allows us to understand much better why globalization continues to generate inequality both between and within countries and why the “right basis” for integration is so rarely available. Much of the book consists of a rather tedious technical critique of the IMF (International Monetary Fund) operations around the world. Yet the simple question which Stiglitz begins with – “Why has globalisation – a force that has brought so much good – become so controversial?” (p.4) – allows him to tackle all the big issues of the era. So, when he turns to the crisis in Argentina unleashed at the end of 2001 after a decade of following the IMF prescriptions to the letter, Stiglitz is lucid, critical and, above all, well informed. This is an internal critique of the actual workings of globalization from someone right at the very heart of the operation, albeit part of the more “liberal” World Bank wing that began to take seriously the problem of governance in an era of free-market economics.

Stiglitz is forthright in his conclusions: “Globalization today is not working for many of the world’s poor. It is not working for much of the environment. It is not working for the stability of the global economy” (p.214). The latter point is crucial because Stiglitz – like George Soros the financial speculator turned caring sociologist – is seeking to save globalization from itself or, to be more precise, from the free-market fundamentalists in the U.S. Treasury. What is crucial in discursive terms is that Stiglitz, holder of a Nobel Prize for Economics, is now openly confronting the orthodox doctrine that markets never fail. He ends up with a practical action plan for the global economy that we are bound to hear more of. If globalization cannot be reversed it might, indeed, be best to seek ways in which it can be controlled socially and where its governance can become more democratic. This is reformism, to be sure, but perhaps more viable than seeking to turn the clock back to the era of national capitalism.

It would be wrong to leave the analysis of these two important books at optimism versus pessimism. While Leadbetter provides a good impressionistic view of working life on the right side of the globalization wave, he is ultimately somewhat glib. He seems to have forgotten the basic Marxist lesson about the contradictory nature of capitalist development that is dynamic but also generates inequality. Stiglitz, on the other hand, has probably been misinterpreted as being a friend of the anti-globalization movement. He is, in fact, quite optimistic about the potential for globalization to deliver on social development; he is simply aware of its contradictions as presently managed by the IMF and the US Treasury. His pessimism is thus more a form of realism in keeping with his past position as a senior manager of the globalization process. To make sense of the implications for the world’s workers of globalization we need to move beyond a simplistic optimistic or pessimistic reading.

We could say that these two books provide a cultural and a political economy approach respectively. What we should, perhaps, develop is a cultural political economy which takes the best from both traditions. That might avoid the “dialogue of the deaf” between these two books. It would require a critical edge that sought out the contradictions behind current capitalist development. The cultural angle would be essential to understand the different way in which workers across the world “live” and

interpret the globalization process. A political economy angle would be essential to avoid narrowly ethnocentric culturalist readings of globalization. The reality is that we are now into the third generation of globalization studies: first came the globalizers, then the skeptics and now there is a more balanced approach going beyond the “gee shucks” wide-eyed view of the first and the refusal to acknowledge changes in the world characteristic of the methodological nationalism of the past. Anyone interested in the impact of globalization on labour needs to follow these debates.

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Ricardo Petrella. *The Water Manifesto: Arguments for a World Water Contract*. Halifax: Fernwood Publishing, 2001, 136 pp.

Over the last decade or so, we have seen an increased number of studies on the environment. Scholars in the social sciences are now debating the importance of the environment in the explanation of social and political phenomena. More to the point, one could say that questions involving water are drawing a good share of that attention. Riccardo Petrella, in his *Water Manifesto*, focuses on that specific issue. Regardless of one’s opinion about the arguments, it is imperative to acknowledge the merit of Petrella’s attempt: through the question of water as a resource, too important to leave in the hands of national governments or private interests, the author addresses the problem of Human/Nature relations. One cannot hope to read this book and come out with an unbiased analysis of the question. In fact, one should not hope to. Petrella’s book is engaged and refreshing. Before proceeding to a more detailed appreciation of the book, it would seem important to lay out its basic structure. The book can be divided into three parts.

