Another Century of Development: The role of Social Thinking

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Draft support

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Summary

- 1. Is another century of development possible?
- Socialism & development : Senegalese case
- Socialism and development : Africa and World case
- 2. Development and assumptions: the failure
- The failure of the hypothesis
- Development challenges
- 3. Towards a new century for (TW) development
- How to design scenarios in the uncertainty context
- Development Vision and Actions for 21st century
- 4. Concluding remarks on Social Think Tank Role

The Senegalese case study

- A nation with a socialist regime for the past 40 years (1960-2000)
- Paradoxal overall performance:
 - GDP growth 1970-98= -0.4%) & poor IDH (>0.4)
 - Several extended periods of growth which has been collapsed, even the last one (5%,1994-2000)
- But also the first country eligible to the "Millennium Challenge Account", a selective US program with 14 "hurdles"
 - "Ruling justly: 4/6; Investing in People: 2/4; Economic Freedom: 5/6
 - A "salient country" according to the geopolitical analysis

Indicator	Year 1	Year 2		Missed hurdles are in italic
I. RULING JUSTLY	4	6		Number of passed hurdles
a. Control of Corruption	0.53	0.53	✓	0 to 1, 1 = best
b. Rule of Law	0.52	0.52	✓	0 to 1, 1 = best
c. Voice and Accountability	0.54	0.54	✓	0 to 1, 1 = best
d. Government Effectiveness	0.52	0.52	n.a	0 to 1, 1 = best
e. Civil Liberties	3	3	✓	1 to 7, 1 = best
f. Political Rights	2	2	✓	1 to 7, 1 = best
a. II. INVESTING IN PEOPLE	2	2		Number of passed hurdles
g. Immunization Rate: DPT and Measles	50	50	X	0/0
h. Primary Education Completion Rate	41	41	Х	%
i. Public Primary Education Spending/GDP	1.50	1.50	✓	1 to 7, 1 = best
j. Public Expenditure on Health/GDP	2.62	2.62	✓	1 to 7, 1 = best
ECONOMIC FREEDOM	5	5		Number of passed hurdles
k. Country Credit Rating	27.6		✓	1 to 100, 100 best
l. Inflation	1.1		√	%
m. Regulatory Quality	0.46		✓	0 to 1, 1 = best
n. Budget Deficit/GDP 3 years	-3.9		✓	%
o. Trade Policy	4		x	1 to 5, 1 best
p. Days to Start a Business	58		✓	

The Socialism legacy

- Since 2000, a new "liberal" regime has been established
- The socialist family fell apart and became fragmented in a multitude of parties in search of direction and identity
- The "Joola" tragedy appear as a case of state and national security strategy failure and a consequence of the bureaucratic centralism legacy

Scenarios of socialism in Senegal

- A short prospective socialist experiment generated the following consequences :
 - Return to socialist dogma (return to sources)
 - Merge into social-liberalism with some "afrocentrism" touch to attract gypsies & opportunist politicians
 - Reinvention of social-democracy based on third
 Way success story (Blairism)
 - Radicalisation under pressure of the social movement (new left) and of the activists

An impact analysis in order to redesign vision and strategy for the next 25 years in order to achieve rapid 7% per capita growth rate and to triple per capita income.

The exercise would help the socialist family to design program and to demonstrate that there are several alternatives.

to demonstrate that there are several alternatives.				
Scenarios	Return into Socialist block	Social- liberalism	Social democracy	Social - Marxism
Impact on			J	
Political Parties	Jo			E
State &	Sm	E		
governance	la li		>	dia
Institutions	pressu	cent	Way	10nc
Society	der	lfro	3rd	ern
Economy	u	4		alt
Organisation				7

(Third) World case study

- Development trends & problems : retrospective
- Development & socialism interaction

The problem of data sources & indicators

The OECD effort

- A massive effort to influence the worldwide capacity for product development data, indicators, information and knowledge on development (economic, social & politic)
- Maddison research outputs are major references for international/bilateral institutions, Think Tank and Universities

