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development digest

05

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Keeping the Faith

There is understandable excitement over the defeat of fascist, communal forces. And, we can infer from the results an assertion of dignity and an expectation of well being – equity, justice and fraternity. Notwithstanding the election results, a certain cussedness in politics still remains. In the euphoria over victory and defeat, this might get lost.

Harish Khare's articles remind us of this cussedness. We need to dwell on the real issues to remind the victors of their promises, and to strengthen our own resolve for the long haul. Notwithstanding the results, a very long haul it is going to be.

Aijaz Ahmed warns us about the far right. It has never come to power on its own - it has always piggy-backed on other issues to fill the vacuum created by decay, conflict, disarray and lack of any other direction from the center-left liberal tradition.

Jayaprakash Narayan, like his illustrious namesake, pleads for us to shed our cynicism and work in the little spaces that are available around us, in the very system that gives us such high hopes, but often delivers little.

Non-party political processes need to take stock of their rigorous aversion for getting soiled in the hurly-burly of party and electoral politics. The People's Political Front is a small start in that direction.

But this needs to be a wider movement – a resurgent across-the-board involvement in the political process akin to what was obtained during the years preceding independence. Civil Society does not become uncivil by participating in this process with shirt sleeves rolled up.

This we need to do - keep the faith – and make the tide turn. And turn it will.

Winners and losers by *Harish Khare. The Hindu, Feb 04, 2004.* ☞
http://www.hindu.com/2004/02/04/stories/2004020401931000.htm
[C.ELDOC1073380]

The Vision Deficiency Syndrome *by Harish Khare. The Hindu*, March 03, 2004 http://www.hindu.com/2004/03/03/stories/ 2004030301341000.htm
[C.ELDOC1073513**]**

Indian Politics at the Crossroads: Towards Election 2004 *by Aijaz Ahmed . The Hindu , Feb 29, 2004.*
http://www.hindu.com/mag/2004/02/29/stories/2004022900020100.htm
[C.ELDOC1073572]

We, the losers *by Dr. Jayaprakash Narayan**, Humanscape***, December 2003.
http://www.humanscapeindia.net/humanscape/ new/ dec03/wethelosers.htm
[C.ELDOC1072977]

Winners and Losers

Harish Khare

… So then will it make any difference whether we are nominally governed by an Atal Bihari Vajpayee-led regime or by a Sonia Gandhi-led coalition or by a Mulayam Singh Yadav-supported "*third front"* hotchpotch? Whichever way, the shots will continue to be called by the same business houses that have hijacked the growth agenda these last few years.

With a very meagre investment in the fortunes of this or that potential political *"winner"*, the organised interests reap a disproportionately high harvest of policy breaks and tax concessions.

Business houses by themselves cannot fetch votes for any political party. It is at this point that the middle classes come in as the junior partner in the great development show.

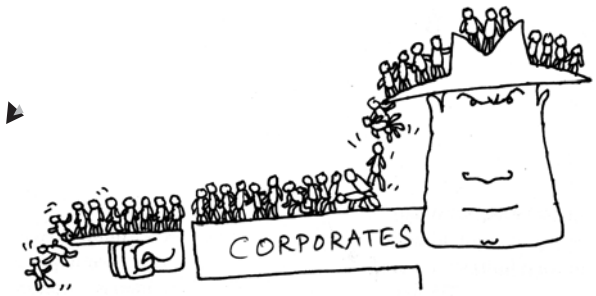
Articulate members of the middle classes tend to appropriate the civil society sites and use their perch in the information sector to promote the market mantra. This middle class has been told that it is no more a tiny minority but a healthy 300-million strong and that it should stand up for *"consumers' rights"* which are perennially in danger from *"populist" political* leaders.

This *per se* need not be a cause for dismay. After all, politics has intrinsically to do with the unending struggle over allocation of collective resources and the crux of politics has always been defined as *"who gains what at whose expense."*

It is a different matter that political leaders argue that they are there to uphold the *"public interest"***,** thereby undertaking to ensure fairness in the allocation of collective resources.

In our country, this pretence has been the primary source of generating legitimacy for the political system that was put in place after we chose to become a republic. In fact, the Indian state could become the most successful post-colonial state only because its post-Independence leaders sought power for themselves in the name of the welfare of the masses. It was the egalitarian promise of a welfare state that garnered popular support and acceptability for the post-Independence leadership as it sought to do away with the vestiges of feudalism as well as with an inherently unequal social order.

That somewhere on the way this promise got botched, should not make us lose sight of democracy's bottom line: the legitimacy and acceptability of the political order depends upon its continued honest and sincere willingness to work for the welfare of the largest number of citizens. Lest we should get confused what the Indian democracy is all about, the Mahatma's talisman about ***"the poorest and the weakest man"*** has been inscribed in stone at the Rajghat.



The Vision Deficiency Syndrome

Harish Khare

A national election should be able to renew the polity's democratic capital and deepen the Indian state's legitimacy. Instead, we are content to be limited in our vision.

This search for vision is not a romantic quest. No nation has been able to become a great nation without a collective vision, a set of inspirations and sentiments that invites a society as a whole to rise above its narrow - internal and distracting - preoccupations and to create a holistic synergy.

A vision has to necessarily consist of morally defensible ideas, attitudes and values. This cannot, by definition, be a sectarian enterprise. Vision has to be a civilisational pursuit

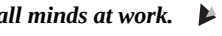
A nation's vision does not necessarily have to depend upon the outcome of an election, though a morally-deficient regime can certainly deplete a polity's capacity to discover its wholesome impulses and traditional resilience.

It is not that in these six years Mr. Vajpayee has not changed the way the country has come to think about itself and about the rest of the world. As a country we seem more self-assured of ourselves than before, primarily because the saffron crowd itself has discovered that its fears about others' capacity to influence us against our will were exaggerated.

The much-talked-about accent on ***"development"*** of the election campaign, again, is devoid of any promise of collective joy and prosperity. But this vision-deficiency is not confined to matters economic; it has handicapped our capacity to deal with a world that stands dramatically re-configured.

What is worse, no political party or leader the moral courage to talk about great issues confronting the nation. Nor is any party willing to make an election issue of the collapse of the rule of law in Gujrat. It would have been wonderful if Mr. Vajpayee has used his newly maunfactured personality cult to seek a

mandate to drain the swamp of official lawlessness in *"**Modiland.**"*

Silence, please: small minds at work. 

Indian Politics at the Crossroads: Toward Elections 2004

Aijaz Ahmad

Will Secular India Survive? *Ed. by Mushirul Hasan; published by Imprint One, 2004; pp 399, Rs. 800. [B.L41.H1]*

... The narrative of recent events recalls some of the salient points I have been making in some of my previous writings for almost a decade.

First, I have argued that never in history has the far right come to power on its own; it initially comes to power, rather, when the left gets isolated and the liberal centre collapses, parts of it submitting themselves to the dominance of the far right, and other parts rendering themselves ineffectual through internecine quarrels and a politics of opportunism and incoherent tactics without any overall strategy of frontal confrontation.