The first chapter, perhaps the most interesting one, serves the purpose of explaining the current situation, and sets the bases for the need to have a water contract. Dropping the outdated class analysis, Petrella uses the term “global class”. The global class, as he states, can no longer be identified with the known social classes. These new actors operate on the global level for multinationals, whose interests are in finance, industry, media, agriculture, etc. He calls them the “lords of the earth”. No longer industrial

magnates, they are the Bill Gates and Ted Turner of this world. They are executives at Morgan, Goldmann Sachs, or Citibank. If society's relation to the environment in general, and to water in particular continues on, the "lords of the earth" could become the "lords of water". Petrella sees in Nestlé, United Utilities, and Vivendi, among others, potential lordship candidates. But what is so terrible about it? We are quite used to the fact of a few people having control over much of the planet's wealth and resources. What makes this potential situation more intolerable than the current one? Essentially, Petrella fears that water will go the way oil went: in private hands. He sees water as one of the last areas to be conquered for the private accumulation of capital. One can live without the luxury of having a car for instance, but one cannot afford the luxury of not having water. Now, Petrella is not oblivious to the fact that a substantial portion of the human population is already living in these conditions of extreme scarcity. His argument concerns the next thirty years or so.

The second chapter makes mention of the possible obstacles to a potential world water contract. The obstacles can be divided in two categories: the warlords and the money lords. While the chapter is useful in the author's demonstration of the necessity of a water contract, many authors (Peter Gleick, Thomas Homer-Dixon) have already written on the subject, with a much sounder scientific approach. Its sole purpose is to give yet another reason to take action on the water issue.

The third and final chapter of Petrella's book, if very brief, gives the essence of the author's position on the problem at hand. In this part of the book, Petrella lays out the form of his contract as well as the nuts and bolts of its regulation. In a nutshell: 1) water is a vital common global heritage; 2) access to it should transcend political and economic imperatives; and 3) management and decision-making power over this resource should be given to communities. The last point of Petrella's argument, to his own admission, is still foggy and needs to be developed. Nevertheless, some actions need to be taken right away. These actions should revolve around the usual democratic channels. For instance, the author suggests some sort of network of parliamentarians, lobbying for a water contract inside their national governments. Another action should be the union of as many civil society

groups and grassroots organizations as possible in favor of such a contract.

As stated earlier, the merit of Petrella's book is to question humanity's relation to nature. In this case, the author decided to take a specific focus, water. But water is not the only problem. If we truly begin to question our actions, as organized, industrial societies, towards nature, and more importantly towards developing nations with regard to nature, we might end up opening a Pandora's box. But if we pause and ponder the consequences of our current actions on the human race and nature, we might end up realizing that this is one box we cannot afford not to open.

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Brian K. Murphy. *De la pensée à l'action. La personne au cœur du changement social*. Montréal : Les éditions Écosociété, 2001, 208 pp.

Après presque trente ans de militantisme au Canada, en Asie, en Afrique et en Amérique latine, Brian K. Murphy s'attarde, dans ce livre, à la question du changement social et aux possibilités qu'ont les individus de changer les choses par leurs actions. Il le fait en trois parties (dix chapitres) suivies d'un épilogue composé de citations et de réflexions personnelles éclectiques sur les thèmes de la connaissance et de l'action.

La première partie, *Le défi*, invite les lecteurs à réfléchir sur leurs expériences personnelles. Après avoir parlé, au premier chapitre, de son vécu de militant, de ses angoisses et de ses interrogations, Murphy reprend une question d'Erich Fromm : « Comment dépasser le stade du dilemme, du désespoir et de l'inertie pour acquérir – ou retrouver – le dynamisme du radicalisme humaniste actif » ? (p. 38). Elle oriente la suite du livre. Aussi analyse-t-il, au deuxième chapitre, la « psychologie de l'inertie » en abordant la triade « dilemme-choix-action » sous l'angle de la santé psychologique de chaque personne qu'il examine à l'aide de la pyramide des besoins de Maslow. Au chapitre trois, Murphy prend position en faveur du radicalisme humaniste, approche qui valorise le dialogue et l'échange pour contrer la tendance au conformisme et au radicalisme idéologique.