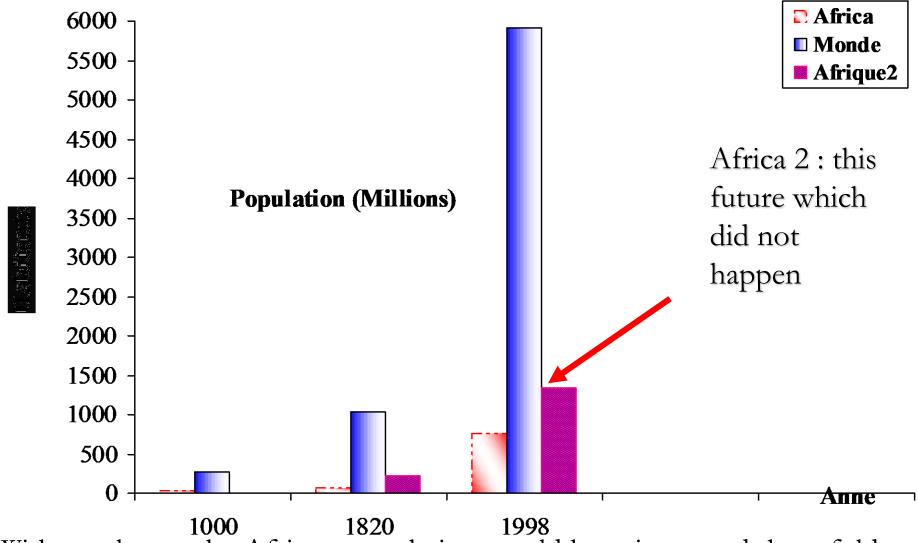
• Some alternative indicators

- Human Development Index (UNDP)
- Index of Social Health (Forfham Institute for Innovation in SP)
- Index of Economic Well Being (Osberg & Sharpe)
- DashBoard on Sustainable Development (Hardi; CGSDI)
- Index of Sustainable Economic Welfare
- Genuine Progress Indicator
- Growth Competitivness Index (WEF), Globalisation Index (AT Kearney, MCA indicators

• Introductive remark:

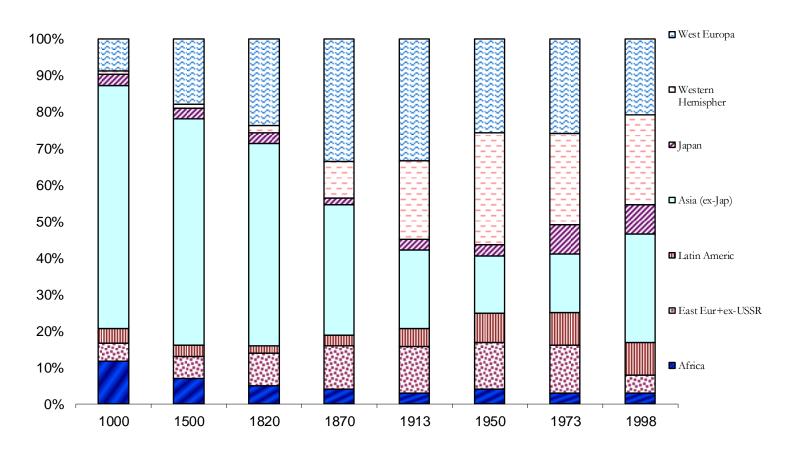
 Use carefully & critically data provided by Maddison and seek alternative conclusion

Development trends (population)



« Without slavery the African population would have increased three fold during the 18th century» (Maddison)

Development trends (GDP)

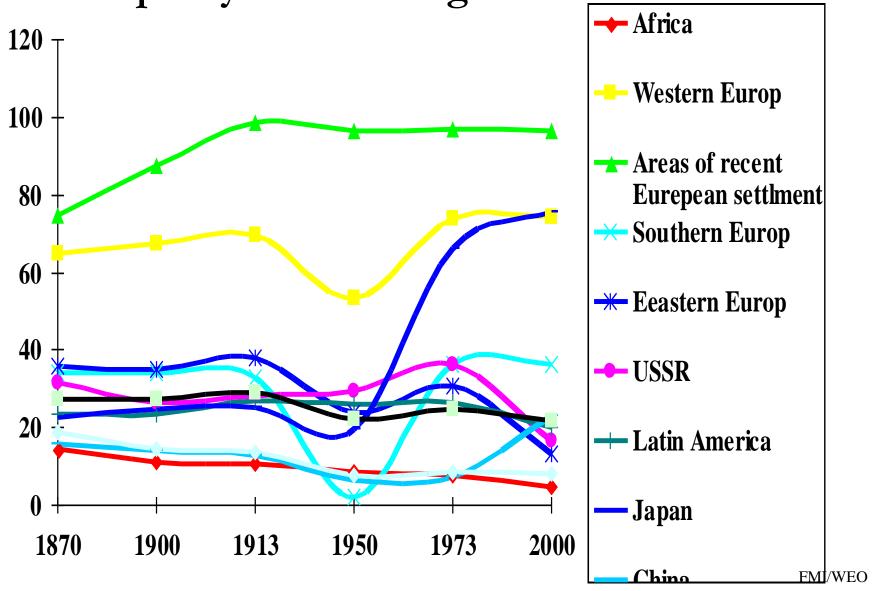


« ... slavery and colonisation have triggered American and British economic growth but have hampered & hindered African development (Maddison)

Worldwide performance in perspective

- Despite the long slavery period, the gap between Africa and the rest of the world remained at a reasonable level in the 1820s even if it decline begin around (1500)
- Up to that point all the populations around the world lived with the equivalent of about US \$2 a day.
- In the last two centuries, the gap between Africa and the rest of the world has reached proportions that have upset people world wide
- Nowadays the proportion of people living in extreme poverty either with less than US \$1 per day has decreased in the world from 29% to 24% between 1990 and 1998, except in Asia and Africa.