Second, it is these failure of the liberal order to offer radical solutions for mass misery which paves the way for the far right to make inroads among the immiserated — the wretched of this earth — with millenarian promises and to organize them into a fighting force under its own cultural and political hegemony; the experience of misery does not necessarily lead anyone to a politics of the left, it may equally well lead one to a politics of the radical right; all that depends on the organizational skills, resourcefulness and perseverance of those who do the organizing.

No serious student of fascism would be surprised to see that, in the absence of a left challenge, it is the fascist right that has gained so massively among the adivasis; even a saffronised Hindu identity which comes with promises of power is very consoling for the powerless whose tribal identity is so widely despised and exploited.

Third, the inherent advantage of the RSS is that it has built itself into a tightly-knit cadre organization and a fraternity of overlapping fronts run by

its seasoned cadres, and that it represents a specific and comprehensive world-view — call it ***`culture'*** if you will — which gives to its members and affiliates a sense of political belonging, social coherence, even a sense of their place in the cosmos; something that the haphazard politicking of the contemporary liberal order in India, with a sense of neither direction nor mission, cannot match.

Fourth, this world-view, strongly "culturalist" as it is, is also a comprehensive program of the Right: break-neck privatisation and liberalisation, far-reaching integration of domestic capital with foreign corporate capital in a relationship of subordination, relaxing of the taxation and revenue regimes for the propertied classes, comprehensive attack on the working class including an attack on hard-won rights such as the right of government employees to strike, re-alignment of foreign and defence policies with far right forces on the global scale, such as Israel and the United States, and so on.

This combination of saffronisation and neo-liberalism is thus a comprehensive attempt to dismantle the very principles and visions upon which the Republic was initially founded: a full-scale counter revolution of sorts.

Outside (and alongside) the Left parties, the most courageous and dogged resistance has in fact come from small and large activists' groups, cultural organisations, grassroots anti-communal mobilisations, writers, artists, academics, and notable sections of the media including some influential sections of the electronic and print media.

The cumulative spread and prominence of this resistance is possibly no less than that of the Hindutva brigade; ***what this resistance lacks, rather, is matching material resource, agencies of coordination, a "collective intellectual, a coherence, a strategy for accumulation of force."***

Aijaz Ahmad is a Professional Fellow at the Nehru Memorial Museum and Library, New Delhi, and Professor of Political Science at York University, Ontario, Canada.

We, the losers

Dr. Jayaprakash Narayan

Among the nations liberated after the Second World War, India has a unique record of successive elections and a stable, peaceful democracy. Indian democracy has shown a refreshing capacity to adapt to conditions and uphold democratic institutions and practices. People have been voting in large numbers, and democracy has broadened its appeal, though it may not have struck deep enough roots.

However, it will be useful to pause and examine the record of post-colonial India in the light of the democratic institutions and practices as commonly understood in contemporary liberal democratic world.

Myron Weiner has listed four such institutions and practices as follows:

***** Government leaders are chosen in competitive elections in which there are opposition political parties.

* Political parties including opponents of government have the right to openly seek public support. They have access to press, freedom of assembly, freedom of speech and freedom from arbitrary arrest.

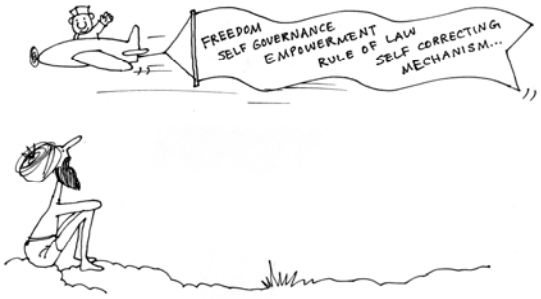
* Governments defeated in elections step down; losers are not punished by winners; defeated leaders are not punished unless in the act of governance they have broken the law; their punishment is based on due process.

***** Elected governments are not figureheads; they exercise power and make policies and are accountable to the electors not to the military, the monarchy, the bureaucracy, or an oligarchy.

Judged by these standards, as Myron Weiner points out, India is one of a handful of post-colonial countries that could be regarded as having a stable democratic regime.

While the record of our parliamentary democracy has been fair when judged by Myron Weiner's postulates, our polity emerges poorly when judged by these more exacting standards of democracy.

Freedom, in an elementary sense, is the right of an individual to do as he or she pleases, as long as his actions do not impinge on the freedom of others.



Self-governance is the right of citizens to govern themselves directly or indirectly.

Empowerment is the ability of citizens to influence the course of events on a sustained basis and to make meaningful decisions on matters of governance having impact on their own lives.

Rule of law is the concept of people being governed by law, and all citizens, irrespective of station and rank, being subject to the same laws to the same extent.

Self-correcting mechanisms give institutions of State and polity the capacity to learn from past experience and to constantly improve themselves in order to serve people better.

The Aberrations

There have been several aberrations from time to time in our commitment to democratic institutions and practices. The most notorious example is the period of ***internal emergency*** between 1975 and 1977.

There have been many other aberrations too - severely flawed electoral rolls, polling irregularities, vote-buying, un- accountable use of money in elections, criminalisation of politics and the curse of defections for personal gain have undermined the sanctity of elections, the state-owned electronic media have been rigorously controlled by the government of the day but poorly designed, Tenth Schedule of the Constitution has reduced legislators to a status of serfdom.

All these undemocratic institutions and practices have severely eroded the legitimacy of governments and legislatures.

Certain recent trends have been even more disturbing - there is a perceptible and alarming decline in the quality of debate in legislatures, much of legislative business and reviewing the work of government has become perfunctory, changes of governments, particularly in states, have been often divorced from the people's mandates. Midnight parleys and palace coups, but not public opinion or policy differences, have often led to change of governments

The most important infirmity of the elected governments is in the realm of governance. While elected governments in India are not figureheads, their capacity to really make a difference has proved to be marginal at best.
Given these infirmities and distortions of our political process, it is easy to deride politics and democracy.

No substitute for the political process

Politics is the mechanism through which the gulf between unlimited wants and limited resources is bridged, and means are reconciled with ends in governance.

The political process mediates conflicts in society, and resolves seemingly irreconcilable differences among various groups in society. Finally, politics is the only means of peaceful, democratic transformation in a free society.

In a democarcy, there is no substitute to political process.

Contempt for democratic institutions is dangerous and shortsighted. An anti-political approach is both undemocratic and counter productive. The real solution to the problem of democracy lies in deepening democracy.

Theory can follow Practice

When we talk of change, we try to paint a big picture, and then work towards that big picture – hence the talk of an alternative paradigm. The recently held WSF was viewed with great scepticism on this count – a lot of talk, no concrete direction, no concrete action, the debating society, the talkers' club.

Jeremy Seabrook looks at this issue another way – he tells us to look at CULTURE, that is where the action needs to be, in fact already is - we need to just recognise it, hold it, strengthen it.

Culture is not merely enacting plays, singing and dancing to revolutionary, patriotic or development theme songs. It is certainly that, - and more, much MORE. It is a composite of practices that span the entire spectrum of human endeavour, that reflects the values we hold dear – in our commerce, our daily intercourse, the way we deal with children, families, the political and the recreational, the economic and the spiritual.