Pour Murphy, c'est la seule approche susceptible de permettre une meilleure prise de conscience et une plus grande place à la créativité et aux choix.

La seconde partie du livre, *La capacité de transformation*, présente, au chapitre quatre, les caractéristiques fondamentales de l'être humain qui font de lui un être capable de changement. Au chapitre cinq, nous avons droit à une explication du caractère unique de la nature humaine que seraient la conscience et la connaissance. Il en découlerait l'importance de la personne, de ses expériences, de son identité sociale, de ses choix, et de ses actions, choix et actions qui impliquent une vision, c'est-à-dire une aptitude à concevoir « ce qui n'est pas encore mais *pourrait être* » (p. 20). Dès lors, conscience et vision sont au cœur du militantisme et du changement. C'est aussi dans ce chapitre que l'auteur présente (enfin!) la société comme n'étant pas une structure qui tient en place par elle-même puisqu'elle est soutenue et reformulée par les individus qui la composent. D'ailleurs, pour renforcer sa position, il rejette l'idée voulant que nous sommes voués à un destin prédéterminé. Au contraire, pour Murphy, il y a nécessité de lutter contre le fatalisme et de questionner le paradigme mécaniste et déterministe.

Cette partie se termine par un long chapitre dédié à l'éducation. Murphy prend position en faveur d'un système d'éducation qui « favoriserait l'apprentissage véritable, l'expansion de la conscience et la capacité d'agir en société tout au long de notre vie, de façon critique et responsable » (p. 21). Ici, rien à redire. C'est enthousiasmant, exception faite qu'on y trouve, somme toute, les modèles des années 1970 dont, entre autres, ceux du livre *Libres enfants de Summerhill* de Alexander Sutherland Neill et des programmes de philosophie pour enfants de Matthew Lipman. Il eut été souhaitable que l'auteur soit plus original et appuie ses dires sur des points concrets bien documentés et vus comme porteurs de renouveau. Nous pensons ici à la création des conseils d'établissements impliquant davantage les parents dans la gestion des écoles, à la réforme par compétences, mais aussi à toutes les écoles alternatives qui ont vu le jour.

Avec la troisième partie, l'auteur change de ton. Il s'enflamme. Pour lui, un « complot ouvert » s'impose afin « de nous unir pour transformer notre réalité socioculturelle » (p. 39). Ce projet est précisé au chapitre huit. Au chapitre neuf, il définit

même quatre théâtres et stratégies d'action en vue d'activer le mouvement de transformation. Le premier théâtre, c'est le moi. Les autres théâtres s'ouvrent progressivement et mettent en scène la relation du moi aux autres de façon générale, au groupe d'appartenance et aux autres groupes composant la société. L'auteur identifie alors la question en cause au plan de chaque théâtre, le fait à changer et la stratégie en vue d'activer les actions.

Pour ceux qui chercheraient un manuel pour militants – ce que Murphy se défend bien d'avoir écrit –, cette partie s'avèrera la plus concrète. L'auteur donne des conseils généraux et terre-à-terre pour être à l'écoute de son moi et entrer dans une relation fructueuse avec les autres, ce qui nécessite, dit-il, une bonne connaissance de la communauté. L'auteur y va même de conseils prudents. Pour lui, les stratégies ambitieuses visant à transformer radicalement la société sont fascinantes, mais s'avèrent très souvent décourageantes quand vient le temps de leur mise en œuvre. Vaudrait mieux travailler à l'établissement minutieux et discipliné des quatre théâtres, même s'ils sont moins spectaculaires, poétiques ou exaltants et, petit à petit, voir les efforts récompensés.