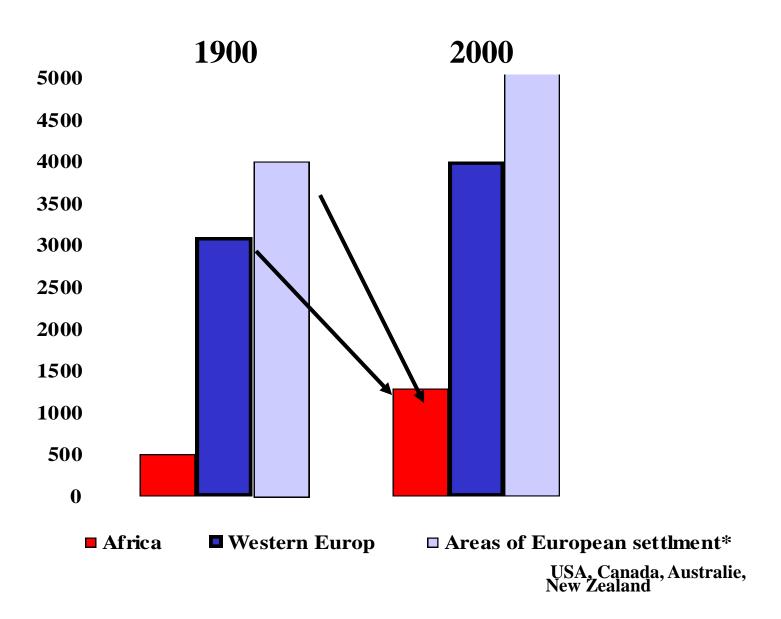
A variety of growth regime that creates disparity between regions and communities



Since 1900, few countries overcome development hurdles

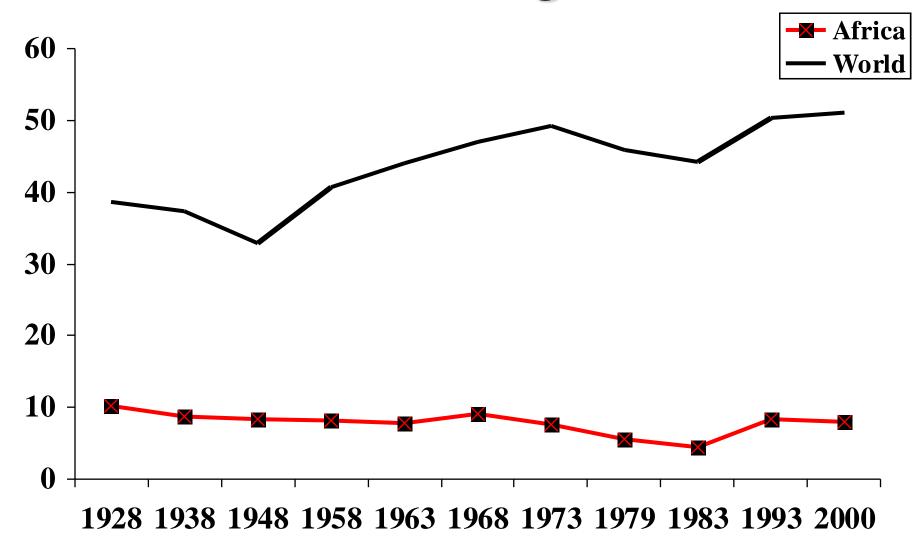
- Up to \$1,218 (GNI/h), between 1848 & 1918:
- 24 countries: 15 European, 7 non-Europeans (former USSR, Chile, Argentina, Canada, US, and New Zealand)
- Up to \$14,565 (GNI/h), between 1900 & 2000:
 - 23 countries (19 Europeans and 4 non Europeans (Chile, Argentina, Canada, US, New Zealand) plus
- 3 Asian countries: Japan, South Korea, Taiwan
- But poor performance for countries under socialist regime and for third world countries in general

Consequences on poverty & inequities



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Positive effects of regionalisation

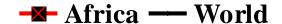


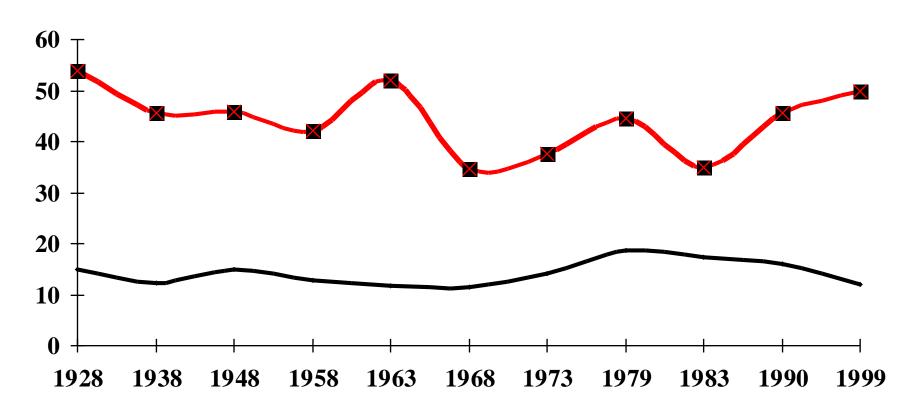
Intra-region exchanges: % of total imports & exports exchange:

Medium: World: 34 Africa: 16

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Negative effect of globalisation





extra-regional trade: medium of exports and imports in % GDP.