This is where we are losing out to globalisation – it is assiduously positing an insidious and seductive culture.

We cannot just shout it down. Or come out with prescriptive alternatives.

Unchaining Captive Hearts, Jeremy Seabrook. New Internationalist 342, Jan/Feb2002. [C.ELDOC6006516]

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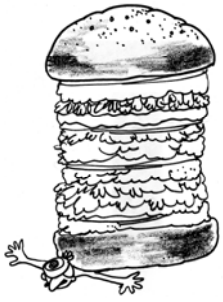
Unchaining Captive Hearts

Jeremy Seabrook

Muktagacha is a market town in northern Bangladesh. The market encroaches on to the highway, leaving little room for the traffic to pass. Most of the produce comes from walking distance and none from more than a cycle or bullock-cart ride away.

Kerosene lamps play a smoky, shifting light over piles of goods: goats, cows, chickens and ducks; baskets, wooden ploughs, skins, jute, paddy, green vegetables, gourds, cucumbers, bamboo; fodder, rice-straw, fawn grasses, tamarind in rusty brown pods, pink-blush pomelos, squat deshi bananas with mildewed skins, okra, aubergines, tomatoes; papery opals of garlic, indelible-ink onions, green peppers, red flames of chilli. There are woven bamboo vessels, ornaments, building materials, musical instruments and tools. ***Here is the market at its most basic and elementary – embedded in all societies, energetic, noisy and disputatious. Here, everything is local.***

Muktagacha is not only a market: its products represent a whole culture. Similarly, globalization is not only a market system: it, too, is a whole culture.



Cultures and economics are closely intertwined. If globalization exercises such a hold over the imagination of people, this is because it disseminates its culture of leisure and affluence first, and discloses its economic terms (or 'conditionalities', as the IMF might call them) only later.

Globalization has nothing to do with pluralism or diversity. Its culture is monoculture, as Vandana Shiva says, for it involves the reduction of all the living richness of the world into commodities: this is why the 20,000 items on a supermarket shelf do not constitute diversity. It isn't

simply that Disney and McDonald's make inroads into cultural practice, although of course they do. Traditional cultures are rendered inferior in the presence of more powerful technology, of the English language and of the glamour and wealth of Western imagery, which carries a promise of transcendence: we are in the realm of religious transformation.

Cultures do not simply yield to globalization, but neither do they remain untouched. All are inflected in the same way. They may not lose their outer forms – language, religious belief, cultural expression – but these are changed from within. Image is all-important to capitalism so that, although the core may be damaged, appearances remain. In this way, cultures may seem intact, even though internally they have become unrecognizable: fundamentalism bears witness to this. Cultural diversity is as threatened as biodiversity – and for the same reasons.

The opponents of globalization have been, perhaps, too concerned with looking for a new paradigm to justify their challenge. Indeed, there has been something of an obsession with defining 'an alternative'. Perhaps this reflects the fact that the supreme enabling resistance to early capitalism was the monumental passion and poetry of Marx. His great epic Das Kapital continues to colour efforts to resist the existing global order. If other ways of being and acting in the world are to be successful, it has led people to assume, they must have a watertight and all-embracing theoretical basis.

It is surprising that theory should preoccupy the opponents of capitalism, that most promiscuous of ideologies which will couple with anything that yields profit. And it is poignant that the shadow of Marx hangs over those seeking to escape the brutal necessities of universal industrialism. But it is time to set aside this model of alternativism. It isn't the theory of globalization that threatens humanity**.**

Quite the reverse. Its crudeness and inconsistency are visible everywhere in its agents and institutions: when bankers routinely express their tenderness for the poor and moneylenders speak of social justice, we know we are in a world of fantasy. ***Its cultural power lies in its practice, its productive power and in an***

ideology promoted through an iconography of hope, through images of plenty that hold out a promise of liberation to the poor of the earth.

What does this imply for effective resistance? It suggests that the search for anything so neat and comprehensive as a paradigm should be abandoned. Alternative practices are needed, pathways to disengagement from globalism, another way of being in the world.

What runs most dramatically against the culture of individualistic consumerism is collective, shared, solidaristic behaviour. This is what animates those people making their secular pilgrimages to the cities in which the G8 holds its imperialistic cabals. And they have succeeded in banishing those cabals to unvisitable mountain and island retreats, beyond reach of those whose lives are affected by their macabre deliberations.

Of course this is only a dramatization of deeper resistance in small villages and neighbourhoods, in schemes where people exchange goods and services without monetary transactions, in protests against GM crops, in farmers rejecting the terminator gene in seeds, in slum-dwellers fighting eviction.

Every local and uncelebrated triumph of people over the local moneylender and landowner; every small victory over the industries that have turned food against nourishment, health against well-being, understanding against education, livelihood against life: every act of local and rooted self-reliance and mutuality is a challenge to the concentrations of power of transnational corporations, financial institutions and governments.

These are sometimes heroic – the Landless People's Movement in Brazil, the Zapatistas in Chiapas, for example. But the question arises, what culture do we, in the West, in the heartlands of the globalizing power, reclaim as our own amid the wastelands of universal industrialism?

Cultures are organic – they rise and fall, influence others and borrow from them – but they require at their root an underlying belief or myth which gives meaning and coherence to their rituals and festivals, their re-affirmation of identity. We are familiar with the myth of globalization: mastery of nature,

technological progress, 'economic reason' in Andre Gorz's phrase[2]; and we see its rituals everywhere, in its deregulation of desire, the excesses of the shopping mall, the orgiastic worship of celebrity and money.

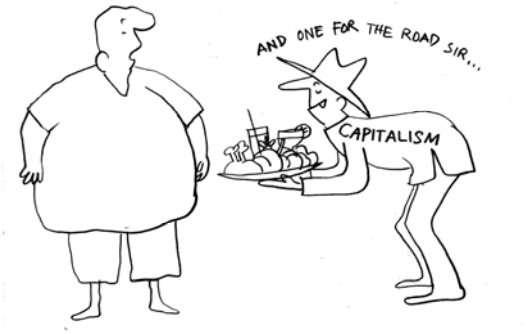
The alternative cannot live off surrogate ideologies of indigenous peoples. The US anthropologist Ruth Benedict spoke of tolerance of 'the co-existing and equally valid patterns of life which humankind has created for itself from the raw materials of existence.'[3] But we at the beginning of the 21st century are not alone with the raw materials of existence; we are responding to a dominant – indeed overwhelming – culture. Out of our reactive defensiveness, we experience only modest and provisional triumphs, small successes that are in themselves pinpricks against the pervasive monoculture.

These may not overturn the existing order, but they yield a positive feedback in terms of self-esteem of local communities. They strengthen faith in our own ability to do, make, create things for each other; to serve, tend and cherish one another; to provide stimulus, amusement and support: this represents a rudimentary, if dispersed, response to the totalizing violence that besets us.