Dans son dernier chapitre, Murphy, revient à l'éducation comme *praxis* basé sur le dialogue. Il en fait le véritable moteur d'un « complot ouvert ». Il avance que « pour transformer des pratiques, nous devons changer le paradigme qui les inspire » (p. 173), s'inspirant alors de Kuhn. Avec cet énoncé, un problème surgit. Les actions proposées antérieurement partent des personnes, de leur regroupement et de leurs actions au quotidien. Elle n'implique pas une transformation radicale de la société. Tout au plus ces actions participent au changement social qui pourrait entraîner un changement de paradigme, mais l'objet d'action n'est pas d'abord le paradigme.

Ce point est important. S'il est vrai qu'un changement de paradigme peut découler de l'application du concept élargi d'« éducation au développement » (p. 177) défini comme « la formation de personnes possédant l'attitude, les connaissances, la vision et les habiletés qui leur permettront de participer activement à l'évolution de l'humanité et à la création d'un monde caractérisé par de bonnes conditions de vie générales (...) » (p. 177), ce changement ne peut être préalable aux actions entreprises. Seules les personnes sont en mesure de transformer leurs pratiques

et leurs façons de se représenter la réalité. Il eut été préférable que ce glissement n'apparaisse pas et ce, d'autant plus que l'auteur conclut son livre en écrivant que ce n'est qu'en nous changeant nous-mêmes que nous changerons les conditions de vie de l'ensemble de l'humanité.

Ce livre est, somme toute, bien articulé et accessible à un public général. Certains passages auraient pu être raccourcis, notamment les exposés sur les idées bien établies dans la connaissance populaire, tandis que d'autres, auraient gagné à être approfondis. Nous pensons ici aux références à Ignatieff et au roi Lear et à l'emploi de certaines notions, dont celle de « praxis », qui peuvent rester ambiguës pour des non-spécialistes des théories sociales, audience à laquelle s'adresse explicitement l'auteur (p.32). Dernier point, l'auteur aurait renforcé ses idées s'il avait tiré profit des théories sociologiques et anthropologiques portant sur la relation entre les personnes et la société/structure. Chose certaine, les lecteurs auraient été mieux informés de la complexité, de la diversité et des possibilités des sociétés qui sont la scène des actions individuelles et collectives encouragées ici.

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Marguerite S. Robinson. *The Microfinance Revolution: Sustainable Finance for the Poor*. Washington, D.C.: The World Bank, 2001, 304 pp.

Everyone involved in microfinance shares a basic goal: to provide credit and savings services to thousands or millions of poor people in a sustainable way. But there remains an important debate in microfinance about the means, not the goals. Marguerite Robinson is a social anthropologist and author of *The Microfinance Revolution: Sustainable Finance for the Poor*. In her book Robinson shows that microfinance in the 1990s was marked by a major debate between two leading views on how to fill the absurd gap in microfinance: the financial systems approach and the poverty lending approach. This book argues that Government and donor funds cannot possibly finance microcredit on a global scale, and supports the development of fully sustainable commercial microfinance intermediaries. She advocates that a micro-



finance revolution is emerging in many countries around the world based on large-scale, profitable provision of microfinance services – small savings and loans – to economically active poor people by sustainable financial institutions (Robinson, 2001: 10).

Microfinance refers widely to all types of financial services that are provided to low-income people, both rural and urban (Robinson, 2001: 126). Supporters of microfinance argue that the average productivity of households can be increased substantially with access to appropriate institutional savings and credit services delivered locally (Robinson, 2001: 11). Microfinance matters because it provides the financial services that many need to expand and diversify their economic activities, to increase their incomes and to improve their lives, as well as build the self-confidence of the poor by demonstrating trust in their clients (Robinson, 2001: 37).

Many policymakers have reexamined their approach to informal enterprises – given the growth of the already large informal sector as a predictable, rational response to structural adjustment – and viewing them not as a problem for the economy for the short and medium term but rather as an important solution to crucial aspects of current problems that are caused by poverty and multiplied by rural-urban migration. The growing interest in commercial microfinance is related to the recent recognition on the part of some policymakers that the informal sector is very large, it is here for the foreseeable future, it provides employment and contributes to the economy, and its performance can be improved with the removal of legal and financial obstacles. Thus increasing microenterprise access to financial services – both credit and savings – has become a priority for many governments and donors in the 21st century. On this informality issue, Robinson concludes that it is the formal sector, not the informal sector, that has the potential to make microfinance markets competitive (Robinson, 2001: 134).