World: 16 Africa: 45

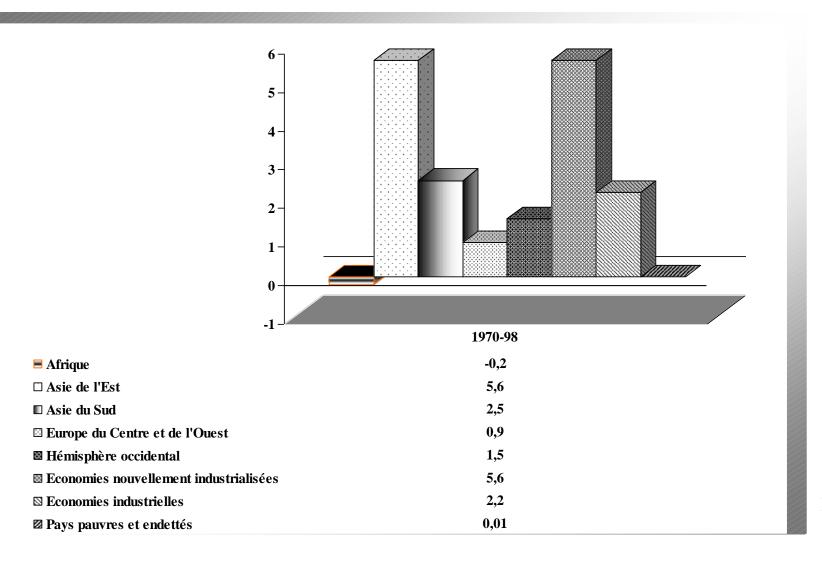
Ramses 1997 1999: estimations

Effects in Africa & Asia

- in Africa & Asia, 46.3% and 80% respectively of the populations live with less than US \$1 a day and less than US \$2 a day (1998).
- Neither the trade exchanges increase during 1914-50 period, nor the commercial and financial openings of the 1980s have reduced poverty level in Africa as it was the case but quite relatively and without any guarantee of irreversibility- in other parts of the world.
- The slowing down of world economy for the last ten years, accentuated by that of the American economy during the same period, has been affecting Africa in proportions that were yet unknown only two decades ago: from a 1X to a 3X factor

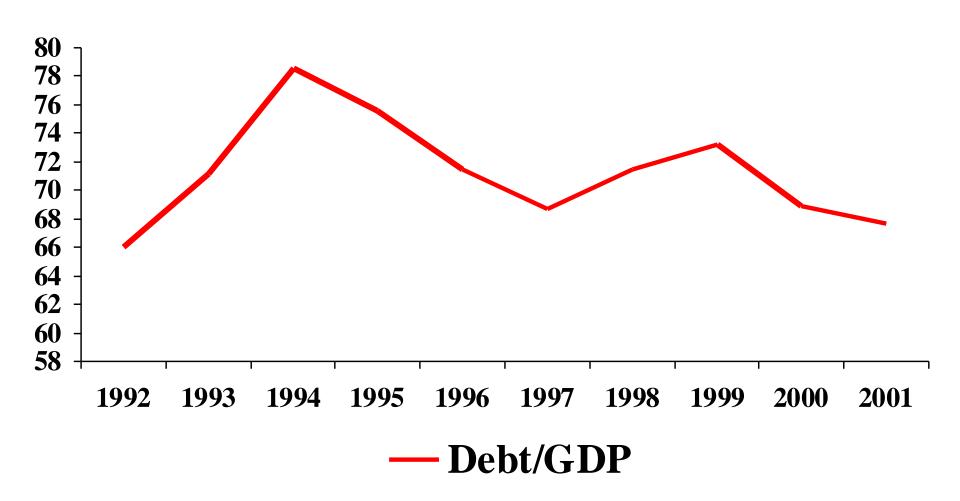
Recession in LDC's and Africa

-0,2% during 1970 to 1998



FMI/WEO

For Africa, debt works as a weapon of mass destruction ...



and as a vehicle of dollarisation

Development & Socialism: co-evolution & stylised facts

- Development at glance from 1820 to 1900 for 23 countries
- 16 to 20 Emerging economies, countries or markets, since 1970,
- But growing number of HIPC, since 1970

- Socialist influences spread universally during 1848-1918
- Emerging socialist systems since 1900 regrouped mid-century, more than one third of the world population before to clash around years 80-90

• 1st Key issue: the link between socialism and development declines (correlation or causality?)

3. Assumptions on development: the failure

Age Aid	Stone age	Iron age	Silicon age
Age Context	1960-80	1980-2002	Since 2002
Continuity	Development is possible by imitation and gap reduction (Catching up theory)	SAP,s, CARPAS, Capacity building approach, PRS Increase aid & program ownership	Compassionate conservatism to fight global poverty- Debt cancellation
Discontinuity	Market forces Privatisation	Development is possible, but uneven: reduction of absolute poverty gap and not relative gap (OECD scenarios) HIPC initiative Partnership (UN MDGs, Nepad & UN Global compact)	Political selectivity & Accountability (MCA) Global coalition aingaist terrorism Mass destruction system Colossal military research programs; militarisation of research & major activities
Ambiguity	Heterodox development thinking and experimentation		2nd Key Issue : Worldwide quest of new paradigms.