Let the practice flourish, then, and theory will take care of itself. It is the search for other ways of being in the world, not working out new dogmas, that will enrich and empower. And we know where those are to be found: in cultures driven to the edge of extinction by the imperatives of the global market, in the practices and customs of indigenous peoples which have survived for

millennia. These cannot always be restored; but their principles may serve as guidance for sustainable, non-violent societies. It isn't a question of going back, much less of nostalgia or worship of primitivism, but of supplementing modest material resource-use by sharing the uncounted treasures of the human resource-base.

Capitalism has enclosed and sold back all the images of the good life and the visions of a better world. This is why its icons are so powerful. The promise of riches without end to satisfy limitless desire makes alternative visions of a modest plenty, a comfortable security, look thin and austere by comparison.



And indeed, these were designed to overwhelm earlier socialist claims to offer mere health, education, wholesome food, libraries and recreation facilities – poor pallid ambitions to set beside the castles in the air of global capital which breathe seductive messages of luxury and ease to a poor suffering humanity.

Out of the ravages of globalization's dance of death the alternative will arise: an internationalism that respects other ways of life rather than merely marketing them; a diversity of ways of answering human need rather than forcing all through the global economic machine; a re-sacralizing of the elements without which life is impossible.

Globalization has deformed the visions of brother- and sisterhood, of universal kinship, of plenitude and sufficiency. In such a world, every act of humanity, every effort to answer need locally, every shared gesture, every pooling of

resources, every act of giving out of the generosity of the unsubdued spirit is a form of resistance. Whether we can re-integrate need with community in the manner of Muktagacha is another matter.

You cannot prescribe cultural alternatives. Cultures are organic, living things. In our admiration of some aspects of indigenous and traditional cultures, we often adopt, despite ourselves, a consumerist or touristic response: other people's cultures are there to be possessed, appropriated or imitated. Nor can you will cultures: values in the abstract are without value. They express themselves through the harsh materialities of daily life.

But the loosest ideology must bind together the scattered and sometimes chaotic movements, the small acts of charity and courage; for together, they constitute a powerful impulse towards retrieval. Just as it is now recognized that the polluted landscapes, the poisoned soils and damaged air must be restored and rehabilitated, how much more true must this be of our depleted humanity.

This is not weak or sentimental. ***The absence of ideology means only that there are no dogmas, revelations or doctrines in the name of which more human beings must be made to suffer.*** The spaces unoccupied by ideology give room for manoeuvre – like the protesters at Seattle, Gothenburg and Genoa dancing between armoured vehicles or clouds of teargas.

The unwieldy, inefficient structures that hold our needs captive can be made to perish from neglect. It requires only 10 per cent of the business of any transnational corporation to fail for its profits to be wiped out. Surely we can find the equivalent – and a great deal more – within the rich storehouse of our own generosity to each other; the unbought gifts and uncalculating mercies, the commitment and succour we can offer one another. In a world which has used up so much of its material base, it is out of the neglected inner resources that cultures of resistance will be, and are being, built.

The Sustainability *Mantra*

It has become fashionable to talk about the financial sustainability of poverty reduction programmes. Donor Agencies, particularly those reliant on fund-raising from an increasigly conservative society, have been rooting for programmes that are apparently susutainable in the market.

Dianne Mitlin in this article argues that 'External agencies might usefully recognize the long history and remarkable persistence that charitable giving and state redistributive processes have shown whilst

markets sometimes fail'.
She is in favour of increasing the capacity of the poor to draw not just from the market, but also form the state and charitable finance (including grants and soft loans from international and domestic sources.

Sustaining markets or sustaining poverty reduction? *Diana Mitlin,* Environment & Urbanization Vol 14 No 1 April 2002 [C.ELDOC6007207]

This article is a reminder to those activists and NGOs who have been embroiled in the project mode – competing with market forces to keep the project going are often at the cost of those among the poorest, who cannot meet the rigours of the market.

We had in an earlier issue highlighted how even as a project gets people out of poverty, there are many others falling into poverty – due to an an expensive illness, a business disaster, a family crisis, or may be displacement – till these are tackled, even if relying on charity or state intervention, the so-called market sustainabilty is not really sustainable.

Sustaining Markets or Sustaining Poverty Reduction?

Diana Mitlin

What are we seeking to sustain?

Novelist C. P. Snow *had the naïve belief that science and technology could save the world. But was this any more foolish than today's faith in markets and capitalism?*

Nowhere is the faith in markets better illustrated than by the present focus of the development profession on financial sustainability as a measure of success.

Sustainability has become a benchmark measure for many development projects and processes. ***"Is it sustainable?"*** is the question that many development practitioners have had to face when explaining the benefits of their activities.

But what is meant by sustainability and, as importantly if it is to be used as an indicator of success, what is a meaningful measure of sustainability?

We should recognize that confusion has reigned over both the scope and meaning of the term sustainability. Authors have coined terms such as ***"financial sustainability", "environmental sustainability", "social sustainability" and "political sustainability".***
Simplistic it might seem, but on many occasions all they meant was achieving greater longevity for positive

development benefits. In some cases, the benefits of development projects have been verifiable and undisputed. However, in most cases, benefits have been disputed, differentially distributed and changeable, as social circumstances (generally beyond the influence of the project) changed themselves.

Sustainability represented a real effort by development professionals to tie down this uncertainty. A good project, it was argued, is only good if it is sustainable. As argued elsewhere, **we have to recognize that many development benefits can only be secured if society changes, and so sustainability can be a slippery indicator.**

Environmental sustainability is often judged to mean no damage to ecosystems or natural processes that are important for climate stability. ***Social sustainability*** is meant to be a continuation of positive benefits. As development practitioners, we may be more interested in ensuring the unsustainability of present inequitable social systems.

Applied to different models of human society and social organization, the criterion of sustainability can quickly imply judgements that are inward-looking and pejorative. A living culture changes and moves forward: industrial sectors change, social systems change and whilst change is not always positive, we should not assume that it will be negative. **Concepts of social sustainability may be immediately attractive but are unhelpful in practice.**

Looking more broadly at the present scale of environmental destruction, social inequity and exclusion, war and natural disaster, it might be argued that there is little that we should aspire to sustain. Hence, sustainability in environmental terms is

(generally) precisely applied to the ability of an ecosystem to maintain itself more or less intact during processes of change. The same concept applied elsewhere is much more difficult to tie down.

A Fetish for Financial Sustainabilty

The concept of financial sustainability is generally used to mean that adequate finance can be raised to continue the activities of the project without the use of subsidies from development agencies, or local or national governments.

It is the concept of financial sustainability that appears to be related to the present-day fetishism of the market. Development projects, programmes and processes that meet "market criteria" are judged to be "sustainable". Service providers are encouraged to introduce user charges in order to make their services more sustainable. Microfinance programmes aspire to charge market interest rates, have high levels of repayment and low administration costs.

All these factors help to ensure that they have a potential supply of private capital and, hence, the **implicit assumption is that access to private capital translates into sustainability.** Those projects that require a subsidy are thought of less positively; they are criticized because it is assumed they are less likely to survive and to continue to offer a flow of services.