Robinson's analysis is informed by her experience with Bank Rakyat Indonesia's microbanking system and Bolivia's BancoSol, and presents these institutions as leading examples in the field of profitable microfinance. Her financial systems approach emphasizes that large-scale outreach to the economically active poor, through institutional self-sufficiency, is the only way to meet the demand for microfinance worldwide. She posits that, overall, the

poverty lending approach poses a deep dilemma for governments, microfinance institutions, donors and others. This is because microfinance has reached a fork in the road. The microfinance revolution – based largely on a financial systems approach, the poverty lending agenda and eradicating poverty through credit – has begun to move in different directions. This does not mean that other types of microfinance programs are not valuable or that other kinds of institutions have not contributed to the development of the microfinance revolution; they are and they have. The microfinance revolution awaited the pioneering methodological efforts of bank Dagand Bali, India's Self-Employed Women's Association (SEWA), the Grameen Bank, BRI's unit desa system, Bolivia's *Fundacion para le Promocion y Desarrollo de la Micro-empresa* (PRODEM), the NGO that created BancoSol, and others. But Robinson argues that the future of microfinance is in profitable financial intermediaries operating within their countries' formal financial sectors.

While her argument is strong and appears to reflect the international climate of microfinance, Robinson herself acknowledges that the revolution is still emerging and that the number of commercial institutions providing self-sufficient microfinance remain relatively rare (Robinson, 2001: 34). Industry standards are currently being developed, and many microfinance programs are undergoing transformations from one institutional form to another. Commercial microfinance is a complement to, not a substitute for, government and donor poverty alleviation programs and employment generation programs for the extremely poor (Robinson, 2001: 73), and is certainly not appropriate for extremely poor people who are badly malnourished, ill, and without skills or employment opportunities.

As a social anthropologist, Robinson does well in presenting the voices of clients from many countries and demonstrates that poverty and lack of education do not preclude sound business knowledge, clear judgment of the comparative advantages of available options, or the ability to overcome obstacles. However, her claims are based only in institutions that the respondents have judged to be good ones. She does not discuss gender as a factor in microfinance, an important oversight given that many programs are developed to specifically address women's social and economic situations. While her bibliography is extensive and

provides a wealth of resources, she does include the important work of Linda Mayoux, an international consultant and academic who has questioned the “virtual spirals” of microfinance and a transformative participatory microfinance perspective placing gender at the forefront of analysis instead of institutional self-sufficiency.

It must be concluded that Marguerite Robinson’s book succeeds in presenting and analyzing the fundamentals of microlending and mobilized savings among the poor, even if her financial systems approach will remain a contested arena. She succeeds in describing an important and often forgotten component of microfinance savings. The book offers numerous tables and graphs to illustrate complex policy options and to compare various perspectives, which facilitates understanding of the issues. This book is a major work that will unquestionably stimulate debate on the ways real microfinance markets work, and serves to inform a diverse readership: policymakers, social scientists, microfinance practitioners and members of the general public interested in development.

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Anders Aslund. *Building Capitalism: The Transformation of the Soviet Bloc*. Cambridge: Cambridge University Press, 2002, 508 pp.

Over the last few years there has been growing criticism of the restructuring of “post-Communist” societies. Even the “success stories” – the former Soviet Bloc countries for whom EU accession is immanent – have seen slower economic growth and greater social dislocation than was foreseen in 1989, and only a few have regained the GDP levels of a decade and half ago. Outside of the pre-accession countries, economic and political trends are even less hopeful.

