KNOWLEDGE, PROGRESS AND THE HUMAN CONDITION IN THE 21ST CENTURY AND BEYOND

A report for the

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FORO Nacional Internacional

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Preliminary remarks

This is the final report of a project supported by the Foundation for the Future at FORO Nacional Internacional. It summarizes the main ideas developed during the year the project lasted, even though it has not been possible to capture and convey the exceedingly rich discussions held with other colleagues at FORO and at other institutions during the course of the project.

An early opportunity to share and explore the ideas developed in the project "Knowledge, progress and the human condition in the 21st century and beyond" came when the project leader, Dr. Francisco Sagasti, and the research assistant, Romeld Bustamante, traveled to Postdam, Germany, at the invitation of the Institute for Advanced Sustainability Studies. In two lectures Dr. Sagasti presented some of the key ideas to a select audience, and the exchanges led to a request to prepare chapters for two diffierent books that will be published in 2013. In addition, several presentations and seminars were held in Lima to discuss the ideas related to the twilight of Bacon's age and its implications.

The results of the research project will be disseminated through a variety of means. In addition to the two chapters already mentioned, there are two other articles in preparation, and the results of the research —particularly the incorporation of value considerations into the redefinition of progress and development — will appear prominently in the book Dr. Sagasti is now preparing, tentatively titled *The Twilight of Bacon`s Age and the Future of Humanity.*

In addition to the written output of the project, there is a large number of notes from meetings, seminars and exchanges, as well as many books and articiles specially obtained to support the research efforts.

The project director, Dr. Francisco Sagasti, is deeply grateful to the Foundation for the Future for supporting this project and line of work at FORO Nacional Internacional, and will refer to this support in any publication or activity that makes uses of the results of the project.

Lima, December 18, 2012

Introduction

We live in turbulent times. During the first years of the 21st century we are experiencing a period of accelerated transformations in all aspects and dimensions of human activity —economic and financial crises, deterioration of ecosystems and the environment, demographic changes and migrations, increase in social demands and expectations, new diseases and pandemics, climate change and extreme natural events, excessive consumption and use of energy and water, food shortages, geopolitical tensions, ethnic and religious conflicts, among many others— which are generating levels of instability and uncertainty without precedent.

More than a series or combination of crises, these transformations augur a change of epoch in human history. Diverse interpretations have been offered to appreciate the magnitude and direction of these change processes, although all of them suggest that we are facing a crossroads and that what happens during the first half of the 21st century will determine the range of options for the future of the human species. This challenges established habits of thought, demands new efforts to understand the human predicament, and requires changes in the ways of doing things that have prevailed during the last 400 years.

Ortega y Gasset's dictum: *"we don't know what is happening to us, and this is what is happening to us"*, seems appropriate to describe our bewilderment and anxiety at the accelerated pace of changes, at the way in which all aspects of the human condition are being transformed in exceedingly short periods of time. Moreover, as Eric Hobsbawm (2003) put it in his history of the 20th century:

> *"The Short Twentieth Century ended in problems, for which nobody had, or even claimed to have, solutions. As citizens of the fin-de-siècle tapped their way through the global fog that surrounded them, into the third millennium, all they knew for certain that an era of history had ended. They knew very little else. … the century ended in a global disorder whose nature was unclear, and without an obvious mechanism for either ending it or keeping it under control. … The reasons for this impotence lay not only in the genuine profundity and complexity of the world's crisis, but also in the apparent failure of all programs, old and new, for managing or improving the affairs of the human race."*

Two key drivers underpin the fundamental changes humanity is experiencing at the beginning of the 21st century: the increasingly troublesome interactions between humanity and the ecosystems that support life, and the massive and pervasive impact of scientific and technological advances in all aspects of human activity. The combined impact of these drivers, among other forces for change, have motivated many serious thinkers to raise the possibility that humanity will experience radical alterations in the coming decades. For example, Sir Martin Rees (2003), a British cosmologist and former President of the Royal Society, suggests there is a fifty-fifty chance that human civilization as we know it will survive till the end of the 21st century.

Facing such a dire prospect, a quest for explanations is inevitable. With the benefit of hindsight, it is possible to argue that what gave this period of human history its unique character was the articulation and deployment of what philosopher Hans Jonas called the "Baconian Program" by Sir Francis Bacon 400 years ago.

The Baconian program

Sir Francis Bacon, philosopher, member of Parliament and Lord Chancellor of the British Crown, was and still remains a controversial figure. He was both modern and ancient, religious and secular, political animal and scientist, idealist and careerist, and also a man with farsighted aims and vision, but riddled with short-term ambitions and petty grudges, who had a dubious reputation and was sentenced for accepting bribes. Bacon was also a bridge between two ages, a gatekeeper who rescued the myths of antiquity and reinterpreted them with uncanny foresight in the late 16th and early 17th centuries. Employing a variety of literary styles —essays, fables, myths, treatises and aphorisms— he helped to renew the repertoire of concepts with which his contemporaries apprehended reality.

Bacon was the first to articulate a coherent view on how to use the power of modern science for the benefit of humanity. Nearly four centuries after he put forward his program, our lives and thoughts are deeply influenced by the visions of this extraordinary man. Yet, interpretations of Bacon's achievements and of his contributions to the scientific enterprise have varied over time. He has had detractors and supporters, and in a certain way, these interpretations have mirrored the contemporary concerns of science historians in different epochs.

German philosopher Hans Jonas (1984) has defined the Baconian program in the following terms: *"to aim knowledge at power over nature, and to utilize power over nature for the improvement of the human lot"*. Elaborating on this definition, I have proposed five key features that distinguished this program from other views on the production and use of knowledge that were current in Bacon's time:

- o An awareness of the importance of appropriate research procedures (the scientific method);
- o A clear vision of the purpose of the scientific enterprise (improving the human condition);
- o The idea of indefinite and cumulative human progress, which was the driving force of the Baconian program;
- o A firm conviction that humanity occupies the central place in a God-created universe; and
- o A practical understanding of the arrangements necessary to put the program in practice (scientific institutions, public support, patronage).

The combination of these five features gave the Baconian program its powerful and unique character, which allowed it to withstand the test of time and endure until our days. Through its application the human condition has improved in ways that Bacon and his contemporaries could hardly imagine. These five features are equally important, but two of them are of particular interest for this article: the centrality of humanity and the idea of progress (Sagasti, 2006).

First, Bacon assumed that human beings occupy the central place in a God-created universe Bacon's account and interpretation of the myth of Prometheus provides a clear statement of his view that divine intervention awarded us a privileged

position. For him: *"Prometheus clearly and expressly signifies Providence ... the special and peculiar work of Providence was the creation and constitution of Man"*. According to Bacon (2011):

> *"The chief aim of the parable seems to be, that Man, if we look to final causes, may be regarded as the centre of the world; insomuch that if man were taken away from the world, the rest would seem to be all astray, without aim or purpose ... For the whole world works together in the service of Man, and there is nothing from which he does not derive use and fruit."*

Bacon's conception that the world is there for Man to dominate through understanding has come under attack from many fronts. New challenges to our inherited conceptions of reality and of what is to be human have emerged during the 20th century, and especially during the last five decades because of our awareness of the impact that human activity has on the ecosystems that support life and human civilization. As a consequence, we are now being compelled to regard ourselves in a new light: we are being forced to reposition humanity in an ex-centric manner in relation to other living organisms, to the diversity of ecosystems we inhabit, and to the universe as a whole.

Second, the Baconian program belief in the unending, linear and steady advance of humanity —the idea of progress—, mobilized human energies over several centuries. Beginning with the Hellenistic and Roman notions that knowledge can be acquired step by step through experience and through trial and error, the idea of progress has evolved over the whole history of Western civilization. Cyclic conceptions of the universe, in which events repeated themselves over the course of a "great year," had to be overcome before embracing a belief in the open ended and cumulative character of advances in human history. Faith in a divine design for the cosmos played a major role in the evolution of the idea of progress during the Middle Ages. The Renaissance added a revaluation of the individual and of human actions as a means to improve the human condition, while the scientific and geographical discoveries of the sixteenth and seventeenth centuries laid the ground for a belief in the inevitability of progress through the accumulation of knowledge.

With the emergence and subsequent triumph of rationalism during the seventeenth, eighteenth and nineteenth centuries, the idea of progress gradually lost its religious underpinnings and during the Enlightenment it became a thoroughly secular idea in which divine providence played a marginal role, if any. Progress acquired a distinctively social character and was seen as the almost inevitable result of human actions. During the Enlightenment enthroned the idea of continuous, cumulative and unlimited progress as a unique attribute of the human species —thus transferring to the realm of social interactions what were perceived as the essential tenets of the modern scientific enterprise, particularly in the realms of physical and biological inquiry. The cumulative and constant advances of the "hard" sciences were seen as providing a template for similar advances in society.

Bacon died in 1626, but the deployment of his program went hand in hand with the expansion of the capitalist system of production and its dissemination throughout the world. Organized and systematic experimentation would lead to new technologies that fueled economic growth, primarily in Europe and the United States. Experiments to improve agricultural production, together with the emergence of electricity and organic chemistry in the mid-19th century, the first two science-based technologies, would help to institutionalize scientific research and technological development as a source of practical knowledge to support production activities.

The powerful idea of progress permeated all aspects of social and human affairs in the West throughout the 19th century, especially after the emergence of Darwin's theory of evolution. Through the transition to the 20th century, the general idea of progress would remain ingrained in Western minds as a positive driving force for improvements in the human condition, as the engine that made the Baconian program run.

However, the events that took place during the first forty years of what Eric Hobsbawm has called the "Short Twentieth Century," challenged our beliefs in any notion of continuous and indefinite human progress. The decades that saw the carnage of World War I, the emergence of Communism, the rise of Fascism, the Great Depression, the Holocaust, the Second World War and the atomic bombing of Hiroshima and Nagasaki, could hardly be considered conducive to harboring and nurturing the idea of progress. With the waning belief in the inevitability of progress, the achievements of the Baconian age also began to be seen as suspect.

A fundamental assumption of Baconian program was that human beings occupy the central place in a God-created universe; in Bacon's view divine intervention awarded us a privileged position in the cosmos. This belief in our centrality would later be carried over into the secular realm and maintained in practically all narratives of human evolution, even though God would be dispensed with in most scientific accounts of the origin of the universe and of our species.

The assumption of humanity's uniqueness and superiority, and the centrality we have awarded ourselves in the cosmic order, have both come under attack. New challenges to our inherited conceptions of reality and of what is to be human have emerged during the twentieth century, and especially during the last five decades. As a consequence, we are now being compelled to regard ourselves in a new light and from new perspectives. This is forcing us to reposition ourselves in an ex-centric manner in relation to other living organisms and to the world that surrounds us. In this light, Bacon's interpretation of the myth of Prometheus requires updating; Prometheus's story needs to be retold and reinterpreted in much more uncertain and ambiguous terms, without assuming that "*Man is the center of the world.*"

Among the findings that require a reframing of our concepts of human nature and a revision of the postulates of Bacon's program, it is possible to find:

- Advances in particle physics, which have changed our ideas of physical reality and the notion that there exists an independent world "out there" separate from us as observers;

- Discoveries in quantum cosmology, which are forcing us to modify our views regarding the origin and fate of the universe and of the place we occupy in it;

- Findings about the nature of time, which require that we abandon the idea of an absolute and immutable flow of time as a backdrop to the progress of humanity;

- Acknowledgment of the tight coupling that exists between human activities and physical ecosystems, which is forcing us to abandon the idea that nature is "out there" for us to conquer and dominate;

- Advances in biotechnology and genetic engineering, which are giving us the capacity to consciously alter the direction of our own biological evolution;

- Developments in artificial intelligence, which have emerged to complement and challenge conventional ideas about the uniqueness of human reason; and

- New findings in information sciences and technologies, which are in the process of creating new levels of reality and of fundamentally altering the nature of human interactions.

These challenges are a product of the scientific and technological advances of Western civilization, which accompanied the unfolding of the Baconian program. Their combined impact, coming with thunderous force at the end of the twentieth century, is forcing us to reassess the legacy of the Baconian age.

In each and every of these areas, our knowledge is advancing with such speed that it is nearly impossible to provide an accurate picture of the breadth and intensity of the changes under way. As a consequence of these advances, we have been compelled to accept strange notions regarding the probabilistic nature of the physical world, which is no longer seen as something objective "out there;" and to entertain even stranger conceptions postulating that there is a multiplicity of universes, whose existence cannot be proved or disproved with the tools of modern science. We have had to revise our views of linear and absolute time, which can no longer be seen as providing a fixed backdrop for the idea of indefinite human progress. We have also been forced to abandon our human centered view of the environment, and to renew reciprocity linkages between human beings and the biophysical world that surrounds us.

At the same time, we are in the process of becoming responsible for guiding the biological evolution of our species. Regardless of our readiness to accept such awesome responsibility; we have had to face the challenge of artificial intelligence,

which has shown us that the capacity to reason is not an exclusive prerogative of human beings; and we have also been forced to cope with the swift emergence of cyberspace, a new level of reality, which has challenged the dualism that underpinned the modern scientific outlook. Last, but not least, we have realized that technological advances are transforming human interactions, fragmenting our selves and profoundly altering our sense of personal identity.