The term ***"fetishism of the market"*** is a strong one. It is used to highlight the argument of the paper, which is that we are in danger of attributing characteristics to the market that are not borne out by history. Globalization, characterized in particular, but not solely, around the extension of market systems and processes over widening spatial areas and into new sectors using information technology, is surrounded by what in retrospect may be seen as a somewhat incredulous faith in markets.

Keith Prowse expands his argument thus:

"Snow thought that technology, of itself, would solve just about every problem and especially those of the poor countries. But don't the

Snows of today have just as naïve a faith in markets and capitalism – 'globalization' in contemporary jargon? And in another 40 years, won't the unquestioned suppositions of our age look just as foolish as those that corralled Snow's own mind?"

History provides us with many examples of how markets fail to live up to expectations and/or change rapidly due to all kinds of reasons. In South Africa, the 60 per cent devaluation of the Rand since November 2001 has affected many enterprises (and is generally considered to be a poor indicator of economic fundamentals in the country).

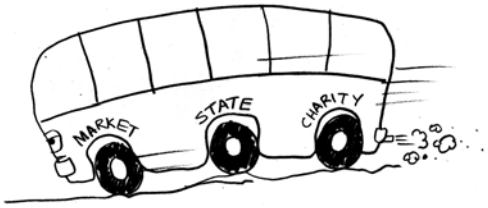
Economic activities requiring imported goods that are viable at one exchange rate will not continue to be viable as the rate moves adversely. In Zimbabwe, just across the border, inflation has been rising steadily over the last two years. Interest rates have increased from 20% to 60% in three years, the problems of the financial sector are considerable, and loan repayments that were sustainable with low inflation are no longer so.

It might be argued that the reasons for rising interest rates lie in political factors. That argument is a strong one in the case of Zimbabwe, much less strong in the example of the Rand in South Africa.

But whatever the cause, the consequence is that changes in market conditions mean that what is financially sustainable in one situation is not viable in another. The recognition that markets change suggests that programmes and projects that succeed according to market criteria have not found some holy grail; they too are vulnerable.

Alernative formulations of Sustainability

A road sweep of history suggests that there are three sources of development finance for pro-poor activities, in addition to the funds of the poor themselves: **market investment funds, state redistribution and charitable**



contributions. Of course, all three are not always available for every development activity, but their presence shows remarkable persistence.

Markets have existed in some shape or form for millennia, as formal and informal trading has taken place to provide people with goods and services that they need or desire, but which they cannot immediately provide for themselves.

States have been equally persistent, initially formed by peoples who grouped together, and increasingly with some form of institutionalized governance. On many occasions, these states have had a redistributive role. They have sought to provide for those in need and not as able as others to provide for themselves. At the same time, people have felt a direct empathy with those in need.

Charity also has a long and persistent role in human society and is a central tenet of most of the world's religions.

This leads to the conclusion that, in the long term, all three sectors – private, state, voluntary – are potential sources of funding for development activities. A ***"sustainable"*** project, one that is likely to continue to be viable, is likely to be one that creates within itself the conditions to strategise in order to **secure a mix of funding sources that reflects the relative advantages attached to each source and matches them with the needs of the poor.**

Perhaps the critical issue for development practitioners is how to create this mix. As critical an issue for theoreticians is understanding the consequences of too great an emphasis on one potential source of income over another.

All agencies that work with the urban poor, and are not of the urban poor themselves, require some source of support. It may be voluntary contributions from those who work there or it may be external finance.

Whilst contributions from the users of services may make some contribution towards costs, this is rarely sufficient to cover the full cost of the service. Indeed, if it is the case, then almost by definition, the poor do not need any external intervention and the market can provide what is needed at a cost the people can afford to pay.

It may be case that the market is failing to provide the services because of conditions in the market, and state regulatory intervention may be the answer – for example, investment in a piped water system within an illegal settlement. The market may not be working because of prejudice sourced by class and cultural differences.

The Carvajal Foundation in Cali, Colombia sought to encourage formal-sector building-materials factories to supply directly to the poor in order to reduce costs and improve accessibility. With experience, companies found it was profitable to open outlets in low-income settlements. The consequences of too great a concentration on the market may mean that projects and programmes exclude some of the poorest from participation.

The microfinance industry encapsulates many of the present contradictions between the objective of financial sustainability and poverty reduction. The lack of access to investment capital has been a major problem for many of the poor. The high rates of interest paid to informal-sector money lenders are evidence of the capacity of the poor to pay, and of their desperate need for liquidity and cash.

But the deification of the market in this process has resulted in microfinance practices that may tend to exclude the poor, in some cases because they cannot afford to be included but also because they are not so well-advantaged as better-off households who are eager to take up opportunities and who, as a result, can monopolize the space.

It should immediately be said that many microfinance sectors recognize that they are not seeking to reduce poverty but, rather, to provide financial services. Nevertheless, the funds that they use are, for the most part, development assistance monies allocated broadly to the relief of poverty.

Microfinance initiatives are increasingly designed to achieve financial sustainability; but what are the consequences? In general there is a bias towards those who are better off in a community. These borrowers take bigger loans, thereby reducing administration costs, and can cope better with risk and are

therefore a better risk for the lenders. Whilst many such programmes would rather favour the poorer members of the community, it is difficult for them to match needs with programme constraints.

The microfinance experience points to the dangers of too great a stress on financial sustainability rather than having a more balanced perspective. It is the poorest members of the community who are least able to participate in the market. Theory and evidence suggest that market processes such as user charges may discriminate against the poorest members of a community.

Recognizing market fallibility is difficult for development practitioners. It raises huge issues on managing and living with uncertainty. But maybe this is the only honest way to proceed.

An alternative way of seeing sustainability is to recognize that it may be better understood as a capacity to change in accordance with a changing world. What do communities need? They need the confidence to manage, the capacity to analyze, the experience to act well. This requires a collective process to exploit more than just the market.

In order to obtain higher and more stable incomes, stronger asset bases, secure, adequate quality homes with basic infrastructure and services, and protection from the law, the urban poor groups need to be organized in ways that are inclusive (for instance, through federations formed by savings and credit groups) and with representative organizations that are able to influence the design and implementation of responses from the state, NGOs, private utilities and external funders.

What should be sustained is the capacity of urban poor groups, individually and collectively, to draw on the market, the state sector and external donors to reduce their poverty. Development agencies recognize that there have been many past failures. Bad development investments have been made, failures have been ignored, successes have been created.

The movement towards financial sustainability has been born of very good intentions. Behind it lies a statement arguing that it matters what development

interventions leave behind. They should not create false expectations of continuing benefits that are unlikely to take place. They should make investments of one form or another, not simply consume the resources that have been allocated to them. But located within broader trends and widespread support for market processes, financial sustainability has come to play too significant a role.

Markets, governments and charity are all possible sources of support for any specific project, and are persistent sources of financial support across the full range of development programmes. The strong community is one that picks sources of funding that they themselves can manage with their existing capacities, and that uses the funding to address their needs.

NOTES

Reversing Development

The dream that economic development can bring prosperity to the poor is over, argues **Teddy Goldsmith**.