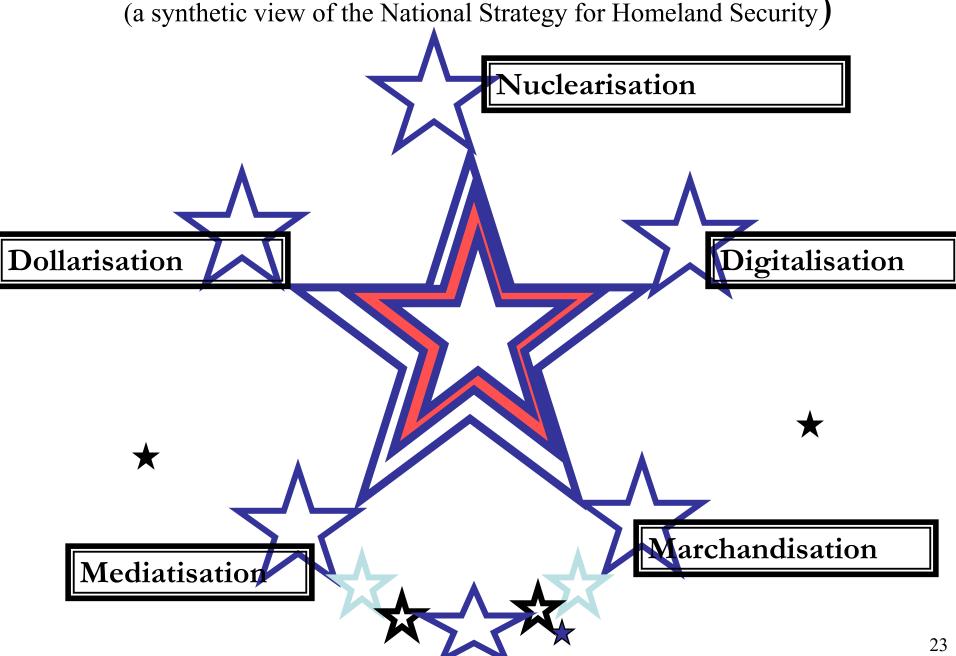
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Competition or collaboration?

What scenarios?

An emerging response: the mass destruction system

(a synthetic view of the National Strategy for Homeland Security)



With one objective: to put the world under control by:

- Nuclearisation
- Digitalisation
- Marchandisation

Mediatisation

Dollarisation

- Regional powers
- UN, Governments
- Private sector, Universities, NGOs
- Media, communication

• IFIs, Central banks, Financial markets

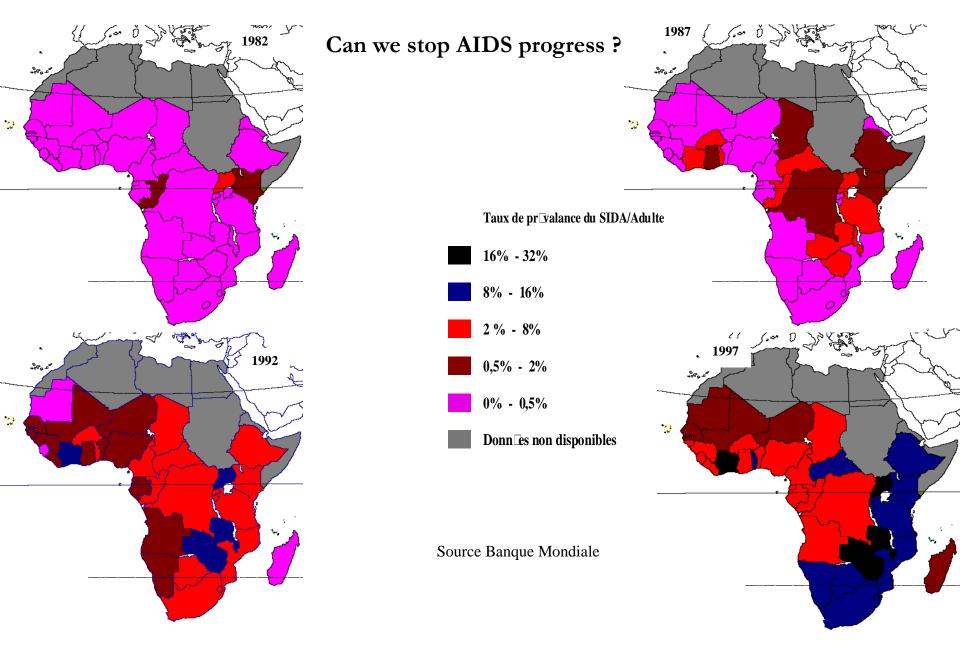
...but neglect

burning problems and development challenges

- Eradication of malnutrition and poverty
- Attraction & Retention of African brains and the Diaspora
- Friendly use of science and space
- Crisis and conflicts management including Debt
- Vaccines to overcome AIDS and pandemics