These challenges make it necessary to reconsider the foundations of the Baconian program. The methods of modern science have evolved gradually since the time of Bacon, Descartes, Galileo and Newton and the other fathers of modern science but are poised to experience even more significant transformations as we move into the 21st century and a new millennium. Our efforts to improve the human condition have had a host of unintended negative consequences, which have made it impossible to unambiguously abide by Bacon's injunction to employ knowledge for the benefit of humanity. Confidence in the steady and indefinite character of human progress has been badly shaken by the human catastrophes of the 20th century. Moreover, the progressive loss of the ethical and moral dimensions that Bacon, in his deeply felt concern for the good of mankind, had built into his program, is one of the main reasons for the paradox that the program's success ended up undermining its foundations. In addition, the institutional settings for the generation and utilization of knowledge, together with the idea of public support for research, are experiencing wrenching transformations. The Baconian program began to be fully realized, but without some of the safeguards which Bacon would have favored.

All of this suggests that we are witnessing the twilight of Baconian age. Our attempts to cope with all the assaults on the Promethean centrality of humanity and to deal with the challenges to the Baconian program, whose success has ended up undermining its own foundations, are creating confusion, anxiety and a widely shared feeling that humanity has lost its bearings.

A fractured global order

Such a complex and challenging situation requires new mindsets, ways of thinking and approaches for understanding and making sense of the current human predicament. But, before beginning to articulate how to undertake the task of renewing our thinking, it is essential to be aware of the context within which these efforts take place. There is a need to understand the main characteristics of the setting for said efforts, and the way it affects our thinking and practices.

As we enter into the 21st century there is an accelerated, segmented and uneven process of globalization presently under way. The worldwide expansion of productive and service activities, the growth of international trade, the diminishing importance of national frontiers, and the intensive exchange of information and knowledge throughout the world, all coexist with the concentration of "global" activities in certain countries, regions and even neighborhoods, as well as within certain firms and corporations. Table 1 presents a list of the main changes and trends prevailing in the international context at present.

The simultaneous integration and exclusion of countries —and of peoples within countries— are two intertwined aspects of the multidimensional processes of globalization and fragmentation under way in our turbulent period of history, a time that is witnessing the emergence of a *fractured global order*. This is an order that is global but not integrated; an order that puts all of us in contact with one another, but simultaneously maintains deep fissures between different groups of countries and between peoples within countries; an order that is benefiting a small percentage of humanity and segregating a large portion of the world's population.

The structure of the fractured global order can be conceptualized in terms of three closely interconnected and partially overlapping domains, each of which has its own specific features and ways of interacting with the other two. These are: the domain of the global, the domain of the networks, and the domain of the local (Figure 1)

The *domain of the global* consists primarily of the intensive, dense and nearly instantaneous exchanges of symbols and intangible goods on a planetary scale, which are characteristic of the information age. Advances in communications and information technologies have allowed us to free our activities and interactions from the constraints imposed by our immediate and concrete experiences of time and space, and to restructure those activities and interactions almost at will in the abstract domain of the global. The separation and delinking of time and space from each other, and from their concrete experiential settings, are what make possible the domain of the global. Social relations are thus disembedded or lifted out from their local contexts, transformed into vast and complex symbolic arrays that represent myriad social interactions, and projected into the realm of the global where they become free to roam and intermingle in a rather fluid fashion.

TABLE 1: **Main features of the fractured global order**

International Security in a post-bipolar world
- End of the Cold World and demise of East-West rivalry.
- Virtual elimination of the threat of an all-out nuclear war and of conflicts based on Cold War ideology.
- Emergence of new security concerns: environmental conflicts, terrorism, drug traffic, international crime syndicates, proliferation of chemical and biological weapons, and proliferation of small-scale nuclear devices.
- Erosion of the power of nation states as political units (both from below and from above).
- Increase in number and intensity of regional conflicts (ethnic, religious, over resources).
- Larger role for international and regional institutions, particularly the United Nations, in maintaining security.

Economic and financial interdependence
- Rapid growth and globalization of financial markets.
- Changes in trade patterns: shift of the content of trade in favor of high technology services and manufactured products, emergence of the North Pacific as the largest trading area, multiplication of regional trade agreements, growth of intra-firm trade, creation of the World Trade Organization.
- New situations in key countries (United States, Russian Federation, Japan, European Union, China, East Asian newly industrialized countries).

Persistent inequalities and economic uncertainty
- Persistent and growing disparities between industrialized and developing countries.
- Growing inequalities of income and opportunities within both rich and poor countries.
- Greater instability of the international economic system.
- Increasing concern and demands for better international economic governance.

Social conditions
- Demographic imbalances (low growth and aging in rich countries vs. relatively high population growth in developing countries).
- Growing social demands (food, education, health, housing, sanitation) in poor countries.
- Unemployment: developing countries face the challenge of raising labor productivity while absorbing the growing number of entrants in the labor force; developed countries face structural changes in employment patterns and an aging work force.
- Widespread and growing social exclusion (gender, ethnic, age, poverty, education) in both developed and developing countries.

Environmental sustainability
- Greater awareness of the problems of resource depletion.
- Threats to environmental sustainability and appropriate resource use: poverty in developing countries; wasteful consumption in rich nations.
- Security also defined in environmental terms.
- Need for and development of environmentally sound technologies
- Acknowledgement of danger posed by global environment problems.

Culture, religion and ethical concerns
- Growing importance of religious and spiritual values.

- Rise of religious fundamentalism (Islamic, Christian, Hindu, etc.) as a driving force of economic, social and political actions.
- Conflict between cultural homogeneity and cultural identity as a result of globalization of mass media, communications and transportation.
- Growing importance of moral and ethical issues in equity and human rights issues.

Governance and spread of democratic practices
- Crisis of governance in high-income and poor nations (e.g. representation vs. efficiency, social demands exceed institutional capabilities).
- Political pluralism, democracy and popular participation have spread throughout most world regions.
- Rise of "authoritarian" or "illiberal" democracies in several regions.
- Redefinition everywhere of the roles of the public sector, of the private sector and of civil society organizations.
- Governance problems exacerbated by the social impact of economic policy reforms.
- Information technology having major impact on political systems and governance.
- Growing importance of social capital and of institutional development.
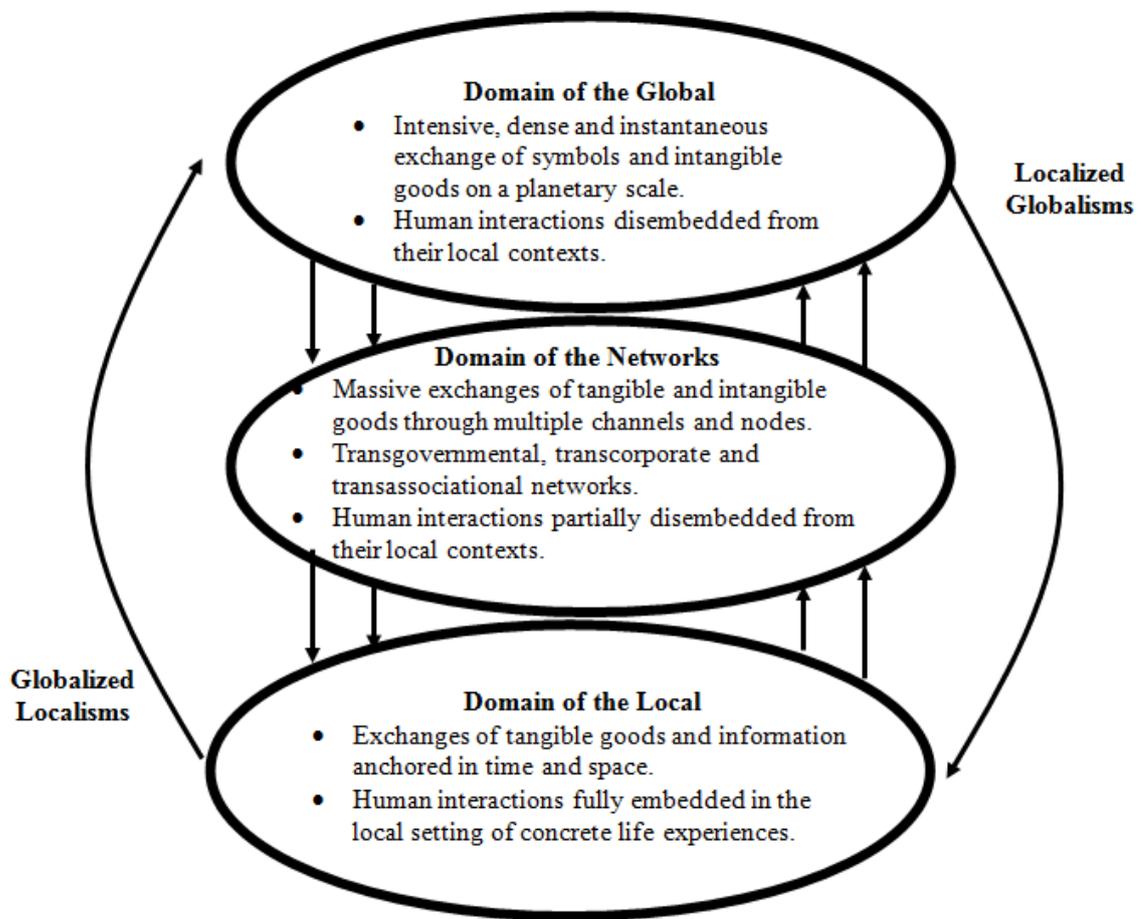
Mass media and communications
- Global spread and growing influence of television (news, opinions, entertainment, images, information) in shaping mindsets.
- Property concentration of mass media and implications for objectivity, diversity, polarization and balanced transmission of information and views.
- Possibilities of conscious and unconscious manipulation of viewers, listeners and readers.
- Change of communication patterns: unprecedented possibility for almost instantaneous "many to many" communications (Internet, www).
- Potential for interfering in personal communications and related loss of privacy.

Knowledge explosion and knowledge divide
- Exponential growth of knowledge.
- Greater importance of knowledge as a factor of production; emergence of the "knowledge society."
- Changes in the conduct of scientific research: increasing costs, greater specialization, importance of information technology.
- Increasingly systemic character of technological innovation: more and greater diversity of inputs required; more actors involved.
- Change of techno-economic paradigm: from energy intensive (key factor: oil) to information intensive (key factor: microchip).
- Transformation of production and service activities by major advances in communications and information technology, biotechnology and materials technology.
- Extreme and cumulative inequalities in science and technology capabilities between industrialized and developing countries.
- Limited science and technology capacity of developing countries to face economic, social, political, cultural, environmental and knowledge challenges.

FIGURE 1

The Three Domains of the Fractured Global Order

Domain of the Global
- Intensive, dense and instantaneous exchange of symbols and intangible goods on a planetary scale.
- Human interactions disembedded from their local contexts.

Localized Globalisms

Domain of the Networks
- Massive exchanges of tangible and intangible goods through multiple channels and nodes.
- Transgovernmental, transcorporate and transassociational networks.
- Human interactions partially disembedded from their local contexts.

Globalized Localisms

Domain of the Local
- Exchanges of tangible goods and information anchored in time and space.
- Human interactions fully embedded in the local setting of concrete life experiences.

The *domain of the networks* consists of a bewildering multiplicity of combinations of exchanges of tangible and intangible goods —trade in products and services, power and influence relations, transfers of data and information—which flow through a myriad of identifiable channels and nodes that interconnect social groups all over the world. Interactions in the domain of the networks involve all kinds of organizations —public institutions, private corporations and civil society associations—, whose interrelations create a tangled web of overlapping and intertwined networks of networks. The domain of the networks is constantly transforming itself, as connections between its constituent units are established and severed, new channels and nodes are created and old ones destroyed, and as the network units mutate and evolve.

Transgovernmental, transcorporate and transassociational networks, together with the thick sets of relations between them, are the main types of structural arrangements found in the domain of the networks. As the hold of nation states on international affairs has weakened during the last three decades, a host of new cross-border linkages between public agencies has emerged in full view. These *transgovernmental networks* involve regulatory agencies, executives, courts, armed forces and legislatures that now routinely exchange information and coordinate their activities (Slaughter, 1997). *Transcorporate networks,* comprising multinational enterprises and private firms operating at the international level through wholly-owned subsidiaries, foreign partners, representatives and agencies, together with strategic alliances of all types, have long been an established feature of the international economic scene. In addition, a variety of civil society organizations —ranging from citizens groups and professional associations to environmental and human rights activists— have now formed regional and worldwide alliances, thus configuring a new set of *transassociational networks* whose international weight has increased considerably. While states will continue to be the main unit for political decision making in the fractured global order, the erosion of sovereignty is making them more porous and allowing transgovernmental, transcorporate and transassociational relations to proceed in an increasingly decentralized manner.

The social relations reflected in the combinations of tangible and intangible goods exchanged in the domain of the networks are both partially embedded in, and partially disembedded from, the time- and space-bound local contexts of interaction. Long in the making, the domain of the networks owes its present richness to the technological innovations in transport and communications of the last five decades, which have facilitated new and more intensive few-to-many, few-to-few, and few-to-one, as well as one-to-few and many-to-few, patterns of interrelation and communication between human beings. The *domain of the local* is constituted by those relations and transactions that are anchored in time and space, and which comprise primarily the production, exchange and consumption of tangible goods and services, together with the corresponding information resources and personal interrelations, that are necessary for human beings and social groups to exist and evolve. This domain has been in existence since the dawn of humanity, and the social relations reflected in the transactions and

interactions that comprise it are firmly embedded in the settings of our concrete living experiences.