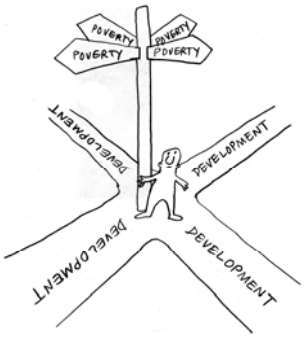
Poverty is not an age-old problem.

It is the invention of the development paradigm, which in the name of eradicating poverty and in the promise of a world of plenty for all, has created the ever expanding circle of want, deprivation, exploitation and misery.

This need not be so.

But do we have the capacity to recognize this truth? Do we have the will to reverse this depredatory process that is the basis of today's globalisation?

There is not much time left, before this process can become dangerously irreversible.



POVERTY the child of progress, *Teddy Goldsmith. The Ecologist* ☞ *Asia*, Vol. 10, No. 2, April-June 2002. [C.ELDOC1072327]

POVERTY the child of progress

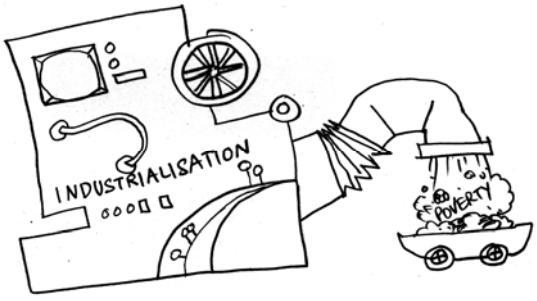
Teddy Goldsmith

Economic development, in spite of its devastating effects on societies and the environment, remains the overriding goal of international agencies, national governments, and the transnational corporations that are of course its main promoters and beneficiaries.

This is justified on the grounds that only development, and of course the global free trade that fuels it today, can eradicate poverty. Hardly anyone in a position of authority today seems willing to question this thesis, even though it is backed by neither any empirical nor any serious theoretical evidence.

Consider for a start that since shortly after World War II when world trade and economic development really got under way, the former has increased by nineteen times and the latter by no less than six times - an unprecedented performance. If these processes really provide the answer to world poverty, it should by now have been reduced to little more than a faint memory of our barbaric and underdeveloped past.

We have been trained to believe that all pre-industrial people who lived in non-money economies were poor but this is not true.



However, the opposite is true. In Indonesia, poverty has increased by 50 per cent since 1997 in South Korea, it has doubled during the same period. In Russia, it rose from 2.9 per cent to 32.7 per cent between 1966 and 1998 alone.

Much the same thing has happened throughout South America, as well as the Caribbean. It has also increased in the rich industrial world, where 37 million people are now unemployed, and 100 million are homeless. In the UK, the number of adults in households with less than half the average income has increased by a million above the level of the early 1990s and is now more than double that of the early 1980s. To reasonable people, these facts should be enough to discredit the dogma that development eradicates poverty. But for the promoters of development it merely indicates that it has not proceeded fast enough.

For them, poverty is not an isolated problem, but is the cause of all our other problems. Thus the Food and Agricultural Organisation of the United Nations (FAO) insists that if people are hungry it is because they are poor and cannot afford to buy the food they need, while the World Health Organisation (WHO) and assures us that if people are disease-ridden and die young it is because they are poor and cannot afford the medicines that would make them healthy. The answer to both hunger and disease is thus the eradication of poverty, which means more development.

By defining poverty in purely monetary terms, it is assumed that money has always been, and always must be a prerequisite as indeed it is partly is today - for satisfying real needs. This is simply not true.

Development Creates Poverty

What we tend to forget is that in the traditional families and communities in which we lived during perhaps 95 per cent of our tenancy of this planet, settlements were designed, houses built, food produced, prepared and distributed, children were treated and educated, the old and the sick cared for, religious ceremonies organised and performed and government functions fulfilled all entirely for free.

This was possible, as ***Karl Polanyi***, the great economic historian, pointed out, because in such societies the economy was embedded in social relations where: ***'All the functions that we would regard today as economic, were fulfilled for social rather than economic reasons, mainly to satisfy kinship obligations and to achieve social prestige.'***

Development changes all this. It is above all the gradual disembedding from their social context of these functions and their monetisation, and takeover by corporations. As a result, a large section of society no longer has access to the money needed to pay for food, health care, and other such benefits.

Early travellers always noted how healthy and well fed the traditional people whom they visited were.

Poncet and Brevedeit, two eighteenth century French travellers, noted that the Gezira area of the Sudan now occupied by eroded cotton fields, was once covered in forests and 'fruitful and well-cultivated plains ', and that it was called God's Country (Belad-Allah) 'by reason of its great plenty' .

Many modern anthropologists have noted how healthy and well-fed tribal peoples with whom they lived were, and how their diet and state of health deteriorated as soon as they adopted the life-style of their colonisers.

RR Thaman of the University of the South Pacific, for instance, points out that prior to European contact, the islanders of Melanesia, Polynesia, and Micronesia, generally had abundant food resources, and were almost universally reported to be a sturdy, healthy people of superior physical type. Even those atolls and raised coral limestone islands where food was relatively scarce 'had abundant breadfruit, coconuts,

pendanus, often taro, a variety of edible plants and rich marine resources.' Recent years, however, have seen a dramatic deterioration in the health of Pacific islanders. The growing trend towards eating a western-style diet has brought a rise in the incidence of the so-called ***'Diseases of Civilization,'*** notably heart disease, dental caries and diabetes diseases that were almost unknown a few decades ago.

In Micronesia, the number of people who were treated for hem disease at local hospitals tripled between 1958 and 1972 - a rise which is best explained by changes in diet and by the stress of modern living. Countless other studies in the Pacific Islands and other parts of the world paint the same picture.

In other words, tribal and other traditional people did not require economic development and the money that it provides in order to be healthy and well fed. Significantly, the World Bank's 2001 edition of World Development Indicators (WDI) shows Cuba - the only developing country with the exception of North Korea, which since 1960 has received no World Bank loans, and has had but 'anaemic' economic growth - as topping all other poor countries in health and education statistics. Even Joe Ritzen, the Bank's Vice President for development policy, cannot help being impressed. He notes that the Cuban system is extremely productive in social areas, but he cannot help commenting critically that it does not give people opportunities for prosperity.

BUT WHAT, ONE MIGHT ASK, IS THE USE OF PROSPERITY IF IT HAS 'A NEGATIVE EFFECT IN SOCIAL AREAS'?

What is particularly significant is that these pre- industrial people did not feel poor, a point that is made very clearly by Marshall Sahlins: ***'The world's most primitive people have few possessions, but they are not poor. Poverty is not a certain small amount of goods, nor is it just a relation between means and ends; above all it is a relation between people. Poverty is a social status. As such, it is the invention of civilization.'***

No word for poverty

Serge Latouclie, who has worked for decades in West Africa, tells us that 'there is not even a word for poverty in the principal African languages, at least in the economic sense of the term, which he sees as a Western invention. The closest are the words that denote orphan.