Commentators writing from labour and social justice perspectives have been highly critical from the start of the aims and the methods of the radical economic, political, and social transformations packaged as shock therapy. In addition to highlighting the catastrophic decline in living standards faced by broad sectors of the population, critics of economic reform have expressed concern

with the democratic implications of a restructuring process initiated by international advisors and a small, technocratic elite and implemented in such a fashion as to demobilize potential opposition. Rampant corruption and cronyism, as well as widespread rage over widening inequality and privatization-by-theft, have seriously undermined public confidence in transition country governments. While followers of post-Communist transformation have grown accustomed to Socialist and Marxist voices decrying shock therapy as “market Stalinism,” reconsideration of restructuring has spread to a much wider political spectrum, particularly among scholars of Russian politics.

Within this context, Anders Aslund’s *Building Capitalism*, as an unapologetic defence of shock therapy, is something of a curiosity. No one familiar with Aslund’s earlier work, however, will be at all surprised that this book falls well outside the “Who lost Russia?” genre. As economic advisor to the Polish, Russian, and Kyrgyz governments, Aslund has always provided an optimistic interpretation of the results of restructuring. In the early 1990s, as income and living standards plummeted everywhere, Aslund saw the rapid transfer of state property to private hands as a signal that restructuring was largely on the right path. In 1995, as others contemplated the possibility of a Communist Party election victory, Aslund released *How Russia Became a Market Economy* (a title even the most optimistic saw as, at the very least, premature.) In his many publications, Aslund’s message has been consistent: shock therapy works. Apparent failures do not undermine overall success, and in any case are not the result of flaws in the model, but of misguided attempts to modify the model or implement it more gradually. The process of restructuring has been one of struggle between enlightened reformers and those who resist reform for self-interested reasons.

*Building Capitalism*’s praise of the restructuring model its author helped create and its disregard for restructuring’s critics often come across as breathtakingly arrogant. “Economic decline and social hazards have been greatly exaggerated,” Aslund argues in the book’s very first paragraph, “since people have forgotten how awful Communism was.” The dismissal of concerns about restructuring is not limited to those raised by people actually living under reform. It is almost universally accepted, for example, that production and living standards have collapsed under post-

Communism – a perspective supported by UNDP Human Development Index trends and other international statistical sources. Even other supporters of restructuring acknowledge this decline, though they argue that continued economic reform will lead to eventual recovery. Aslund, however, considers post-Communist social collapse a myth fuelled by inflated Soviet figures. Although the experience of post-Communist countries varied, and some did experience extremely large drops in recorded output, the collapse was never as bad as it looked because the 1989 standard of living was already considerably worse than is generally acknowledged. Aslund argues that academic critics of shock therapy, including those advocating gradual economic reform, did not understand the hopeless state of Communist economies, proposed “optimal sequencing” of reforms because they could not see the risks involved in “stalling”, and “retained more socialist views than they wanted to concede at the moment of liberal triumph.” He is considerably less charitable toward “interest groups” who opposed shock therapy from within transition countries: “ideology or social welfare were only tactical devices of the resistance, while the enrichment of a small elite was their real aim.”

In Aslund’s view, the corruption that has become synonymous with some post-Communist states is not the result of shock therapy. Rather, rent-seeking behaviour was both the major cause and the consequence of the failure of many states to properly implement radical economic reform. Gradualism, he claims, encourages rent-seeking by leaving intact regulatory structures that can be exploited for private gain and subsidies that can be misappropriated. Just as shock therapy leads to irreversible reform by rapidly creating an influential class with vested interests in the restructuring program, “underreform” perpetuates rent-seeking by allowing those who can exploit the system to gain positions of power – from where they ensure that the structures they exploit are kept intact.

Aslund presents extensive empirical evidence in support of his argument that the most successful transition states have been those most faithful to the radical reform model, and his explanation of the economic restructuring project is complex and detailed. Successive chapters outline his perspective on what Communism was, why it fell, and what strategic policy choices remained in the