In the domain of the local, where most of our daily lives unfolds, transactions are relatively easy to trace and the prevailing patterns of interrelation and communication between human beings one-to-few, few-to-one and few-to-few exchanges. This domain contains the extraordinarily rich range of face to face interactions between individuals that allows us to convey to each other, not only information about things, but also feelings, emotions, aspirations and values, all of which are at the root of what constitutes to be human and confer human beings their unique character.

As these three domains overlap, it is possible to identify social interactions located in the interfaces between them. For example, financial transactions which take place on a global scale, as well as money that never rests and moves constantly throughout the world's financial channels and hubs, straddle the domains of the global and of the network. Point to point trade in goods and services taking place through clearly identifiable routes, and which initially requires localized production and ultimately involves localized consumption, spans both the domains of the local and of the networks.

In addition, some activities circumscribed in time and space can rise from the domain of the local, processed and leveraged through the domain of the network, and reach the domain of the global (e.g. American English as the Internet language, tastes for Chinese food and Brazilian music, Western market economy concepts and policies typified in the so-called "Washington Consensus," designs derived from local cultures from developing regions). The reverse happens more frequently, for interactions that take place in the domain of the global filter down through the domain of the networks and reach the domain of the local (e.g. the tourist and travel industries focusing on countries and regions with rich historical heritages, the technique of music videos used to present local compositions and talent, highly mobile financial assets invested in medium and long term projects in a specific location). Boaventura de Sousa Santos (1995) calls the former "globalized localisms," and the later "localized globalisms," and points out that in the context of a highly asymmetric fractured global order, the rich or "core" countries specialize in globalized localisms, while the poor or "peripheral" countries are left primarily with localized globalisms.

In economic terms, the domain of the local comprises what are known as non-tradable goods, such as personal services, retailing, local transportation and heavy goods with high transport costs; the domain of the network comprises all types of tradable goods, services and information that can be transported and exchanged over relatively long distances; and the domain of the global includes what may be called hyper-tradable goods and non-personal services, which can be sold, bought and transferred in a nearly instantaneous fashion all over the world, many of which (currency trading, for example) are exchanged at a frenetic pace.

The emerging fractured global order and its three domains are characterized by a multiplicity of fault lines of political, economic, social, environmental, cultural,

scientific and technological nature; these faults overlap partially and often shift direction; they sometimes reinforce each other and at other times work at cross purposes. The overall picture they paint is one of turbulence and uncertainty in which a variety of contradictory processes open up a wide range of opportunities and threats that defy established habits of thought. Integration and exclusion coexist uneasily side-by-side in all domains and aspects of the fractured global order. All of this is certainly in line with what characterizes periods of profound and fundamental transformations, as was the Renaissance, and as is the transition we now embarked in towards a post-Baconian age (Sagasti, 1997).

Evolution of the ideas of progress and development

What does the twilight of the Baconian age, taking place against the background of the twilight of Bacon's age, mean for the ideas of progress development? The unfolding of this program through several centuries reached its zenith during the second half of the 20th century, opened up extraordinary possibilities for the exercise of human faculties, and allowed to improve the quality of life of a major part of humanity. Nonetheless, at the same time, it had a host of negative consequences, and its benefits were hoarded by a small part of the world's population, living mostly in rich countries, that had greater capabilities to generate and utilize scientific and technological knowledge.

The powerful idea of progress permeated all aspects of social and human affairs in the West throughout the 19th century, especially after the emergence of the theory of evolution, but was eclipsed during the turbulent first half of the 20th century. The Japanese Russian and Japanese Chinese wars, World War I, the Russian revolution, the rise of Nazism and Fascism, the Great Depression, the Holocaust, World War II, among other tragic events, forcefully challenged the idea of steady and unending human progress.

A rebirth of optimism and a renewed faith in the possibility of progress emerged at the end of World War II. The Allied triumph, based in large measure on an unprecedented mobilization of scientific knowledge, operational competence and managerial skills, brought back the idea that deliberate interventions could help to improve the human condition. The idea of *development* emerged in the mid-1940s to replace and renew that of progress, and the subsequent period of uninterrupted economic growth appeared to prove conclusively that development was indeed possible, but only if the "right" things were done by poor countries with the assistance of rich (Western) societies. The zenith of the Baconian program coincided with the emergence of the concept of "development" that carried within it the imperative economic growth.

The concept of development and its evolution

The concept of development emerged from a metamorphosis of the idea of progress but was also nurtured by advances in the field of economics as it gradually became more formal, acquiring all the trappings of a "modern" science. At the same time, it was transformed from a predominantly Western idea into a universal concept applying to all human societies. Up to the mid-19th century, classical economists emphasized the political and ethical aspects of social behavior, but economics progressively shed both of these aspects to become more of a "rigorous" and mathematical discipline, particularly after the emergence of neoclassical economics. In academic circles economic research has now reached a rarified level of abstraction and mathematical intricacy that places it at a remote distance from practical development concerns.

The Baconian program's five components underpinned both approaches and their common implicit definition of development. As it evolved over time, this reincarnation of progress had many manifestations. The idea of "development"

emerged in the mid-1940s to replace and renew that of progress. A 1943 paper by Paul Rosenstein-Rodin, which referred to the problems of industrialization of Eastern and South-Eastern Europe, put forward the idea that deliberate interventions, particularly large-scale investments in industry, can lead to economic and social development. The same idea informed US President Harry Truman's fourth foreign policy point in his 1949 address: "*we must embark on a bold new program for making the benefits of our scientific advances and industrial progress available for the improvement and growth of underdeveloped areas*." Firmly rooted in Bacon's program, "development" emerged as the latest incarnation of the idea of progress. Improvements in the human condition would be achieved through deliberate economic and social policy interventions, boosted by technical assistance and foreign aid from richer to poorer countries.

Development thinking and practice sought to answer the fundamental question of how to improve economic performance (read growth), how to better allocate scarce investment resources, and how to optimize policies and decisions to obtain the highest possible economic and (to a lesser degree) social returns. Mainstream development thinking and practice assumed that development was a "problem" that required (and had) a "solution" that could be primarily articulated in technical terms. Within the two broad and competing economic and political frameworks for development strategy and policy —market economies and political pluralism (capitalism) versus centrally planned economy and single- party political systems (socialism)— there emerged a succession of technical proposals (maybe fads?) that were advanced as the "solution" to the development "problem". For reviews of the evolution of development ideas see, among others, Rist (2002), Braga de Macedo *et al* (2002), de Paula (2005), Chang (ed) (2003), Chang (2002), Thiel (2001), Hoogvelt (2001), Cowen and Sentón (1996), Hettne (1995), Oman and Wignaraja (1991), American Academy of Arts and Sciences (1989), Arndt (1987), Erb and Kallab (1975) and Sunkel and Paz (1970). For a critical perspective on the evolution of development thinking and practice see, among others, Easterly (2002), de Rivero (2001), Rahnema and Bawtree (1998) and Mason (1997), and for an account from a socialist perspective see Szentes (1976).

The subsequent quarter century of uninterrupted economic growth appeared to prove conclusively that improvements in the human condition and progress, now relabeled "development", were indeed possible —but only if the "right" things were done by poor countries with the assistance of rich (Western) societies. In this way, the notion of unlimited human progress, largely understood in terms of material wellbeing, was transformed into a universal objective for all societies.

Two alternative systems for achieving this were postulated at the onset of the Cold War between the United States and the Soviet Union: one based on market economies and pluralistic democracies, and the other on centrally planned economies and single-party political systems. In both case the underlying assumptions were, not only that development was possible and imperative for everyone, but also that economic growth and modernization were the only paths towards it. The underlying assumptions were, not only that development was possible and imperative for everyone, but also that economic growth and modernization were the only paths towards it. These two competing (Western)

approaches shared an implicit definition of development: "*to achieve in the span of a single generation the material standards of living that the industrialized countries achieved in three or four generations, and without incurring in the high social costs they had to pay (e.g. child labor) or that they inflicted on others (e.g. colonialism).*"

The first three decades of the post World War II were also the "Golden Age" of economic growth: during 1945-1975 the world economy grew continuously and everywhere at an unprecedented rate, which seemed to prove that "development" was not only possible, but indeed achievable for the world as a whole, especially as the Welfare State in European countries indicated that state intervention could lead to vast social improvements. This period also saw the emergence of the "development cooperation experiment", which was accompanied by a surge in development assistance from rich to poor countries and by the emergence of what later became a vast and impenetrable forest of development assistance organizations (Sagasti and Alcalde, 1999).

The intellectual underpinnings of development have grown and evolved over six decades into a daunting and formidable array of ideas, concepts, theories, empirical studies and distinct schools of thought. Yet even though these schools competed with each other, they all focused on economic growth and, to a lesser extent, on social improvements. At any one time a dominant view of how to bring about development has prevailed — particularly in most development cooperation agencies and international financial institutions. The promotion of investment and project planning held sway in the 1950s; growth-oriented "trickle-down" and import-substitution strategies were prevalent in the 1960s; basic needs and redistribution with growth became the key ideas of the 1970s; structural adjustment and the "Washington Consensus" dominated in the 1980s and 1990s; and the "Millennium Development Goals" discourse held sway during the 2000s. As one rather simple, "one- size-fits-all" formulation or meta-narrative was confronted with major failures, it was replaced with the new answer in the form of another "one-size-fits- all" meta-narrative and with the promise of near-instant results in terms of economic growth and improvements in living conditions.

Since the end of the Cold War, we have become aware that, for the greater part of the six decades, culture, religion and ethnic loyalties have been omitted from the concept and practice of development. Nevertheless, and beyond what they require for basic survival, men and women are guided by ethical and moral impulses. Non-material values and aspects of human activity are fundamental for the affirmation of the capacity for action of both the individual and the group, for the creation and running of institutions and for the success or failure of efforts to achieve prosperity and wellbeing. We have also learnt that cultural identities, ethnic loyalties, religious affiliations and ethical principles can enter into conflict with and undermine these efforts. This underlines the importance of tolerance as a pre-requisite for the incorporation of other non-material values and considerations into the concept of development. The paradoxical lesson which can be derived from this is that, if we are to accept the diversity of value systems and cultural perspectives, we must of necessity first recognize the primacy of certain universal

values - such as tolerance, respect for the opinions of others and the freedom to express divergent viewpoints.

Although the thought of achieving "development" in a single generation has ceded to longer-term perspectives, it remains essentially viewed as proceeding along a single path towards a common and universal goal. Implicitly this means that the "problem" of development can be "solved" by adopting the "right" strategies and policies, usually fashioned in the image of those prevailing in more "advanced" societies. As this paper has shown, a consequence of this has been a search for the pathway to development and for a set of simple, universal one-size-fits-all prescriptions that will lead to it.

Lack of development is not a "problem," but rather a "condition," and while it is not possible to "solve" a condition it is possible to "evolve" from it. Such evolution requires a more varied, specific and finely tuned range of strategy and policy responses tailored to particular situations, which nevertheless should be capable of being examined and compared to each other within a broad framework that links and articulate the repertoire of strategy and policy choices.

Moreover, the material well being for all that has been the basic aspiration of the modern development idea since its inception, is seen by those who resist it more as a quest to tear apart the fabric of the planet than the means of bringing material comfort to the poor. Barring acts of blind faith, the inescapable conclusion is that limitless economic growth is not possible in a finite world. Looked at in this way, the thinking and practice of development become no longer a rational and secular undertaking, but a matter of faith —faith that human ingenuity will always be equal to the consequences of its own actions, that science and technology will save humanity from itself. This has led some to a fundamental questioning and rejection of the very idea —perhaps metaphor or even myth— of development.

As a consequence, the basic idea of development as a march towards unending increases in material wellbeing and prosperity for all along a single path has become suspect. But if despondency, apathy and even nihilism are to be avoided when regarding the human prospect, there emerges immediately the need to offer alternative ways of conceptualizing "development" —or whatever improvements in the human condition may be eventually called.

Advances in development thinking

Ideas about how to bring about development and how to organize development cooperation have continuously changed and evolved. For example, at different times between the late 1940s and the early 1970s, development thinking and practice were based on concepts such as the need for a "big push" of investment and capital to initiate self-sustaining economic growth, as advocated by Paul Rosenstein-Rodin and Ragnar Nurkse; the priority of investments in human capital, whose main proponents were Theodore Schultz and Hans Singer; the importance of fostering import-substitution industrialization and exploiting backward and forward linkages, which were argued by Raul Prebisch and Albert Hirschman, respectively; and on Walter W. Rostow's imperative of advancing

through a well-established sequence of stages that would lead to a takeoff into self-sustained growth.

Over time, notions such as "unlimited supply of labor" (Arthur Lewis), "deterioration of the terms of trade" (Hans Singer, Raul Prebisch), "poles of development" (Francois Perroux), "development planning" (P. Mahalanobis, Jan Timbergen), "circular cumulative causation" (Gunnar Myrdal), "unbalanced growth (Albert Hirschman), "dependency theory" (Fernando Henrique Cardoso, Osvaldo Sunkel), "structural underdevelopment" (Celso Furtado), "unequal exchange" (Aghiri Emmanuel), "redistribution with growth" (Hollis Chennery), "basic needs" (Hans Singer, Paul Streeten, Richard Jolly, Manfred Max Neef), "export-oriented industrialization" (Ann Kruger, T.N. Srinivasan), "small is beautiful" (E.F. Schumacher), "ecodevelopment" (Ignacy Sachs, Maurice Strong), among many others, were used to interpret the reality of developing countries and to offer policy recommendations.