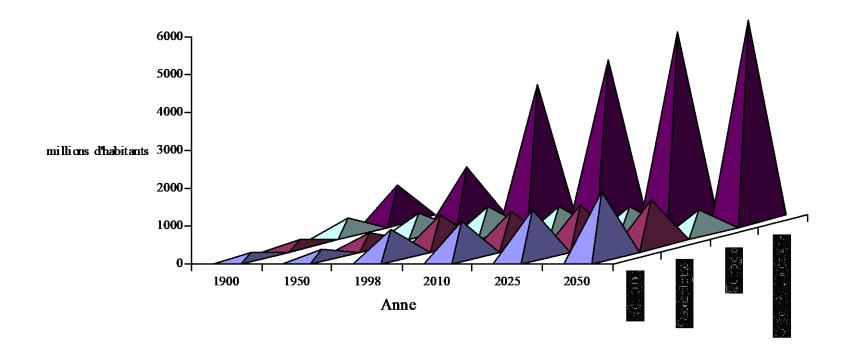
- Knowledge Creation
 & Management
- Human & sustainable development
 - Competitiveness & market based activities
 - Education and training

A burning problem: AIDS and pandemics



Demography and urbanisation

In 2050, Africa shall be as populated as Asia circa 1990

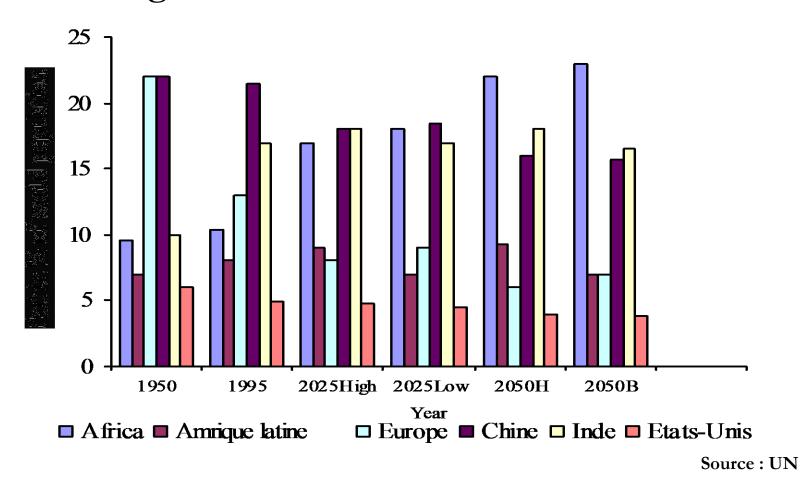


□ A frique □ Amrique □ Europe ■ Asie & Ocanie

Source: UN

Demography and urbanisation

Population by major regions in % Variant High and variant Low for 2025 and 2050.

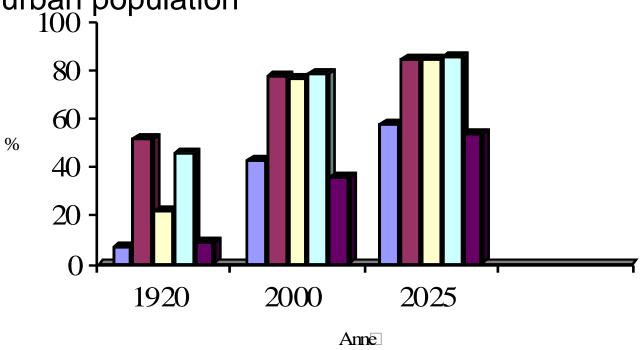


As of 2025, Africa catches up and exceeds India, then China.

Demography and urbanisation

Urbanisation





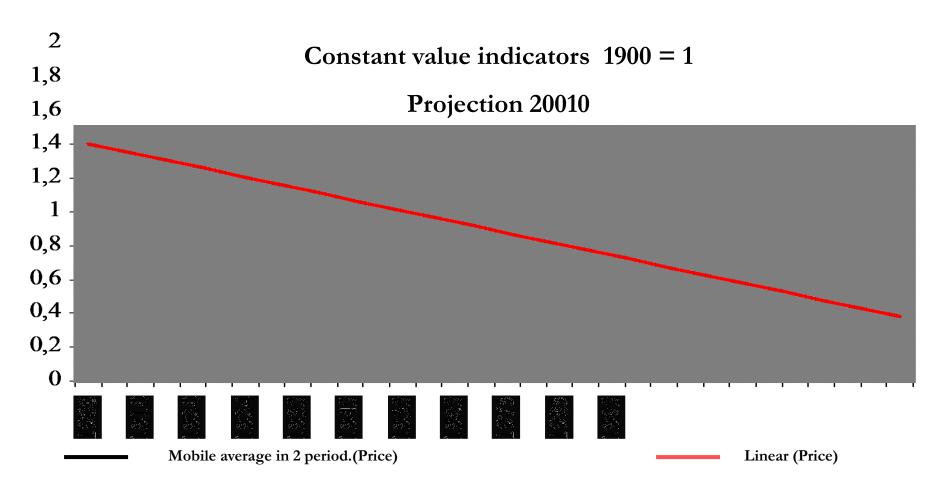
- Afrique
- Europe

- Amrique du Nord
- Asie

■ Amrique latine

Source: UN

Decrease of primary commodity prices



Source: Ramses 2000

Degradation of Environmental Resources Strong Growth of infrastructures and car pool in Southern countries

Car-pool in Millions o f car.