wake of the collapse. The book then moves on to a heterodox examination of the post-Communist economic crisis; as discussed above, Aslund considers the decline generally less acute than statistics suggest, but tries to account for extremely wide differences among post-Communist states. Chapters five through seven look at the core elements of restructuring: liberalization privatization, and financial stabilisation. Chapters eight and nine consider the social and political aspects of reform. Here, Aslund differs sharply from fellow shock therapist Jeffrey Sachs, who argued that significant international assistance was needed in order to prevent social catastrophe – if not for purely humanitarian reasons, at least to allow reformers to win the crucial second elections that would allow them to continue the restructuring process. Aslund considers the social crisis less severe than is generally believed and sees rent-seeking rather than restructuring as the cause of increased inequality. Social welfare expenditures have actually increased as a share of GDP in most transition countries, he argues, and should be considered too large rather than too small. Social benefits have not reached the poorest, but have been exploited by the rent-seeking elite. Aslund also breaks from conventional wisdom on the subject of political reform. He does not value political stability: “Vested interests,” he observes, “have been a far greater threat to sound economic policies than disorder.” He differs from those who advocated a Chilean or Chinese authoritarian transition model, arguing that democracy is the best possible check against the elite. The final chapter preceding the conclusion considers the role of the outside world. Although he considers outside assistance often inadequate or misdirected, particularly with respect to Russia, he concludes that Western advice and IMF financing played a critical role in creating a new economic model.

*Building Capitalism* is a dense, complex, and profoundly frustrating book. Though Aslund presents a surfeit of evidence of correlation between radical economic reform and “successful” transition as he defines it, he never successfully demonstrates causality. In particular, he does not sufficiently overcome the objection that ‘externalities,’ such as proximity to Western Europe (and consequent greater access to European investment money and EU assistance projects), played as important a role in post-Communist transformation as government approaches to reform. Moreover, Aslund sharply divides post-Communist political actors

into noble reformers and self-interested resisters; the reader hoping for an insider's perspective on scandals involving reformers, such as Russia's loans-for-shares privatization, will be disappointed. Similarly, the Western experts who enriched themselves by insider-trading on their own advice are barely mentioned. Finally, the book's major flaw is its conceit. From his vantage point in Washington, Aslund tries to convince us that those who think restructuring has brought them misery are nostalgic and deluded. His bloodless statistics, however, fail to capture the other side of post-Communism: illness, alcoholism, suicide, poverty, degradation, homelessness, and powerlessness. No one who has experienced this is likely to be convinced by numbers ostensibly proving they are better off than they think.

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Penelope Andrews and Stephen Ellman (eds). *The Post-Apartheid Constitutions: Perspectives on South Africa's Basic Law*. Johannesburg: Witwatersrand University Press, 2001, 601 pp.

This volume is a remarkable collection of essays about South Africa's struggle to transform itself from an authoritarian state ruled by a white minority to a constitutional democracy that guarantees all its citizens equal rights to participate in the political process. With a foreword by Nelson Mandela, this book presents the distinct perspectives of black and white South African political leaders, lawyers, academics and scholars from the United States on the interim and final constitutions crafted, ever so carefully, to deal with the bitter legacy of apartheid while establishing a secure foundation for a more just society anchored in constitutionalism and the rule of law.

The nineteen essays in this volume are presented under three major themes. The first set of essays, nine in all, examine the first and perhaps most important step in South Africa's transition to true democracy: the process of constitution writing. The contributors to this section, some of whom were the principal negotiators on opposite sides, highlight the challenges that they faced in hammering out the details of a new constitution in a atmosphere characterized by deep fear, horrifying violence and complete

mistrust. Charged with the difficult task of laying a new foundation for a new nation, and clearly determined not to fail, the contributors reflect on the significance of the personal relationships forged during the constitutional negotiations to the eventual success of the entire process. Concessions had to be made by the various sides on controversial issues such as federalism, minority rights, and the role of a discredited judicial system in the protection of civil liberties.

While I cannot summarize each of the nineteen essays in this volume because of space limitations, two contributions in this section deserve brief mention. The contribution by Rolf Meyer, the chief negotiator for the National Party (NP), discussed how some trust had to be built among the negotiating parties, the internal strategies that were developed and tried, and the spirit of give and take which ultimately led to the adoption of a new constitution.