In addition, and notwithstanding the overwhelmingly secular character of the development enterprise, some religious groups (most notably the Roman Catholic Church) had a significant influence in development thinking. For example, during the 1950s and 1960s, Father Louis-Joseph Lebret, a French priest who worked extensively with developing countries, put forward the idea of developing a "humane economy" based on the concept of solidarity, and this idea greatly influenced the development of Christian socio-political thought (Lebret, 1959). Similarly, during the 1960s and 1970s, the views put forward by Peruvian priest Gustavo Gutiérrez (1973) on "liberation theology" focused on the need to eradicate poverty and provided an ethical and moral underpinning to many grass-roots development efforts in Latin America and elsewhere in the developing world.

The ability to learn from experience and adjust to the changing conditions and shocks of the period from 1950 to 1980 were reflected in a broad evolution from general prescriptions to more precise assessments of specific conditions and the tailoring of strategy and policy recommendations to particular situations (case-by-case approaches).

With the end of the Golden Age of global economic expansion in the mid-1970s, a range of economic, social, political and technological tensions surfaced (oil shocks, debt crises, financial and trade imbalances, increasing inequalities, demographic transitions, geopolitical shifts, new technologies). These tensions characterized the "lost decade" of the 1980s and presaged the turbulent post-Cold War decade of the 1990s. Against the backdrop of a relentless process of economic globalization, a new orthodoxy —firmly skewed towards economic liberalization, deregulation, privatization and the free play of market forces (and against state interventions)— emerged in the mid-1980s as the dominant mode of development thinking and practice. This new orthodoxy, which dominated the scene during the late 1980s and the 1990s, became known as the "Washington Consensus" on economic development policies (Williamson, 1990). Yet, this decade was also a period of intellectual ferment during which past experience was

evaluated, basic assumptions questioned, complexity acknowledged and new approaches to development thinking and practice explored.

During recent years, development has been reconsidered from a variety of perspectives. Several examples will be used to illustrate how development thinking and practice are evolving in recent times.

Capabilities, functionings and life projects. Concepts such as "life opportunities" (Dahrendorf, 1983), "capacities" and "functionings" (Sen, 1984, 1992, 2004), that focus on the possibilities of human beings to choose their life-styles and decide their own future, have been recently used to redefined development.

As an example of attempts to follow this line of inquiry, the final report of "Agenda: PERU," a highly participative ten-year program of research and action on development strategies, democratic governance and institutional reforms, offered the following definition of the "common good" as the aim of development efforts:

> _"To expand as far as possible the options that all Peruvians have to imagine, design, choose and freely realize their own life projects. This multiplication of options and possibilities of achieving them is based on a shared vision of Peru"s history and the future, on a pluralistic and integrated national identity, on increasing prosperity and well being for all Peruvians, on solidarity and a commitment to help the disadvantaged, on respecting the integrity of the environment, and on seizing the opportunities offered by the emerging globalized knowledge society."_ (Sagasti, 2001).

The main report of "Agenda: PERU" —_Development strategies for the 21st century: the case of Peru_— took this definition of the common good and proposed a vision for the future of the country; examined the international setting for development efforts in the 21st century; outlined strategic directions for economic transformation, social programs, environmental sustainability, science and technology, and physical infrastructure; identified the institutional reforms required to sustain development efforts; and it also identified the values that support the implementation of the strategic directions and the institutional reforms.

"Agenda: PERU" proposed an interpretation of the emerging international context in the transition to a new century and a new millennium. It linked concepts such as the "fractured global order", its domains and manifestations with the design of development strategies, policies and interventions designed to approach the "common good". Perhaps one of the most interesting features of Agenda: PERU was its explicit attempt at showing how issues such cultural identity and values underpin and enable the implementation of strategic directions and institutional reforms.

New approaches to assessing human wellbeing. There have been several attepts to replace indicators of "_development_", largely based on measures of economic growth, with the use of "_happiness_" and "_good living_" approaches that aim to

transcend the limitations of conventional indicators. Boxes 1 and 2, describe the main features of these ideas.

BOX 1: **Interview with Carol Graham: Including happiness in the design of public policies**
By: Romeld Bustamante

- *There are different ways to measure wellbeing, such as the GDP per capita or the Human Development Index. Why do you think is necessary to have an additional indicator that focuses on happiness instead?*

Indicators such as GDP and HDI are essential to measure global progress. However, I believe that including welfare measures using variables that are not directly related to income is extremely useful to design better public policies. Currently, a growing number of economists and psychologists are involved in several efforts to better measuring wellbeing.

Including questions about happiness in traditional national polls has a very low-cost but high-value because this information complements very well what other indicators based on income tell us about people's well-being.

- *Happiness is a phenomenon related to subjective values or to particular communities. From this perspective, could happiness become a common measure criterion of welfare between countries?*

In fact, there is much skepticism in the academic community about the possibility of finding a unique indicator of happiness. In order to avoid this confusion, scholars in the field have designed measures of happiness which are divided into two dimensions: First, the *hedonic well-being* that measures happiness as a daily experience component; and an *evaluative well-being*, which is the way in which people think about their lives as a whole, including purpose and meaning. The first dimension is related to people's quality of life. The second dimension is related with the people's capacity of controlling their destiny. It is a more complex dimension and more significant for public policies. Happiness crosses both dimensions of wellbeing.

When we ask questions about hedonic wellbeing, there is a high degree of dispersion between countries' results. However, when we ask about the second dimension of happiness, which is concerned with the happiness as life expectancy, there was positive correlation between countries' happiness level and countries' income levels.

- *According to your research, how can happiness surveys strength the design of public policies?*

First we need to decide which of the two dimensions of happiness we want to take into account as additional guidance for the design of public policies. From my perspective, public policy should focus on raising the level of the second dimension of happiness: the evaluative wellbeing. That is, ensure that policies give citizens the ability to take control of their lives and fulfill their aspirations.

- *South America has not developed a planning culture, and some governments do not make decisions based on technical criteria but rather on politics. Do you think there is a risk that populist governments use happiness surveys to promote demagogic policies?*

Happiness surveys can be used in a bad way. Again, it has to do with the distinction between the two dimensions of happiness. There is a problem if politicians implement policies focusing only in the first dimension —the hedonic wellbeing— and in a sense, this could be characteristic of populist regimes. The ideal situation comes when policies also

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focus also in the second dimension of happiness, in the sense of giving opportunities, capabilities, and agency to citizens.

So I think it is very important that, if countries are going to also take happiness as a well-being measure criterion, then they must clarify what types of criteria are they going to use and what dimensions of happiness they are trying to measure.

- *In South America, there have been two alternative attempts to measure the well being of the countries' population: "living-well" in Bolivia and the "good-life" in Ecuador. Do you think these efforts will have a positive impact on the welfare of these nations and particularly on their vulnerable populations' welfare?*

I have little confidence in such measurements. In fact, there is no one working on the development of happiness indicators that is currently thinking that such measures could entirely replace gross domestic product and gross national income (GDP and GNI), both are important and comparable indicators. Most serious scholars in the field believe that happiness indicators complement existing information and measures, as well as they contribute to generate new knowledge, rather than in generating a single indicator of well-being. We are interested, for example, in understanding the relationship between income and happiness, and also understand why in some cases the relationship between income and happiness is not a direct relationship. That is, understanding why the level of GDP is not reflected in the level of happiness in each country.

BOX 2: **From development to good living: Proposals from South America**
By: Mario Bazán

South America and the "Good Living" and "Living Well" perspectives seek to change the development paradigm and look for a new set of social, cultural, economic, and environmental relations.

Ecuador and Bolivia are leading the change toward a new understanding of development in South America. The concepts of "Living Well," in Bolivia, and "Good Living," in Ecuador, were written into those countries recent constitutions, in 2009 and 2008, respectively. The *Suma Qamaña* in Aymara (Bolivia), and *Sumak Kawsay* in Quechua (Ecuador), are presented as alternatives that redefine the relationship between humans and nature in response to global crises: financial, economic, environmental, social and food assistance.

Living Well, the Andean approach to identifying improvements in quality of life, implies a close relationship with the land, agriculture, animal raising, and community work. It is also associated with community life, austerity, diversity, and being in balance with nature and the spiritual world. This approach moves away from the concept of growth and development as consumerism and material accumulation. Instead, it emphasizes social relationships and the balance between humans and nature. The concept of good living is complemented by a set of principles that frame these relationships: do not steal (*ama sua*), do not be idle (*ama qella*), do not lie (*ama llulla*), community work (*minga*) and noble life, as well as camaraderie, reciprocity, solidarity, legal security, individual interest, and collective welfare.

Bolivia included the promotion of the principles of a plural society and living well in its constitution. Ecuador, in addition to including these aspects in the constitution, has developed a national plan for good living, encompassing 2009-2013. This plan identifies twelve development objectives, and a recent assessment attempts to measure improvements in selected indicators to gauge progress in these fields. Table 1 specifies the objectives and indicators used.

One of the central challenges to this approach and similar proposals, like the global happiness index, Gross National Happiness (Bhutan), and indices of well-being (Gallup-Healthways and the Canadian Index of Wellbeing, among others), is how to measure the performance of a country in terms of their development objectives, taking into account access to and availability of information. In the case of Ecuador, the indicators used are obtained within the systems of national accounts and are valid approximations of the difference between goals and current reality, which represent specific challenges for public policy. The extent to which a country can achieve its development goals depends on whether it designs an internally relevant set of indicators adapted to its own reality and goals. However, the comparability between countries will be limited, since the objectives and the relative weight of selected indicators vary for each country and context.

Another important challenge for countries that promote the good living paradigm is how to establish relations of cooperation for development with international partners. A breakthrough in this area is the promotion of research within the scope of good living by UNESCO under the auspices of the Ford Foundation. Aligning development cooperation with national plans of good living would involve a cooperative effort to learn the logic of this approach and give the necessary support. This will require joint learning processes and greater flexibility from external agencies to understand and support the internal processes of each country.

Hopefully in the next five years, Ecuador and Bolivia will continue to strengthen the good living approach. However, although both countries have adopted policies at the highest level, in the Constitution, a history of political instability in these countries does not rule out radical changes of direction in the coming years. On the other hand, similar indigenous roots suggest Paraguay will likely develop this approach (Tekoha, as good living is called in Guarani), and perhaps Venezuela as well, though political conditions suggest it is less likely.

The focus of good living/living well is complementary to other initiatives mentioned earlier in the world. Furthermore, all of them are fostering a cultural change to define what style of welfare should be promoted by countries that want to improve the quality of life of their people while taking into account natural limits on sustaining current growth patterns, consumption, and pollution.

Other authors have also insisted in the need to modify or complement the use of growth indicators to measure progress towards development. In particular, the use of Gross Domestic Product (GDP) *per capita* has been singled out as an inadequate yardstick to ascertain advances in human wellbeing.

Garry Jacobs and Ivo Slaus (2010) suggest that: "*right measurement is a powerful instrument for social progress; wrong or imprecise measurement a source of hazard and even havoc. The essential purpose of economic activity is the promotion of human development, welfare and well-being in a sustainable manner, and not growth for growth sake,*" adding that "*the deficiencies of GDP as a measure are well-documented by leading economists Kuznets, Tobin, Tinbergen and many others; but, unfortunately, decision-making remains largely based on GDP.*" They summarize the shortcomings of traditional growth measures and propose the use of the "Human Economic Welfare Index" (HEWI), which incorporates indicators such as "*personal disposable income*", "*human welfare expenditure*", "*income inequality*", "*full employment*", "*combined educational enrollment*" and "*energy efficiency*". They

point out that HEWI is based on data that is available for most countries, is denominated in dollars adjusted for purchasing power parity, and is meant to be used as a policy-making tool that "*broadly reflects real improvements in present and future welfare*."

Debates on how to transcend traditional growth indicators as measures of development have reached the opinion pages of leading world newspapers, pointing out there policy makers and the informed general public are increasingly paying attention to this issue. Jude Webber (2010) highlights efforts by the Oxford Poverty and Human Development Initiative to shift focus towards measuring what people lack, including access to education and healthcare, and by the United Nations in Latin America to use an "*unsatisfied basic needs index*". Rohinton Medhora (2010) stresses that the 2010 Human Development Report, prepared by the United Nations Development Program (UNDP), attempts to better "*understand what being poor means*", for which they use a "*multidimensional poverty index*" that integrates ten indicators, including child mortality, nutrition levels, years of schooling, access to electricity and clean water, and so on. This allows a fine-grained assessment of poverty and wellbeing, which GDP *per capita* does not allow, and a more effective and narrow targeting of policy interventions to improve human welfare. Yet, he is also aware that even this multidimensional index falls short of incorporating the roles that "*innovation strategies, … environmental degradation, and … freedom and democracy play in determining the quality of life*."