	1990	2020	2060
Afrique	0,7	100	340
Inde	0,5	150	340
Chine	0,3	150	340

Degradation of Environmental Resources

- Decimation of specific (the species), genetic (genes) and ecological biodiversity
- > 5 to 50 millions of known species including less than 1,5 millions are recorded and 50 to 300 disappear daily
- > Deregulation of carbon, oxygen and water cycles
- > Triggering of tempests, warming, hurricanes
- ➤ Adaptation and re-equilibrium difficulties during perturbations
- > Decline of plants, health and immune system
- > Modification of the invertebrate population
- > Modification of soil chemistry.
 - Source : Center for population biology

Degradation of Environmental Resources

- Dramatic climatic events by 2010
 - Disappearance of forests and arable lands.
 - Perturbations of the Gulf Stream
 - Price increase of common resources and eco-conflicts in poor countries around water, fire wood, fish,
 - Continuing deforestation, reduction of undeveloped areas;
 trebling? of emissions in the air, noises, waste, congestion,
 - Global warming, pollution
 - Shortage of the soils, desertification, scarcity of common resources, C0₂ emission
 - Two persons over 3, in situation of hydric stress in 2025.

Channelling scientific and technical activity

- Technological and scientific waves continuously encourage basic research and the science of transfer?
- But the efforts of scientists and engineers
 - channelled through "natural" scientific and technical
 paradigms despite the new context
 - Make them blind to the needs of peripheral regions like Africa
- 3rd key issue: the role of critical social thinking

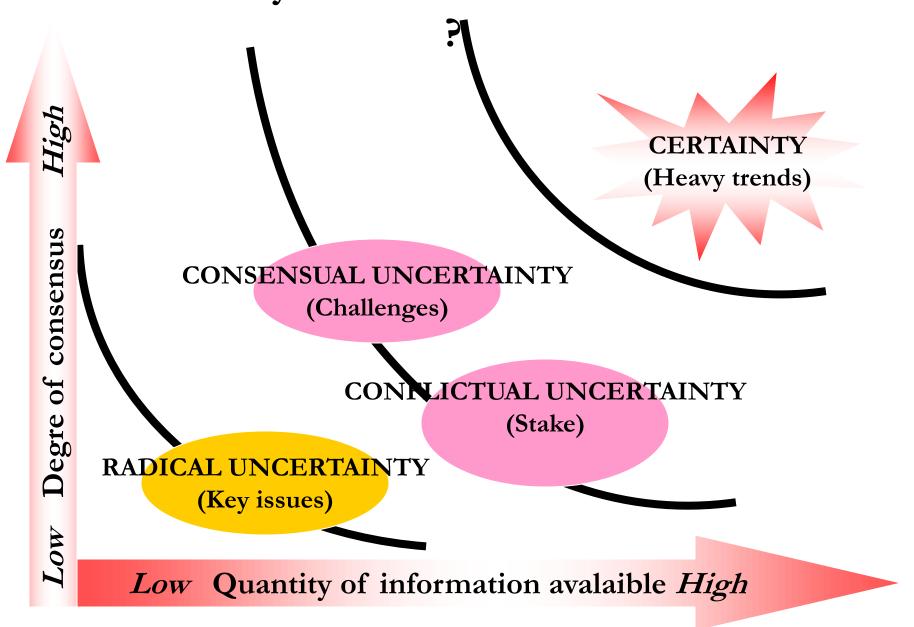
3. Towards a new century of (TW) development

- The radical uncertainty context of development
- A conceptual framework
 - Development vision for 21st century
 - Potential Actions
- Conclusion: the role of critical social thinking

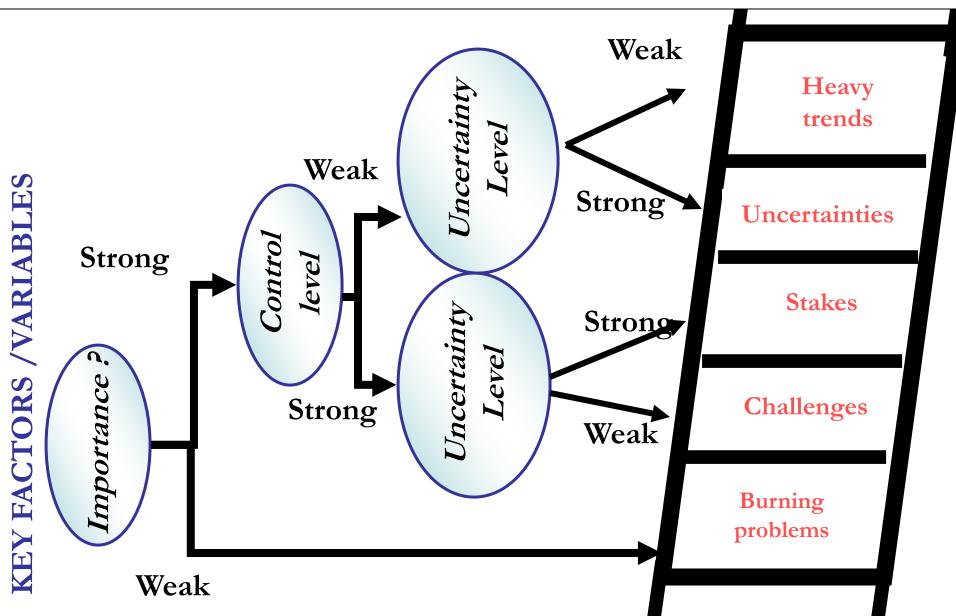
In the context of radical uncertainty

- What approach to design development scenarios?
- What vision to share with the South front?
- What strategy to deal with global players and great powers?