Cyril Ramaphosa, the lead negotiator for the African National Congress (ANC) and the counterpart of Meyer, provided excellent analysis of the difficult process of negotiating South Africa's first democratic constitution. Situating the negotiations in a broader historical context, Ramaphosa noted that the negotiations of the interim and final constitutions was the culmination of a long struggle that started when black South Africans first came together during colonialism to articulate their own vision of a society that was different from the one under which they lived until the 1990s. His remarkable essay confirmed that the gulf between the ANC and the NP was immense and that intense soul searching took place within the ANC before people could accept a government of national unity. He concluded, and rightly so in my view, that despite NP claims to the contrary, the apartheid government under F. W. de Klerk had to be "dragged kicking and screaming into the democratic South Africa." In a country where everything including history is bitterly contested, it is important that Ramaphosa set the record straight.

The rest of the essays on constitution writing examined the relationships between the main negotiators by other participants. These participants discussed, among other issues, the extent and impact of civil society engagement in the drafting of the new constitutions, particularly the prohibition of discrimination based on



gender and sexual orientation, the role of the courts and the controversies around the education, property and lockout clauses.

The second set of six essays in this volume are on the theme of constitutional rights. While not meant to provide an exhaustive survey according to the editors, the contributors carefully consider key provisions of the interim and final constitutions and their origins, assumptions, contents, limits and potential. The authors investigate, among others, issues such as the right to citizenship, the right to equality, the right to culture, socioeconomic rights, free speech, and the applicability, or non-applicability, of the Bill of Rights to non-state actors.

Overall, because space considerations do not permit me to examine them in detail, I note only, as did the editors of this volume, that the contributions in this section clearly demonstrate that the South African constitution, like constitutions in other countries, is more a “work in progress” than a finished product. It is a living document that will ultimately be influenced by the interpretations given to it by lawyers and judges as well as ordinary South Africans.

The final four essays analyze some of the institutions created by the new constitutions. In the first, Nicholas Haysom assessed the ramifications of the constitution in terms of the balance of power between the federal and provincial governments. According to Haysom, “If the South African constitutional schema were to be analyzed against a formal federal checklist it could, with justification be classified as federal” because it engenders “all the hallmarks of a federal system.” Notwithstanding this point however, he argued that the final South African constitution envisaged and promoted a more integrated system of cooperative government than can be found in classical federal systems.

The second essay in this section by Patric Mzolisi Mtshaulana focused on the creation of the Constitutional Court of South Africa. Noting the limited protection afforded individuals under the jurisprudence of the predecessor Supreme Court of South Africa, Mtshaulana contends that the advent of the Constitutional Court represents a shift from the doctrine of parliamentary sovereignty to one of constitutional and judicial protection of fundamental human rights. As part of this, structural changes such as the mode of appointment of judges to the country’s highest court curbed executive influence on the judicial process, increased the

powers of the new court to adjudicate constitutional matters, overhauled the system of judicial review to give greater power to lower courts and gave the court greater autonomy in relation to other branches of government.

The third contribution on new institutions by Diana Gordon considered the role of the lower courts and the police against the backdrop of a changing South Africa. After having noting the centrality of these two institutions to the administration of justice, and their lack of legitimacy in modern South Africa because of a history of collusion with the state in the administration of violence under apartheid, Gordon points out that true democracy can only exist in the new South Africa if there is substantial reform of these discredited institutions. She sets out to establish some basic criteria against which to assess whether change is actually taking place as mandated by the supreme law. She concludes that despite the rhetoric, the underlying attitudes of the main players in the South African criminal justice system, in particular white judges and police officers, would seem to suggest that there has emerged a two-tiered system of justice. To her mind, the way out of this situation for the country may be the adoption of a variety of ideologies and practices that reflect the different visions of justice, rather than that of the white minority, taking into account the needs and cultural diversity of a post-apartheid South Africa.

On the whole, the editors and other contributors to this fine volume provide valuable insights into the process, substance, context and challenges of constitution making and nation building which followed the formal end of apartheid in South Africa. This well written book is easy to understand and will no doubt be a valuable and welcome addition to any collection on the basic law of one of Africa's most important countries.

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