Ignacy Sachs' on the limits of conventional development thinking. Other recent attempts at redefining development include those of Ignacy Sachs (2009), who has advocated a more balanced approach to the roles of government, the market and civil society, as well as the need to incorporate explicitly ecological considerations into economic analysis. According to Sachs, we are sitting "*on the ruins of failed paradigms, we are condemned to invent new ones for the twenty-first century, based on the concept of three-win development—social, environmental and economic*." Moreover, he argues that: "*at this beginning of the twenty-first century, we have dangerously moved toward a situation of no return with respect to deleterious climate change while condoning massive social exclusion. … The extrapolation of the business-as-usual scenario leads to disturbing conclusions. Deleterious climate change will not be avoided and the inequality predicament will deepen*."

Criticizing the idea that all countries and peoples can reach the levels of consumption of the rich countries, Sachs nevertheless sees no alternative to capitalism in the coming decades:

> "*Generalization of the consumption patterns of the affluent minority is clearly impossible, yet the poor majority will not give up improving its consumption standards to reach a minimum of well- being. This leads us to postulating a progressive hybridization of growth with social and environmental concerns, encouraging developing countries to leapfrog in ecodevelopment, to forego the environmental disruption provoked in the past by the growth of industrialized countries.*
> *…*

Political conditions for implanting noncapitalist alternatives are not likely to appear in the near future. The solutions are to be sought, again within the limits of reformed capitalism, which is not tantamount to going back to past solutions. These ought to be critically revisited as one source of inspiration. ... The demise of real socialism and the impasses of the neoliberal market theology indicate that the prevailing institutional setting will be that of mixed economies with a strong, yet regulated market sector and a significant presence of the developmental state."

Sachs' arguments lead him to propose a reinvention of the "*developmental state*":

"*Among the questions to be addressed, the reinvention of developmental states looms high. What role is to be sought for developmental states in the globalizing world? One thing is certain: notwithstanding the neoliberal mantra, which proclaims the decline of the states and has even coined a new term—'glocalization'—the responsibility vested in developmental states has increased. Its five main functions are the following:*

- *Articulation among development spaces from local through regional and national, up to transnational, the neuralgic point being the interface between fragile national economies and the global economy; where most controls were dismantled under the pressure of the neoliberal counter reform.*
- *Harmonization of the social, environmental, and economic dimensions to pursue the ambitious goal of three-win solutions.*
- *Promoting partnerships among all the stakeholders of the development process. Future development will be, to a great extent, negotiated development, calling for a quadripartite negotiation among the state, the enterprises, the workers, and organized civil society.*
- *Instituting new forms of flexible, contextual, dialogical, continuous planning, quite different from Soviet-type bureaucratic planning.*
- *Sponsoring public research on selected key issues concerning knowledge and labor-intensive, yet resource (land and water) saving strategies, addressing the challenges of climate change mitigation, adjusting to a new energy paradigm, and providing fair numbers of opportunities for decent work and for reopening in this connection the debate on a new cycle of rural development; research cannot be left entirely to the private sector on account of markets' shortsightedness and insensitivity to social and environmental concerns.*"

A new perspective from the World Bank. Robert Zoellick (2010), former President of the World Bank, made a rather unexpected contribution to the development debate while he was still in office. His main argument was the need for World Bank economists to move "*from hubris to humility*", and that "*a new multi-polar world requires multi-polar knowledge.*" In his view, *"economics, and in particular development economics, must broaden the scope of the questions it asks —thereby also becoming more relevant to today's challenges. ... It must reach out to better encompass the experiences of successful emerging economies not with ordered*

templates or with blueprints, not with prescriptions for prescriptees, but inquiringly, cooperatively, openly."

Zoellick argued further that:

> *"The record of development has shown that one size won't fit all … there are some basic principles we can follow: a belief in property rights; contract rights; the use of markets; getting incentives right; the benefits of competition within and across economies; the importance of education; macro-economic stability -- but we might learn these more from economic history than from economic models … We must avoid intellectual strait-jackets that stymie a spirit of inquiry. Almost all economies combine markets, the private sector, and the state. The key questions are how they should interact; for what purposes; and what the costs and the benefits are not only economically but for society…"*

These considerations led Zoellick to conclude: "*we need to democratize and demystify development economics, recognizing that we do not have a monopoly on the answers … We need to recognize that development knowledge is no longer the sole province of the researcher, the scholar, or the ivory tower.*"

David Dickson and the role of knowledgein development. A similar point regarding the need for collaboration and networking in approaching development problems was made by David Dickson (2010), former Director/Editor of the SciDev weekly report that covers science, technology and innovation issues in developing countries. Starting from the premise that science and technology are crucial for development, he put forward the idea that: "*a holistic approach is … essential for building the solid infrastructure and social systems needed to sustain scientific research and technological innovation in developing countries, as both activities cut across a wide range of different social and economic objectives.*" Yet Dickson is aware of the difficulties involving in adopting such an approach: "*despite the need for a holistic approach, introducing greater 'systems thinking' into the development agenda in general — and the health agenda in particular — is easier said than done.*"

Going further, Dickson states that a first step "*lies in modifying the way the development process is perceived. It is not simply about providing aid money, or improving individual skills and livelihoods, but helping countries build up the complex systems on which social and economic development depends … The real challenge facing development policy, … lays in … providing communities — and not just individuals — with the knowledge, resources and infrastructure required … Achieving this objective means bringing a wider range of stakeholders to the table than is often the case, overcoming historical rivalries, and working together towards common objectives.*"

Roy Culpepper and development financing. Echoing the call made by Robert Zoellick, some experts in international development have focused on the importance of developing countries following their own paths. Economist Roy Culpepper (2010), former President of the North/South Institute in Canada, has

clearly stated that rejecting the conventional advice provided by international institutions and many developed country experts was the way in which some emerging economies were able to avoid the worst effects of the 2008-2009 economic and financial crisis, which still bedevils several of the rich economies:

> *"It is instructive to recap how quickly the current crisis was resolved in many of the industrial and emerging- market countries. Countercyclical economic policies, comprising interest rates that were lowered to levels of near zero and fiscal stimulus programs, were swiftly enacted. Until just prior to the crisis such countercyclical policies had been discredited by mainstream policy-makers and media pundits. Today few would dispute that such measures helped avert economic collapse [...] Unfortunately, most developing countries do not have the latitude to deploy such counter-cyclical policies, ones that cool down the economy when it is in an upswing and stimulate the economy when it is in a downturn. Their tax bases are narrow and domestic revenues meager; they lack domestic bond markets. They are, accordingly, much more dependent on external resources in the form of aid or private financing, such as foreign direct investment. Such external resources can be unreliable, volatile and tied to policy conditions or to the development of enclaves that do little to advance key priorities. Sometimes they also have negative environmental, social and political impacts"*

For these reasons, it is essential that developing countries advance towards generating their own resources and mechanisms for sustainable economic development, and that they should depend less and less on aid: *"until domestic resources are mobilized to a substantially higher level, the sustainability of development initiatives will continue to be undermined by chronic aid dependence."* Referring to the campaign to achieve the United Nations Millennium Development Goals (MDGs) Culpepper argues:

> *"While donors can help build momentum toward achieving the goals ... through front-end investments in areas such as universal primary education or maternal and child health care, sustainable advances in any sector will require recurrent investment and support. ... Some donors may continue to contribute past the MDG target date of 2015, but developing countries are likely to find that they will have to take up an increasing share of the burden soon afterwards. This means their governments will have to generate the revenues, primarily via taxation, to support the necessary expenditures."*

For Culpepper, one possible source of funds to support development efforts are the mechanisms being created to deal with climate change:

> *"Adaptation to climate change adds a new challenge for developing countries and presents the most urgent source of additional demand for external long-term financing. The recent Copenhagen Accord, for example, calls on industrialized countries to raise $30 billion a year for mitigation and adaptation efforts between 2010 and 2012. It also calls on them to raise an additional $100 billion by 2020 to address the onerous climate change challenges that developing countries will face."*

The "New Structural Economics" of Justing Yifu Lin. Starting from the realization that: _"something strange and unexpected happened in the recent history of economic development: it was observed that developing countries that succeeded during the second half oh the 20th century did not follow the dominant development thinking or the policy prescriptions"_, Justing Yifu Lin, the former World Bank Chief Economist, proposed a "_new structural economics_" approach to development policy. For Yifu Lin, those "_countries that have led the world growth since the Industrial Revolution and developing countries that have successfully converged with development countries all experienced profound structural changes in the composition of employment and the relative contribution of primary, secondary and tertiary to aggregate growth_."

Reaching back to the contributions of several economists that have emphasized structural change, he summarizes the objective of his approach as follows:

> _"It aims at bringing structural change back to the core of development studies, and it emphasizes the important roles for the market and the state in the process of promoting economic development._
> _..._
> _The 'New Structural Economics' ... postulates that the economic structure of an economy is endogenous to its factor endowment structure and that sustained economic development is driven by changes in factor endowments and continuous technological innovation._
>
> _The factor endowments in a country are given at any specific time and changeable over time. A country's comparative advantages and thus its optimal industrial structure are determined by its factor endowments. Upgrading the industrial structure in a given country requires the upgrading of the factor endowment structure from one that is relatively abundant in labor and natural resources to one that is relatively abundant in capital, the introduction of new technologies, and the corresponding improvement in infrastructure to facilitate economic operations."_

This leads Yifu Lin to conclude that: _"The government should therefore play an active role in facilitating structural change through mitigating the coordination and externality problem,"_ and to emphasize that developing countries can transform their technological disadvantages into new opportunities:

> _"... developing countries can turn their backwardness into an advantage by borrowing or adapting technologies that have already matured in richer economies. In contrast, advanced economies must produce at the global technology frontier and have to invest continuously in new R&D to achieve technological innovation. Hence developing countries have the potential to achieve a rate of technological innovation several times higher that that of advanced countries."_

Alternative views from the Society for International Development. The Society for International Development (2010) convened recently a group of activists and

experts, who are generally critic of mainstream economic development theories and practices, to discuss alternative approaches. Their final report states that:

"The world is facing more than a financial and economic crisis, rather we are experiencing a systemic crisis that involves the whole system of values and norms on which our societies have been built. The pervasiveness of the financial crisis has made it clear that not only the concept of markets needs to be revisited but also economics itself. Our worldviews are being seriously challenged affecting the whole social fabric of the world we live in."

From this premise, the group agreed that it is not possible to separate the worst financial crisis that affected the world since the 1920s from other crises that have inflicted hardship on the poor, mostly in developing countries:

"An international economic system that fails to take into account people and the environment can only lead to increasing inequalities, poverty and devastation of the environment. Hence, the financial crisis is integrally linked to the climate, food and care crises with consequences for both people in the North and South of the world. Countries in the South are particularly affected, burdened by increased levels of poverty and inequality due to neo-liberal policies in the 80s and 90s and under pressure from international financial institutions. As a result they are more vulnerable to climate change even if they have contributed far less to global emissions, and are the victims of a food system that favors agribusiness instead of small farmers. The challenge is to shift development institutions in order to put people and environment at the center of economic policy rather than at the margins. Civil society has to do all it can to propose and help shape such changes."

This led the group to criticize prevailing economic approaches: *"Economics as an academic discipline has tended to detach itself from society with a focus on models and formula for efficiency and profitability at the expense of peoples, culture, and the environment."* Their report underscored the importance of a new set of issues that should be incorporated into the development thinking and practice agenda, including: solidarity and community centered economics, cultural shifts to incorporate alternative value systems, social agendas to focus on livelihoods and democratic empowerment, a more significant role for the state to emphasize self-reliance, effective regulation of finance, feminist economics and the role of care work, citizen engagement taking advantage of new communications technologies, human development beyond economics, and the role of ethical and moral perspectives to guide economic activities.

Other approaches. This brief review indicates that the field of development thinking and practice is undergoing a significant revision and change as we move into the second decade of the 21st century. Yet, there are several other perspectives and approaches that have been advanced, and which appear to be making headway in some intellectual and operational quarters. Borrowing from the field of medical testing and the use of randomized tests to assess the efficacy of medical treatments, Esther Duflo (2011, 2012) has proposed an "*experimental approach*" to economic development interventions. Populations are to be divided

into groups that receive different interventions (treatments) to achieve development objectives, and the results obtained are to be evaluated rigorously using statistical tests that determine their relative effectiveness. This approach has been used in India to assess the efficacy of interventions to improve educational coverage and immunization campaigns, and has been extended to other countries and other fields.

Reaching out to complexity theory and adaptive systems approaches, Owen Barden (2012) has postulated that "*development is an emergent property of the economic and social system, much in the same way that consciousness is an emergent property of the brain.*" This leads Barden to propose that:

> "*Development is not the sum of well-being of people in the economy and we cannot bring it about simply by making enough people in the economy better off. Development is instead a system-wide manifestation of the way that people, firms, technologies and institutions interact with each other within the economic, social and political system. Specifically, development is the capacity of those systems to provide self-organising complexity.*
>
> *Self-organising complexity in an adaptive system is never designed or deliberately built: it comes about from a process of adaptation and evolution. It follows that if we want to accelerate and shape development, we should focus especially on how the environment can be made most conducive for self-organising complexity to evolve.*"

As a consequence, for Barden "*development is a characteristic of the system; sustained improvements in individual well-being are a yardstick by which it is judged.*" Such an approach has important consequences for the design of development policy interventions and strategies, which woud reinforce the move away from reductionist economic approaches to development thinking and practice.