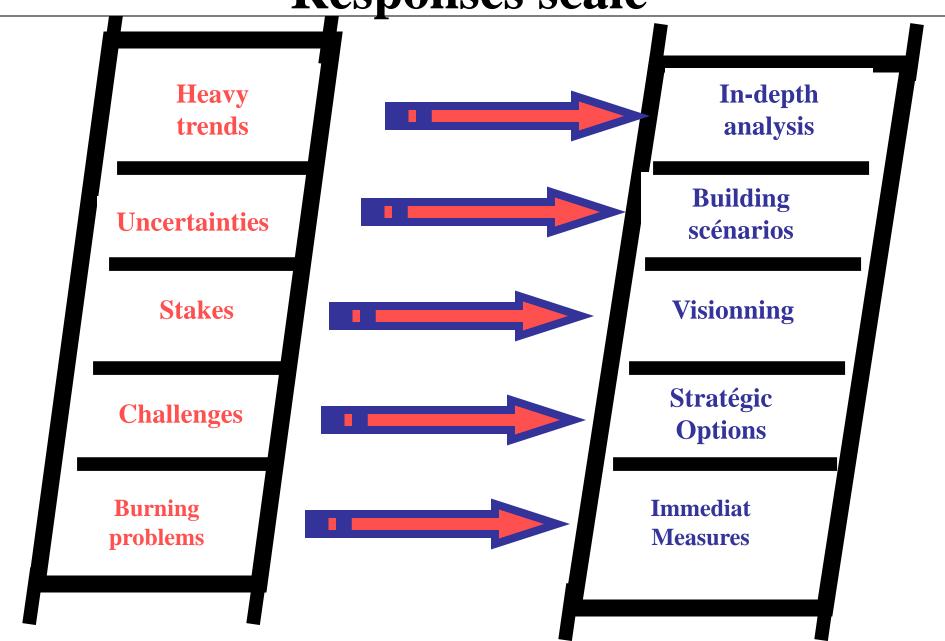
The Uncertainty scale: what we know about future



Uncertainties & Risks scale



Responses scale



Summary of key issues

• 1: the link between socialism and development declines (correlation or causality?)

• 2: World wide quest of new paradigms (Competition or collaboration?)

• 3: the role of critical social thinking (first mover or follower)

Key issues for 21st century & possible responses

	1	2	<u> </u>	4
Development measurment (indicators)	Technological progress (RD-innovation & patent race)	Economical growth/Eviron mental (monetized)	Social change (non monetized)	Global (inclusion into global coalition)
Socialism	Return to socialist block (rise and fall of socialism)	(Social) Neo- liberalism (TINA)	Social democracy (3rd Way)	Social marxism (Altermondialis m)
Organisatio- nal model	Competition	Collaboration	Militarisation	Pragmatism
Think Tank influence	G8 Galaxy WEF, T5, Evaluation associations	Third World Research & Development Centers	UN / Governments	Hybrids Forums and e-Forum

A conceptual framework

Possible central them of the Vision

- Placing development into the heart of the emerging paradigm for 21st century

Possible strategic option

- To re-establish the differences between Poor & Rich countries and communities, to make them as sensible as possible, and comparable to pre-19th century levels

Potential Actions

 Undertake programmes for knowledge creation & management, competitiveness and decision making

 Establish the Network of social think tank in Third World

• Set up a worldwide agency for development & financing in lieu of the UN system

Undertake Programmes for knowledge creation, sharing & management, competitiveness and social making

- Area 1: Knowledge for mass destruction system containment
- Area 2: Knowledge for development competitiveness and market based activities
- Area 3: Knowledge-base for social making
- Area 4: Knowledge for education and training young talents and peoples

Establish the Network of social think tank in Third World

- Network TW with social forum at national, regional & world level
- Network with Civil societies, corporations and Governments
- Network with Universities around the world
- Network with peoples
- Access to network

Set up an world wide agency for development in lieu of UN agencies

- Assess the real effects of UN system functioning
- Set up a global fund for development to replace IFIs, RFIs, UNDP and other sectorial funds
- Transform the Security Council into a Wise Committee
- Measure capacity enhancement of Regional/Continental Union, Communities or Inter-Regional Forum (AU, EU, MERCOSUR, ALENA, ARAB LEAGUE, ASEAN...)

On the Role of TW Social Think Tank

- A new agenda to refine
 - Development challenges
 - Methods & Indicators
 - Social Needs
 - Vision for 21st century & Strategic options
- Build a South Front on International System Reform
 - Influence "Anand Panyarachun" High Level Group on ISR
 - Press Koffi Annan to amend the TOR with a "Another Development Century is Possible" Approach (ADCPA)

THANK YOU

MERCI