In this way, poverty is not associated with a lack of money, but rather with the absence of social support. For Latouche, the very idea of poverty is only conceivable in an individualistic society, such as that which development necessarily gives rise to. It refers above all to the powerlessness of the social isolate. ***'In a non-individualistic society,' Latouche tells us, 'the group as a whole is neither rich or poor.'***

Julius Nyerere said much the same thing. For him in an African society... nobody starved, either of food or human dignity, because he lacked personal wealth; he could depend on the wealth possessed by the community of which he was a member.'

Many of those who are economically poor in the modern world of today are also those with minimal family support. These include the increasing number of old people who have been largely abandoned by their families and have become dependent on a miserable state pension that is hardly sufficient to keep body and soul together. They also include many single parents and their children.

As early as 1974, Bronfenbrenner, the well-known child psychologist, pointed out that 'of the number of children in the USA living in poverty under the age of six, 45 per cent of them were members of single parent households.' Since then the situation has become very much worse. The number of children living in poverty in England in the year 2000 has just about trebled since 1968 from 1.4 to 4.4 million, as, not surprisingly, has the number of lone parents during the same period.

It is in the slums of the modern industrial cities that social disintegration and the deprivation it gives rise to, is most advanced, and this gives rise to, a form of poverty which is largely absent in traditional societies, and which in some ways is even less tolerable than that which exists in the slums of Third World cities such as Calcutta.

The main reason why development must create this social deprivation is that, as more and more of the key functions that have always been fulfilled by families and communities are assumed by corporations, these key social units will simply atrophy, like muscles that are no longer in use. People will thereby be deprived of the most caring and most dependable sources of security.

However, within the context of the highly unstable global economy we have created, investments are pretty precarious, as we saw with the massive slump in technology shares. Jobs are also increasingly precarious, while at the same time the welfare state, in order to reduce costs to industry, is being systematically dismantled. As this process occurs, so vast numbers of people, increasingly deprived of family and community support, will find themselves deprived of virtually any form of security and will thereby join the proliferating throngs of the poor and destitute.

The worst is yet to come

However, today's poverty is as nothing compared to what it will be as development enters its final stage in a global economy controlled by uncompromising trans-national corporations.

Consider, for instance, that, in accordance with WTO regulations, markets throughout the world are being systematically opened up to highly subsidised US food products. It has already begun in India with devastating results. There are somewhere between two and three billion small farmers in India, China, Indonesia, Thailand, and other parts of South and Southeast Asia, where the average farm size is only a few acres.

Few are likely to survive the opening up of their markets - few too of the artisans, small shopkeepers and street vendors who depend entirely on the fanning community. Most will be forced to seek refuge in the slums of the nearest conurbations and, without land on which to grow their food, without jobs - as the level of unemployment in these slums is already horrific - and without any unemployment benefits, they will be reduced to a state of total destitution.

Plus, of course, in accordance with the WTO's General Agreement on Trade in Services (GATS) just about all the services that the state originally took over from local communities, and which were largely subsidised by the public so that they could be provided for free for those in need, would now all be taken over by unaccountable corporations who would charge the maximum price that they could get away with - creating an unprecedented number of poor people who would thus be deprived access to the basic requirements of life.

But the overriding contribution of economic development to the growth of world poverty must be the generation of ever greater

amounts of the greenhouse gases that cause global warming, which is by far the greatest problem humanity has ever faced.

Indeed, if we do not rapidly put this process into reverse, much of our planet will soon be largely uninhabitable with ever worsening heat waves, floods, droughts, storms, and sea-level rises, giving rise to vast migrations of impoverished and half starved refugees across the surface of our planet. To combat global warming means putting many developmental processes into reverse, and this is irreconcilable with everything we have been taught to believe in. **So far, nothing has been done.**

Thirty Years on - Small is still Beautiful

Andrew Simm

September 2003 was the 30th anniversary of the publication of Ernst Friedrich Schumacher's classic book *Small is Beautiful*.

Alongside the Club of Rome's *Limits to Growth* and Rachel Carson's *Silent Spring*, **Small is Beautiful** is iconic and a foundation stone of the green movement.

Small is Beautiful itself was not even written as a book. It is an ad hoc collection of essay and lectures that Schumacher had produced over a period of time, shuffled together to make a publication. And, it's hardly popular stuff.

Thoughts about management practice, industrial resources and the problem of production. Somehow, though, Schumacher defined something - a new approach to economics and a set of questions that hadn't yet been put so clearly.

A message breathing through the essays is that things go wrong when they are too big, and that power when remote and centralised is oppressive and inefficient.

The observation holds for everything from the power supply industry and its technologies like nuclear power, to agriculture and biotechnology, through to the size and organisation of firms. But although Schumacher may have introduced a new economic paradigm, ***'as if people mattered',*** the same mistakes are still being made.

Thirty Years on - Small is still Beautiful, by Andrew Simms,
Third World Network, 30th August 2003. [C.ELDOC6007447]
Small is Beautiful by E.F. Schumacher, published by Vintage, price £3.5, 1973. [C.ELDOC6008662]
Since publication in 1973, across most sectors of the economy, from banks to food shops, things have got bigger and power has been increasingly centralised. Ironically this is in complete denial of the evidence of economic efficiency. For example. in fewer than one in three cases do mergers leading to ever-larger corporations actually add value for shareholders.

In other ways, though, Schumacher's concerns have moved inexorably up the political and economic agenda - his thoughts on peace and social cohesion, on technology with a human face, on the use of natural assets like land, on ownership and on systems thinking in general.

One of the most important of all Schumacher's insights is a guiding principle that may show us how to do it. 'It is an injustice and at the same time a grave evil and disturbance of right order to assign to a greater and higher association what lesser and subordinate organisation can do.' That was the papal Encyclical Quadragesimo Anno describing the 'principle of subsidiary function'.

Put simply, it means that things should be done at the lowest, or most vocal, level. Why is this principle so important? Because when you have problems at both the local and the global level- and all those in between - it means a non-dogmatic approach to finding solutions.

For example, if you need a global authority to control truly global firms, you have one. If local authorities need local powers to ensure the health and diversity of their high streets and prevent the take-over by chain-stores, they should have them too.

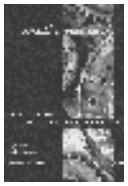
It settles the fruitless, and false, debate between people arguing for long-term, fundamental reform of big institutions like the World Trade Organisation, and others who are fighting immediate practical challengers to protect local economies**.**

Like many great thinkers Schumacher, it seems, died before his most important idea would suffer its most important test. The responsibility instead has fallen on us to do justice to his work. Thirty years on, are we up to it?

Extracts

Small is Beautiful

E F Schumacher

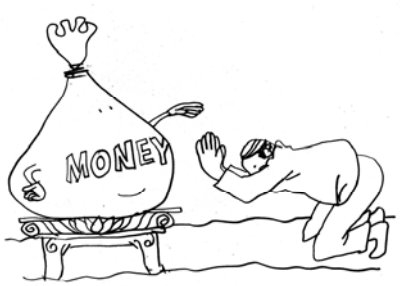


***Small is Beautiful**. Economics As if People Mattered by E. F. Schumacher, Vintage, 1973, pp.286, Price £3.5, . [CED Ref: B.Q0.S60]*

Epilogue

In the excitement over the unfolding of his scientific and technical powers, modern man has built a system of production that ravishes nature and a type of society that mutilates man. If only there were more and more wealth, everything else, it is thought, would fall into place.