Reinterpreting and rethinking development

As the previous section testifies, we are now witnessing the emergence of a plethora of new ideas and proposals for the practice of development. These span not merely the instruments more traditionally associated with the international development experiment, such as modalities of development finance, collaboration between North and South, and so on, but also the need for sweeping reforms that encompass a broader range of institutions that have not been explicitly included in traditional approaches to development.

Lessons of experience

This raises the question of *how to evolve more appropriate, complex, nuanced, balanced and effective development perspectives that respond to the challenges faced by the international community in an increasingly diverse set of developing countries?* A first task is to extract propositions and lessons can be extracted from the evolution of ideas and of policies to promote development during the last six decades. Eight propositions derived from experience provide a reasonably good starting point to search for more effective development approaches, strategies and policies. can be derived from

- The first proposition is the most sweeping and holds that the very essence of *the dominant view that has guided development for six decades is deeply and perhaps fatally flawed.* At its core, the dominant view has held and continues to regard development as linear and universal normative framework. Although the language used to describe and define development has grown vastly in complexity and even in nuance relative to earlier formulations the epistemology of development still places all of humanity on a single continuum from least to most developed.

- The second of these propositions is that *development thinking and practice have become excessively dependent on economic theory*, and particularly on those theories that emphasize the role of competition and impersonal market forces in the process of economic growth. This is not to dismiss these theories as irrelevant; on the contrary, evidence indicates that market mechanisms are very efficient for the allocation of scarce resources. However, evidence also indicates that, on their own, market forces do not lead to equity, fairness and opportunities for all, and that they need to be complemented and harnessed by public sector and civil society interventions.

- The third proposition is that *most of the serious problems and challenges that development now faces no longer have purely local or national solutions*. Growing trade, finance, knowledge, technology and communications interconnections —closely associated with the process of globalization— have made the structural linkages with the international context a critical factor in the design of development strategies and policies. Managing interdependence and devising appropriate international insertion

strategies are now an imperative for development, both in rich and poor countries.

- The fourth proposition refers to the *crucial importance of institutional factors in creating the social setting for the definition and pursuit of development objectives*. Institutions comprise patterns of behavior, long-standing social relations, and formal rules and regulations, all of which give structure to the fabric of society, allow for the evolution of shared purposes and commitment, provide a basis for cooperative behavior, and create the stability and predictability necessary to underpin human efforts. Many of the failures of development efforts can be traced to the absence or weakness of appropriate institutional arrangements.

- The fifth proposition is that *environmental considerations must be fully incorporated into the design of development strategies and policies*. In addressing the environmental impacts of economic growth strategies aimed at development and poverty reduction, it is no longer possible to avoid complex political and value judgments regarding what should be sufficient and adequate standards of material wellbeing. Not all situations render themselves to the current search for "win-win solutions" and it is importance to acknowledge tradeoffs between environment and growth, and to identify losers as well as winners.

- The sixth proposition is that *participation and decentralization, while essential ingredients of development, are often applied in inappropriate ways*. Development is something that people do to and for themselves, and is sustained only when the beneficiaries of development are also its owners. Experience has shown that delegating policy and decision making to grass-roots organizations, professional associations, local and regional governments, private enterprises, and more generally to those who benefit from development initiatives, creates the sense of ownership of policies and strategies necessary to their proper functioning and sustainability. At the same time, experience has also shown that delegation and decentralization need to be complemented by overarching policy frameworks that can only be designed and implemented at the central level.

- The seventh proposition is that *the capacity to acquire and generate knowledge in all its forms —including the recovery and upgrading of traditional knowledge— is a crucially important factor in the improvement of the human condition*. Although the extent of causality continues to be debated, there is near-universal agreement that practically all countries that have been able to significantly and lastingly improve their living standards learned how to acquire, utilize and generate scientific and technological knowledge in their production and service activities.

- The final proposition is that *values, identity and the non-material aspects of human activities now play a most important role in development efforts*. For most of the past six decades, while "modernization" theories held sway,

factors such as culture, religion and ethnic allegiances were all but disregarded in development theory and practice. It is no longer possible to ignore them. This does not imply adopting a "clash of civilizations" or "underdevelopment is a state of mind" approach, but rather that a single-minded focus on material issues, economic choices, utility and "rational" ways of looking at the complex issues of development is clearly insufficient and must be complemented by ethical, emotional and even aesthetic concerns. Non-Western approaches to development may contribute in the process of incorporating these more diffuse, emotional and transcendental considerations into broader conceptions of development. Human rights approaches play a key roley in this respect (see Box 3 for an example of the role of values in a development strategy)

BOX 3: **Values and democracy in Peru's development strategy**

It is not possible to design and implement a viable and sustainable development strategy in the first two decades of the 21st century without first establishing and reaffirming a set of individual and collective values to support that strategy. This task requires finding a balance between the values of the past that we must recover and adapt to modern day reality, contemporary values that we must preserve and buttress, and other values that we must build and develop in order to meet the challenges of the future. In particular, the values that will enable us to build a vision for the future and the notion of the common good are closely associated with democratic governance and practices, as well as with a culture of peace and of full respect for hu- man rights.

The values associated with the construction of a democratic culture, such as equitable treatment, responsible exercise of authority and abidance by political and economic rules of play, are fundamental for implementing a development strategy and institutional reforms. The sound functioning of institutions and the possibility of reaching consensus through dialogue and debate —thereby avoiding violence, authoritarianism, and imposition— hinge on these democratic values, whose practice must be encouraged at all levels, starting with the family and school, and extending to the business community and civil society organizations, as well as to state agencies and the top political authorities.

In addition to individual values, such as honesty, responsibility, self-reliance, and the work ethic, it is essential to stress others, such as solidarity, mutual trust, and respect for others, qualities that strengthen the bond between citizens and their community and that involve them in the creation of a common future. This vision of the future entails a commitment, not only to work for the prosperity and wellbeing of others, but also to future generations and to the biological and physical environment.

At the same time, we must reject false values, negative outlooks, and ill-advised types of behavior ñ discrimination, racism, authoritarianism, imposition, exploitation of others, the law of mini- mum effort, corruption, swindling, violation of human rights, and others ñ that have become more conspicuous and gained strength at various chapters of Peru's history, in particular when the political leadership has broken the law and betrayed the public's trust. The emphasis placed during the 1990s by the government, the business community, and some civil society organizations on the importance of individual values for the country's development must be combined over the coming two decades with the promotion of collective values that bind the individual's solidarity to the rest of society. Apart from individual values, such as honesty, responsibility, self-sufficiency, and the work ethic, it is essential to stress others, such as solidarity, mutual trust, and respect for

others, qualities that strengthen the bond between citizens and their community and that involve them in the creation of a common future. This vision of the future entails a commitment, not only to work for the prosperity and wellbeing of others, but also to future generations, to the biological and physical environment that sustains us, and to the orderly settlement of Peru's vast and often inhospitable territory.

At the same time, we must reject false values, negative outlooks, and ill-advised types of behavior —discrimination, racism, authoritarianism, imposition, exploitation of others, the law of minimum effort, corruption, swindling, violation of human rights, and others— that have become more conspicuous and gained strength at various periods of Peru's history, in particular when the political leadership has broken the law and betrayed the public's trust.

Beyond a meta-narrative of development

Before offering some ideas about how to reformulate the ideas of progress and development, a word of caution is necessary to avoid falling into the traps that have been identified in this report. The concept of "development" that took hold following World War II managed, at least for a few decades, to renew faith in human progress and also to place all societies along the same continuum, from "least developed" to "advanced societies." In this sense, it brought back the Enlightenment idea that humanity can, and eventually will, advance towards material prosperity and wellbeing for all, even though this may not happen steadily and without setbacks.

Although the thought of achieving "development" in a single generation has ceded to longer-term perspectives, it remains essentially viewed as proceeding along a single path towards a common and universal goal. Implicitly this means that the "problem" of development can be "solved" by adopting the "right" strategies and policies, usually fashioned in the image of those prevailing in more "advanced" societies. A consequence of this has been a search for *the* pathway to development and for a set of simple, universal one- size-fits-all prescriptions that will lead to it.

However, the richness of the ideas and debates on development clearly suggest the elusive and illusory character of this search. Differences in initial conditions (history and geography), different policy choices (on globalization, institutions, knowledge, environment and participation), and alternative stands on value questions (on human rights and culture) demand a diversity of approaches and more nuanced responses, rather than conceptual and policy straightjackets. As advanced earlier, lack of development is not a "problem," but rather a "condition," and while it is not possible to "solve" a condition it is possible to "evolve" from it. Such evolution requires a more varied, specific and finely tuned range of strategy and policy responses tailored to particular situations, which nevertheless should be capable of being examined and compared to each other within a broad framework that links and articulate the repertoire of strategy and policy choices.

This begs the question whether a new meta-narrative is possible or even desirable. In today's fractured global order is it possible to construct comprehensive models that can successfully integrate the complexity of issues such as economic growth, poverty, inclusion, social needs, social capital,

environment, climate change, among others? From the current churn of ideas is it possible to discern the outlines of a new synthesis? Without exaggerating too much, it may be possible to say searching for "silver bullets" and "meta-narratives" is a futile quest, and that the only "meta-meta-narrative" that makes sense is that there are no meta-narratives of development in today's complex and messy world.

Moreover, the material well being for all that has been the basic aspiration of the modern development idea since its inception, is seen by those who resist it more as a quest to tear apart the fabric of the planet than the means of bringing material comfort to the poor. Barring acts of blind faith, the inescapable conclusion is that limitless economic growth is not possible in a finite world. Looked at in this way, the thinking and practice of development become no longer a rational and secular undertaking, but a matter of faith —faith that human ingenuity will always be equal to the consequences of its own actions, that science and technology will save humanity from itself.

With these words of caution, we shall not proceed to explore possible avenues to redefine development at the twilight of Bacon's age, focusing on the last two of the lessons of experience identified above: the importance of the capacity to generate and utilize knowledge, the role of culture and the need to consider human rights.

Knowledge

In the continuing elusive search for development, advances in knowledge about the world we live in and about ourselves have given us, as never before, the power to design and choose our own future. Enormous possibilities now exist for consciously influencing the very nature of human evolution. But this, too, is paradoxical: advances in science and technology provide also the means to increased inequalities and greater social exclusion. The ambiguous character of advances in knowledge (and in the technologies that allow access to it) forces us to take responsibility for the human values and institutional arrangements that guide its development and use.

Modern science has evolved into the most efficient means for generating knowledge, have become the most effective instruments for dealing with the challenges of the physical and social environment, and productive and service activities associated with modern technology have acquired a huge potential to satisfy basic human needs of a material nature. In addition, scientific research can help in the recovery and upgrading of traditional knowledge and of traditional technologies. To tap into this potential, however, requires identifying domains of human activity, together with the devising of appropriate policies and strategies, where scientific research, knowledge acquisition, technological innovation and productivity improvement can all be brought together. What is clear is that most developing countries are still a long way from achieving this synthesis, even in those areas that are most critical to their development efforts.

It follows from this perspective that, in the aggregate, societies, communities and individuals will become increasingly marginalized if they are unable to harness science and technology as a means to create and utilize knowledge and, in

consequence, to obtain the resources for the thought and action leading to new values. As human beings, we have a capacity to establish conscious distinctions between preferred and not preferred things, states, events, emotions and ideas. It has, however, ever been the case that the transition from individual to collective preferences is a problematic process, riddled with conflicts and paradoxes. It is only to the extent that certain preferences become accepted, widely shared and institutionalized that they can be transformed into values, into a collective perception of what is desirable within a community and into values.

What is clear, therefore, is that the concept of development as it has endured for some fifty years is now an anachronism.   It is equally clear that in the transition to the information-intensive 21st century, the availability of resources, including principally the access to science and technology, to support the thought and action required for the generation and realization of new values will be the principal determinant of the well being of humanity.

Any attempt to redefine development and progress must turn the revolutionary pace of advances in science and technology, as well as the recent and dramatic growth in global interdependence, into new possibilities for elaborating and sharing such collective perceptions, and also for designing the institutional arrangements that will make these values a reality.

Culture

Since World War II conceptions of development have emphasized economic rationality, growth and the pursuit of material wellbeing, both of which are closely associated with the idea of modernization, and largely left aside considerations such as culture, identity, ethnic allegiances, religion, ethics and values. However, these non-material aspects have been acquiring renewed importance during the last two decades. The end of the Cold War, and the subsequent partial disengagement of the two superpowers in some culturally and ethnically diverse regions of the world, allowed long-standing animosities and historical grievances to resurface, sometimes with violent and tragic consequences.

The traditional anthropological conception of "culture," centered on the main stable features that defined relatively homogeneous social groups usually placed in a specific geographical setting, has been gradually transformed. Rather than appearing as an essential and immutable feature of particular societies, "culture" is now seen as a flexible, diverse and evolving characterization of social groups that encompasses both material and non-material aspects.[160] In this dynamic and flexible conception of culture, cultural differences and cultural diversity become a positive force for development, for if development is understood "*as a means to find alternative solutions for economic growth, then the loss of cultural diversity represents a serious threat for the future.*" (Arizpe, 2004). Yet, many political leaders (and citizens as well), rather than seeing cultural differences as a potential source of strength and resilience, still aim at defining "cultural identity" in the static and precisely bounded way that has largely been abandoned by anthropologists. This has been the case particularly in ethnically diverse and

conflict-ridden countries, where politicians have played the ethnic and cultural identity card to advance their political causes.

Two extreme views that bracket the broad range of approaches to examine the relations between culture and development have been identified in a recent volume edited by Rao and Walton (2004c) The first argues, much along the lines of the earlier modernization theories but in a much more strident way, that culture matters because "traditional" cultures are inimical to "modern" market-oriented development that leads to growth and prosperity. From this perspective "*traditional cultural values are at the root of the poverty, authoritarianism, and injustice,*" and must be eradicated as a precondition for development (Harrison, 2000). The second argues, in an equally strident manner, that the idea and practice of "development" is a Western cultural construct, which is used to impose a neo-colonial system of dominance on developing countries by "*a tiny minority of profiteers, supported by their foreign patrons.*" From this perspective "*development [is] basically the wrong answer*" to the "*true needs and aspirations*" of developing country populations, and "*an ideology that was born and refined in the North, mainly to meet the needs of the dominant powers in search of a more 'appropriate' tool for their economic and geopolitical expansion*" (Rahnema, 1997, 1997b). Rao and Walton propose to seek a middle ground between these extreme views, and the contributions to their volume suggest that it could possible to integrate culture and development in a constructive and fruitful way.

Debates on the relation between culture and development have also focused on the role played by values and attitudes that influence individual and social behavior. For proponents of what may be called "cultural determinism" and its variants, long-term cultural features —understood in the sense of values, attitudes and mindsets prevailing over long periods, together the institutions associated with them— are largely responsible for the "success" or "failure" of societies. For example, it has been argued that, in contrast with North America, Latin American countries have not been able to achieve democratic stability, sustained economic growth and social justice because of the cultural heritage of Spain and Portugal. An alternative view argues that differences in socioeconomic performance is the result, not of retrograde values and attitudes, but of the complex interaction between culture, geography, institutions and knowledge, all placed in the context of historical processes that unfold often in unpredictable ways.

There has been a tension between the pressures towards cultural homogenization, associated with the process of globalization, and the determination to preserve cultural identity. It has been pointed out that, as a modern global culture emerged during the 20th century, there was a concern that local variations of culture might disappear.   However,   if   anything,   the opposite appears to have been the case. Technological advances, especially in the fields of information and communications, have given new tools for self-expression to local communities, allowing them to reassert their own identity through new means and to project their particular cultural features on the world scene at large (Weatherford, 1994). Yet, the growing awareness that there is and will continue to be a great variety of cultural forms evolving in parallel with a growing number of "global" cultural features, has not deterred the search for

single "end point" for the evolution of human societies. For example, focusing, not on the broader features of civilizations and cultures, but on their political systems, there have been arguments in favor of viewing Western liberal democracy as the only "final" stage in political evolution. According to Fukuyama (1992): *"What we are witnessing is not just the end of the Cold War, or a passing of a particular period of postwar history, but the end of history as such: that is, the end point of mankind's ideological evolution and the universalization of Western liberal democracy as the final form of human government."*

The desire to preserve and reaffirm cultural identity, writ on a large scale, has been seen as inevitably leading to conflicts and to a "clash of civilizations." According to Huntington (1993): "*It is my hypothesis that the fundamental source of conflict in this new world will not be primarily ideological or primarily economic. The great divisions among humankind and the dominating source of conflict will be cultural. Nation states will remain the most powerful actors in world affairs, but the principal conflicts of global politics will occur between nations and groups of different civilizations. The clash of civilization will dominate global politics. The fault lines between civilizations will be the battle lines of the future.*" Huntington sees eight major civilizations dominating the world scene in the first decades of the 21st century: Western, Islamic, Sinic, Japanese, Orthodox, Hindu, Latin American and African. From this point of view, different value systems and cultural features, combined with hegemonic aspirations and a desire to impose them on others, are likely to create conditions that are propitious for the emergence of violence between nations and civilizations. A different perspective is offered by those stressing the positive aspects of cultural tensions and argue that "*the sparks caused by the cultures colliding produced not merely violence; they have also ignited cultural genius and innovation ... the engine of human progress has been the dynamic tension between different cultural groups.*" (Weatherford, 1994, p. 10).

The importance of cultural diversity has also been emphasized in the first Article of UNESCO's Universal Declaration on Cultural Diversity: "*cultural diversity is as necessary for humankind as biodiversity is for nature. In this sense, it is the common heritage of humanity and should be recognized and affirmed for the benefit of present and future generations.*" (UNESCO, 2002). Closely associated with this is the idea of "cultural freedom," understood as the capacity to choose one's own identity without being excluded or shunned by others. As Sen (2004) has put it, "*the freedom and opportunity for cultural activities are among the basic freedoms the enhancement of which can be seen to be constitutive of development.*" This leads him to the question of *"how to increase the real options —the substantive freedoms— that people have, by providing support to the cultural traditions they may want to preserve,"* a statement that acquires special importance as the growing interactions among peoples all over the world are opening new opportunities to choose the defining features of one's own identity, while at the same time fragmenting the self into many slivers that are linked with different social groups. In turn, this configures an ever-changing and protean sense of the self and of identity. From this perspective, struggles over cultural identity may deteriorate into violence and chaos, and therefore need to be managed adequately.

Other contributions to the debates on culture and development emphasize the highly specific and local character of culture. For example, for anthropologist Mary Douglas "*at any point in time the culture of a community is engaged in the joint production of meaning.*" These "*connected meanings … are always in process of mutual accommodation*" and lead to the "*process of self-understanding*" that underpins a community's sense of identity and purpose. However, development interventions often disrupt this set of complex and highly intertwined social processes that take place at the local level. As a result, they tear the social fabric, erode trust and create uncertainty, which in turn may lead to despondency, anxiety, alienation, indifference and even violent and self-destructing behavior, all of which may appear as "irrational" to external observers. The term "culture of apathy" has been coined to describe this situation, which has "*nothing to do with the traditional culture,*" but is rather seen as a "*response to the cultural destruction brought about by development.*" (Douglas, 2004).

Closely related to the issues of culture, but affecting all the issues covered in the whole of the present section are the non-Western and alternative conceptions of development that focus on the counterpoint between "the West" and "the rest," examining how the meaning of development would change if viewed from different cultural perspectives. Among these, there are the ideas of "simplicity" espoused by Gandhi, which lead to a rejection of luxury and comfort, the accumulation of material wealth and of capitalism in general. In his view, "*we may not barter away our ancient simplicity for anything in this earth. Now you will understand my determined opposition to the modern rush the hypnotic dazzle that seems almost to overcome us with such violent force from the West.*" (Gandhi, quoted by Varma, 1972). His economic conceptions were rooted in the replacement of greed and accumulation by generosity and love, he condemned the "monster god of materialism," laissez faire and capitalism.

While such views are not widely held at present, there is a thread linking Gandhi's ideas with current concerns about excessive consumption and environmental sustainability, particularly in view of Daly's "impossibility theorem" (Daly and Townsed, 1993). The need to curtail the use of resources and to change consumerist life-styles has been frequently raised, highlighting the imperative of "*shifting to high quality, low input, durable goods and partly by seeking fulfillment through leisure, human relationships, and other nonmaterial avenues,*" however difficult and improbably this shift may seem at present (especially in rich societies). During (1992) argues that "*limiting the consumer life-style to those who have already attained it is not politically possible, morally defensible or ecologically sufficient. And extending that life-style to all would simply hasten the ruin of the biosphere. … On the other hand, reducing the consumption levels of the consumer society, and tempering material aspirations elsewhere, though morally acceptable, is a quixotic proposal. It bucks the trend of centuries. Yet it may be the only option.*"

There have been many expressions of the need and potential advantages of taking into consideration non-Western views in the process of rethinking the meaning and practice of development. Some of these refer to sources of knowledge and experience in dealing with natural ecosystems. For example, according to Norgard (1988), "*many in the sustainability movement have acquired a positive*

understanding of the role of culture and the value of cultural diversity. Many see a positive role for non-Western realms of knowledge. Many see positive opportunities in working with natural systems. It is positive interpretations which excite people and make the idea of sustainable development viable in diverse cultures." Others emphasize the integration of the technical and technological heritages of non-Western and Western societies.

Sagasti (2004b) indicates that "*although the transition from technique to technology took place mainly and most successfully in the West, non-Western cultures and societies also acquired and evolved a set of technical and technological responses of their own, usually appropriate to their own context, often based on mixes of indigenous and Western knowledge, and always processed by the social organization forms particular to them.*" Still others stress the creativity of indigenous cultures that need and choose not follow the road traveled by the West and forcefully assert their right to traverse a different path: "*Indigenous communities do not just resist development, do not just react to state and the market; they also sustain 'life projects' [that] are embedded in local histories, … encompass visions of the World and the future that are distinct from those embodied by projects promoted by state and markets. Life projects derive from development in their attention to the uniqueness of people's experiences of place and self and their rejection of visions that claim to be universal. Thus, life projects are premised on densely and uniquely woven threads of landscapes, memories, expectations and desires.*" (Blaser, 2004).
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According to Sagasti (2004), rather than emphasizing the counterpoint between the West and the rest, a more eclectic historical perspective would view "*the development of different civilizations and societies in the last centuries … as a complex whole, whose components are in continuous interaction and transformation, and in which a perspective —the Western one— came to influence all others. … At the same time, other cultures preserved their individuality, influenced Western civilization, and gave rise to new hybrid ways of conceiving the world and relating to it. The image of all civilizations and cultures of the world converging to the culmination and greater glory of the West, implicit in the metaphor of different cultures as tributary rivers that converge on the sea of Western civilization, is rather biased and Eurocentric.*" Van Nieuwenhuijze (1972) and Nagai (1982) have argued along similar lines.

There are other contributions to the development debate that, without explicitly addressing the question of Western and non-Western perspectives, offer alternative ways of visualizing the process of development and relate to culture, values and power relations. These include: the call for "another development" in the mid-1970s by the International Foundation for Development Alternatives (1975), which in their report *What Now?* espoused a humanist view of development that, in addition to satisfying basic needs, should aim at ensuring *"the humanization of man by the satisfaction of his needs for expression, creativity, conviviality and for deciding his own destiny'*; the ideas on "human scale development" proposed as a response to the alienation created by the excessive emphasis on satisfying material needs, (Max Neef, 1993; Max Neef, Elizalde and Hopenhayn, 1986); the work of several authors, such as Henderson (2005) and

George (2004), on alternative ways of organizing economic life and confronting globalization; and the proposals on "right living" advanced by Andean countries (see boxes 1 and 2 earlier in this report).

These considerations suggest that, in an increasingly globalized world, all societies are exposed to powerful external cultural influences and at the same time have their own cultural heritage to preserve. Starting from this premise, some of the issues and questions that emerge when taking a stand on culture are the following: How can a pluralistic, integrated, rooted and continuously unfolding sense of identity be evolved? What is required to promote the collective self-esteem and tolerance that are necessary to maintain a sense of perspective regarding one's own culture and its place in the world, particularly in poor societies? Is it possible to promote a shared perspective of history, a common appreciation of the present and a joint sense of the future to inform development efforts, particularly in multicultural societies? What are the requirements to work though and integrate the variety of cultural perspectives on the "good life" held by different civilizations? How would it possible to transform a society's cultural patrimony, heritage and historical traditions into a resource without devaluing them? What roles of education, mass media and leadership play in the evolution of social values? Is it possible to guide and orient this evolution in a positive manner?

Human rights

Human rights have been defined as the claims that all persons, communities, and peoples should have access to and enjoy in order to live and to achieve their full potential as human beings. The term "human rights" usually refers to those rights and freedoms that have been recognized by the global community and protected by international legal instruments. These are usually taken to include respect for physical and psychological integrity, personal freedom, freedom of expression, religion and belief, and non-discrimination on the grounds of race, gender, economic status, or for any other reason. They also include proper nutrition, education, housing, general health care, employment, and a healthy environment.

States are bound by their international obligations to respect, protect, promote and ensure the realization of human rights, and cannot take them away (Velasco, 2004). It is sometimes argued that human rights are a uniquely Western notion and that to link human rights and development is to impose the ideologies of the West on other cultures. However, it has also been argued that to hold states accountable for their performance with relation to global human rights standards is not to impose the value system of any one part of the world on another, but to refer to universal values based on the distilled knowledge and wisdom of all cultures (Häusermann, 1999). Beginning with the Universal Declaration of Human Rights of 1948, the world community has adopted a series of global and regional texts that constitute a normative framework for the observance of human rights.

Human rights approaches to development start from the basic premise that the achievement of human rights is the objective of any process aimed at improving the human condition. They use the various concepts associated with human rights, understood in their broadest sense, as the scaffolding of development policy and

invoke the international apparatus of human rights in support of development action. As Ibrahim Shihata, the late former Senior Vice-President and Legal Counsel of the World Bank put it, *"Speaking about 'Development' and 'Human Rights' as if they were two distinct matters may be misleading"* (Shihata, 1992). These approaches are concerned not just with civil and political rights (e.g. free speech, freedom of assembly, the right to a trial, the right not to be tortured), but also with economic, social and cultural rights (access to food, health, education, housing, jobs). Even though human rights refer primarily to individual rights, they also extend to collective rights, particularly in the case of ethnic, linguistic and religious minorities.