Money is considered to be all-powerful; if it could not actually buy non-material values, such as justice, harmony, beauty or even health, it could circumvent the need for them or compensate for their loss.



The development of production and the acquisition of wealth have thus become the highest goals of the modern world in relation to which all other goals, no matter how much lip-service may still be paid to them, have come to take second place.

The highest goals require nonjustification; all secondary goals have finally to justify themselves in terms of the service their attainment renders to the attainment of the highest. This is the philosophy of materialism, and it is this philosophy – or metaphysic – which is now being challenged by events.

There has never been a time, in any society in any part of the world, without its sages and teachers to challenge materialism and plead for a different order of priorities. The languages have differed, the symbols have varied, yet the message has always been the same: 'Seek ye first the kingdom of God, and all these things (the material things which you also need) shall be added unto you.' They shall be added, we are told, here on earth where we need them, not simply in an after-life beyond our imagination.

Today, however, this message reaches us not solely from the sages and saints but from the actual course of physical events. It speaks to us in the language of terrorism, genocide, breakdown, pollution, exhaustion. We live, it seems, in a unique period of convergence.

It is becoming apparent that there is not only a promise but also a threat in those astonishing words about the kingdom of God - the threat that 'unless you seek first the kingdom, these other things, which you also need, will cease to be available to you'**.** As a recent writer put it, without reference to economics and politics but nonetheless with direct reference to the condition of the modern world:

"If it can be said that man collectively shrinks back more and more from the Truth, it can also be said that on all sides the Truth is closing in more and more upon man. It might almost be said that, in order to receive a touch of It, which in the past required a lifetime of effort, all that is asked of him now is not to shrink back. And yet how difficult that is!"

We shrink back from the truth if we believe that the destructive forces of the modern world can be 'brought under control' simply by mobilizing more resources – of wealth, education, and research – to fight pollution, to preserve wildlife, to discover new sources of energy, and to arrive at more effective agreements on peaceful coexistence.

Needless to say, wealth, education, research, and many other things are needed for any civilization, but what is most needed today is a revision of the ends which these means are meant to serve. And this implies, above all else, the development of a life-style, which accords to material things their proper, legitimate place, which is secondary and not primary.

The 'logic of production' is neither the logic of life nor that of society. It is a small and subservient part of both. The destructive forces unleashed by it cannot be brought under control, unless the 'logic of production' itself is brought under control - so that destructive forces cease to be unleashed.

It is of little use trying to suppress terrorism if the production of deadly devices continues to be deemed a legitimate employment of man's creative powers.

Nor can the fight against pollution be successful if the patterns of

production and consumption continue to be of a scale, a complexity, and a degree of violence which, as is becoming more and more apparent, do not fit into the laws of the universe, to which man is just as much subject as the rest of creation.

Equally, as long as there is no idea anywhere of enough being good and more-than-enough being of evil, the chance of mitigating the rate of resource depletion or of bringing harmony into the relationships between those in possession of wealth and power and those without is non-existent.

It is a hopeful sign that some awareness of these deeper issues is gradually – if exceedingly cautiously – finding expression even in some official and semi – official utterances. A report, written by a committee at the request of the Secretary of State for the Environment, talks about buying time during which technologically developed societies have an opportunity ***"to revise their values and to change their political objectives."***
It is a matter of ***'moral choices'****, says the report; "no amount of calculation can alone provide the answers.…* The fundamental questioning of conventional values by young people all over the world is a symptom of the widespread unease with which our industrial civilization is increasingly regarded."

Pollution must be brought under control and mankind's population and consumption of resources must be steered towards a permanent and sustainable equilibrium. ***"Unless this is done, sooner or later – and some believe that there is little time left – the downfall of civilization will not be a matter of science fiction. It will be the experience of our children and grandchildren."***

But how is it to be done? What are the 'moral choices'? Is it just a matter, as the report also suggests, of deciding ***"how much we are willing to pay for clean surroundings?"*** Mankind has indeed a certain freedom of choice: it is not bound by trends, by the 'logic of production', or by any other fragmentary logic. But is bound by truth. Only in the service of truth is perfect freedom, and even those who today ask us ***"to free our imagination from bondage to the existing system"*** fail to point the way to the recognition of truth.

It is hardly likely that twentieth-century man is called upon to discover truth that had never been discovered before. In the Christian tradition, as in all genuine traditions of mankind, the truth has been stated in religious terms, a language which has become well-night incomprehensible to the majority of modern men.

The language can be revised, and there are contemporary writers who have done so, while leaving the truth inviolate. Out of the whole Christian tradition, there is perhaps no body of teaching which is more relevant and appropriate to the modern predicament than the marvelously subtle and realistic doctrines of the Four Cardinal Virtues **– *prudentia, justitia, fortitudo, and temperantia.***

The meaning of ***prudentia,*** significantly called the ***'mother'*** of all other virtues – *prudentia dicitur genitrix virtutum* – is not conveyed by the word prudence, as currently used. It signifies the opposite of a small, mean, calculating attitude to life, which refuses to see and value anything that fails to promise an immediate utilitarian advantage.

"The pre-eminence of prudence means that realization of the good presupposes knowledge of reality. He alone can do good who knows what things are like and what their situation is. *The pre-eminence of prudence means that so-called 'good intentions' and so-called 'meaning well' by no means suffice.* Realization of the good presupposes that our actions are appropriate to the real situation, that is to the concrete realities which form the 'environment' of a concrete human action; and that we therefore take this concrete reality seriously, with clear-eyed objectivity."

This clear-eyed objectivity, however, cannot be achieved and prudence cannot be perfected except by an attitude of 'silent contemplation' of reality, during which the egocentric interests of man are at least temporarily silence.

Only on the basis of this magnanimous kind of prudence can we achieve justice, fortitude, and ***temperantia,*** which means knowing when enough is enough. "***Prudence implies a transformation of the knowledge of truth into decisions corresponding to reality."*** What, therefore, could be of greater

importance today than the study and cultivation of prudence, which would almost inevitably lead to a real understanding of the three other cardinal virtues, all of which are indispensable for the survival of civilization?

Justice relates to truth, fortitude to goodness, and *temperantia* to beauty; while prudence, in a sense, comprises all three. The type of realism which behaves as if the good, the true, and the beautiful were too vague and subjective to be adopted as the highest aims of social or individual life, or were the automatic spin-off of the successful pursuit of wealth and power, has been aptly called 'crackpot-realism'.
Everywhere people ask: 'What can I actually do?' The answer is as simple as it is disconcerting: we can, each of us, work to put our own inner house in order.

The guidance we need for this work cannot be found in science or technology, the value of which utterly depends on the ends they serve; but it can still be found in the traditional wisdom of mankind.