Human rights approaches to development modify fundamentally the traditional conception of "governance" in economic analysis, which focuses on appropriate management of resources according to rules and through institutions and which aims at ensuring accountability, predictability and due legal process. The older and restricted conception of governance as efficiency in economic management evolves through human rights perspectives into a broader understanding of the way in which leaders exercise power and authority in an effective and inclusive manner to advance the cause of human rights, and therefore improve the human condition. Experience has shown that participation, dialogue, consensus, transparency, accountability and the rule of law make the state more representative and capable of responding adequately to the concerns of its citizens.

The main strength of a human rights approach to development is that it may be able to offer an internationally recognized and sanctioned foundation for the design and implementation of policies to address poverty reduction. Rights constitute a strategic entry point to address the ways in which power imbalances deny access to the assets necessary for secure and sustainable livelihoods. In addition, the international normative framework of human rights provides a valuable set of guidelines for strengthening the accountability of institutions (especially State institutions), and for pressuring them to deal inclusively and effectively with policy and administrative issues relevant to the livelihoods of the poor. Finally, a human rights approach to development also focuses on the importance of redress mechanisms for individuals to invoke when facing a denial or violation of their rights.

Yet rights-based approaches to development also have limitations. First, there are problems in determining priorities between different human rights, primarily because the principle of "indivisibility" is central to rights-based approaches. From this perspective, civil and political rights mean little without the attainment of economic, social and cultural rights, and vice-versa. However, the absence of a "hierarchy" of rights is quite unhelpful when trying to define priorities for action or the allocation of resources. A second limitation is the emphasis on state-citizen relationships as the basis for accountability regarding the obligation to respect and achieve human rights. This is problematic because globalization undermines the position of the nation state as the focus of political accountability. In particular, in the case of "failed" or "collapsing" states, the inter-governmental frameworks to back up accountability for human rights may be entirely inadequate and incapable of ensuring compliance. A third limitation emerges from the perception that

rights-based approaches place too much emphasis on laws and legal processes, and because the limitations of the Judiciary in poor countries creates impossibly high hurdles to achieving human rights.

Notwithstanding these limitations, viewed from a broad perspective, there are several indications that human rights approaches to development have been steadily advancing and gaining ground during the last two decades. At the national level, many developing countries have created social safety nets to assist the poor and ensure their livelihoods are not jeopardized by economic policy reforms. The institution of the "ombudsman" has been established in many countries to safeguard individual economic, social, cultural and political rights, primarily by using moral suasion and interceding before the Judiciary, Parliament and the Executive on behalf of those whose rights are threatened. In several countries where violence and civil wars have led to extensive and systematic human rights violations there have been "Truth and Reconciliation Commissions," which have helped to build improved social and political cohesion. Finally, at the international level, the report of the International Commission on Intervention and State Sovereignty has articulated a set of principles and guidelines that aim to make possible international interventions when a state fails to protect the rights of its own citizens (Evans and Sahnoun, 2002).

Rights-based approaches to development are closely related to the work of Amartya Sen, who has focused on the functionings and capabilities that allow individuals to exercise their freedom and maintain their dignity as human beings. Sen's incorporation of the concepts of entitlements, capabilities, opportunities, freedoms and individual rights into social choice theory has challenged the view that poverty is irrelevant to the characterization of fundamental freedoms and human rights.

Sen (1984) spells out the added value of a rights-based approach to development in terms of claims. Examining the commonalities and differences between human development and human rights, he argues that if human development focuses on the enhancements of the capabilities and freedoms that the members of a community enjoy, human rights represent the claims that individuals have on the conduct of individual and collective agents, and on the design of social arrangements to facilitate or secure these capabilities and freedoms. Sen has also argued that: "*a rights-based moral approach has many advantages. In particular, it may be able to do a better job of dealing with deprivation than utility-based approaches can. A person has some moral rights, and to be denied them is to be deprived of something valuable. (…) Rights can take very many different forms. In terms of actual legal rights against the state, they sometimes take the form of a substantive claim to, say, minimal health care, unemployment benefit, poverty relief, etc. But such specific legal rights are typically not justified in terms of their intrinsic importance, but some instrumental grounds, e.g. the belief that they lead to a happier community. … Rights do not specify directly what a person may or may not have, but specify the rules that have to be followed to make his or her actual holdings and action legitimate.*" He has also stated that: "*Perhaps the most important thematic deficiency of traditional development economics is its concentration on national product, national income and total supply of particular goods rather than on 'entitlements' of people and the 'capabilities' these entitlements generate.*

Ultimately, the process of economic development has to be concerned with what people can or cannot do."

However, Sen also highlights the difficulties involved in aggregating individual human rights to arrive at an unequivocal expression of human rights in a collective sense. Therefore, his contributions to human rights approaches to development may be considered as a work in progress that requires a large degree of operationalization and elaboration to derive practical and workable policy recommendations.

Some of the issues and questions that emerge from taking a stand on human rights include, first, the need the need for conceptual clarity in understanding what human rights are, and how they relate to other rights regimes operating at the international, national and sub-national level. Second, positions must be taken to in responding to questions such as: are political rights more or less important than economic rights? Should a degree of political freedom be sacrificed to provide security and wellbeing? When is it justified to disregard democratic practices and individual freedoms to ensure collective security or even survival? What institutional arrangements are better to ensure that basic human rights are guaranteed for all or most people? What is required to ensure that the rights of minorities are protected while at the same time taking into account the wishes of majorities (e.g. in issues of positive discrimination)? Answers to all of these questions require collective and individual value judgments that determine the positions that societies will take on human rights.

Progress and development in the post-Baconian age: creating and realizing values

What does the twilight of the Baconian age mean for the ideas of progress development? The unfolding of this program through several centuries reached its zenith during the second half of the 20th century, opened up extraordinary possibilities for the exercise of human faculties, and allowed to improve the quality of life of a major part of humanity. Nonetheless, at the same time, it had a host of negative consequences, and its benefits were hoarded by a small part of the world's population, living mostly in rich countries, that had greater capabilities to generate and utilize scientific and technological knowledge.

The basic idea of development as a march towards limitless increases in material wellbeing and prosperity for all, along a single path for all of humanity to follow, has now become suspect. Taking into consideration all the preceding arguments, I would suggest that *development is the latest and last reinterpretation of the idea of progress within the framework of the Baconian age.*

Yet, if despondency, apathy and even nihilism, are to be avoided when regarding the human prospect, it is necessary to offer alternative ways of conceptualizing "development" —or whatever improvements in the human condition may be eventually called in the post-Baconian age. Against this background, is not surprising that there have been many attempts at broadening and rethinking the idea of development, some of which take biophysical constraints explicitly into account.

We are still at the early stages in the process of rethinking the ideas of progress and development in the uncertain transition to the post-Baconian age. This process requires a multiplicity of practical imagination exercises and of open-ended conversations, which should be capable of accommodating a variety of provisional and partial conceptions. The idea is to enable a collective learning process capable of accumulate knowledge and experience, but without expecting to reach a definitive conclusion.

Building on the ideas of Manuel García Morente (1931), a Spanish philosopher, it may be possible to begin approaching this difficult task. For García Morente, *progress* is linked to the concept of *value* and to the act of *valuing*, which determine the criteria to know whether we are progressing or not. According to García Morente:

> "… *progress is change and a series of changes directed towards a goal; this goal cannot be the pure future, but a final state of the thing subjected to change; that this final state is 'preferred' for us; this is, that the change called progress is different to the change taking place by natural process in that these advance towards their end exclusively as a result of natural laws, whereas progress represents a series of changes produced, also without doubt according to natural laws, but governed by man and organized by man in the most adequate way to achieve the preferred end. … these preferred ends are the values, the irreal qualities that we find in the things of our world and that realize in them.*"

These arguments lead García Morente to conclude that: *"progress is the realization of the realm of values through human effort,"* and *"in essence progress signifies the realization of values."* With this background in mind, I would like to venture the suggestion that development and progress in the post-Baconian age could be redefined as:

> *"The open-ended process of reframing old, revitalizing existing and creating new values, of seeking to evolve shared perceptions of what humanity is and should be, and of devising the means for advancing, both individually and collectively, towards realizing these values and putting them in practice."*

As human beings, we have a capacity to establish conscious distinctions between preferred and not preferred things, states, events, emotions and ideas. However, the transition from individual to collective preferences is a problematic process, riddled with conflicts and paradoxes. It is only to the extent that certain preferences become accepted, widely shared and institutionalized that they can be transformed into values, into a collective perception of what is desirable within a community and into values.

Implicit in this proposal is the assumption that there is no single interpretative scheme that could explain the realities of human societies and guide all of us unequivocally along a common path in the search of "development" strategies and policies. This implies accepting diversity and a multiplicity of viewpoints, the existence of potential conflicts and the need to resolve them without violence.

Approaches to the incorporation of values in redefining development

If development is to be viewed as the reframing, revitalization, creation and realization of values, there is a need to identify and anchor a minimal set of shared fundamental values on top of which to build culture-specific values that could reflect the diversity of the human condition. Values such as recognition, respect, tolerance, transparency, empathy, solidarity and willingness to engage with others need to be nurtured and consolidated as a basis for realizing other values.

Sissela Bok (2002) provides a point for departure to explore the set of values that would allow human understanding and the construction of shared ways of improving the human condition. She has stated four propositions that support the need for explorations into the realm of values:

> *" (1) Certain basic values necessary to collective survival have had to be formulated in every society. A minimalist set of such values can be recognized across societal and other boundaries. (2) These basic values are indispensable to human coexistence, though far from sufficient, at every level of personal and working life and of family, community, national, and international relations. (3) It is possible to afirm both common values and respect for diversity and in this way to use the basic values to critique abuses perpetrated in the name either of more general values or of ethnic, religious, political, or other diversity. (4) The need to pursue the inquiry about which basic values can be shared*

across cultural boundaries is urgent, if societies are to have some common ground for cross-cultural dialogue and for debate about how best to cope with military, environmental, and other hazards that, themselves, do not stop at such boundaries

The basic values required for collective survival that Box mentions in her first point, can be further subdivided into three:

> *"(A) All human groups, first of all, and all religious, moral, and legal traditions stress come form of positive duties regarding mutual support, loyalty and reciprocity … (B) The second category of fundamental values consists of negative duties to refrain from harmful action. All societies have stressed certain basic injunctions against at least a few forms of wronging other people – chief among these 'force and fraud', or violence and deceit. (C) A third category of basic values worked out in all societies consists of norms of at least rudimentary fairness and procedural justice in cases of conflict regarding both positive and negative injunctions, prominently including those listed in the first two categories above."*

Bok further thinks that these values have to be viewed from a "minimalist perspective" seeking to focus on a limited set of fundamental values that could be recognized in different societies and cultures. In her view, these minimalist values would be "*limited in number, scope and degree of elaboration. … require no special erudition … to be understood. … concern primarily what people should do or not do, … start out from clear-cut cases, … call for no agreement as to their source, … may not be the only values necessary for collective survival, … no claim to universal acceptance need to be made for these values, … Nor, finally, are such minimalist values absolute in that they allow for no exceptions."* She concludes: "*given that minimalist moral values are so widely to be found, they offer a basis on which to build negotiation and dialogue about woe to extent the scope within which they ara honored."*

From an unusual combination of idealistic and pragmatic considerations, Bok provides a conceptual framework to begin exploring systematically how it may be possible to redefine progress and development as the reframing, revitalizing, creating and realizing values that will be more appropriate for the new context that humanity will evolve in during the coming decades.

The diversity of cultures will clearly affect the process of value creation and realization, but there are limits that the appeal to a common minimalist set of values imposes on the latitude to choose any particular value to espouse:

> *"Cultural diversity can and should be honored, but only within the context of respect for common values. Any claim to diversity that violates minimalist values – such as claims defending child prostitution or mutilation of girls and woman on 'cultural' or 'aesthetic' grounds, or insisting that human sacrifice is religiously mandated – can be critiqued on cross-cultural grounds invoking the basic respect due all human beings … Such a critique does not advocate sameness or uniformity. It places no obstacles in the way of the most wide-*

ranging interests or the highest ideals, so long as the minimalist values are upheld. It assumes that individuals, professions in their codes of ethics, religious organizations, political parties, and other group should be free to set for themselves the most diverse goals and aspirations, and the highest standards of conduct, so long as these don't violate the minimalist values."

Box 4 provides an example of how these difficult issues of cultural diversity and the need for a common framework may be approached. While not referring explicitly to the construction of value sets, the final report of the Agenda: PERÚ project (Sagasti, 2001) outlines what should emerge as a pluralistic but integrated identity that would underpin such value creation efforts.

BOX 4: **Diversity and heterogeneity: the case of Peru**

Appreciating the value of our cultural heterogeneity entails a constant rediscovery of who we are as Peruvians. For example, it is dangerous to fall into the simplistic belief that Peru consists only of the Andes and the coast, while forgetting the diverse Amazonian cultures. Moreover, bearing in mind the great cultural diversity of the Andes, there is a serious risk involved in thinking of the Andean world in the singular. Neither should we fall into the trap of constructing static and picturesque images of our heterogeneity, which, like some picture postcard and in the effort to prevent exclusion, freeze into stereotypes the varied manifestations of Peru's cultural diversity. It is equally hazardous to value Peru's heterogeneity on purely romantic or moral grounds and regard other cultures as incapable of becoming part of a modern and globalized world. This frequently leads to an enforced process of racial and cultural blending (*mestizaje*) in order to "help them" to become part of the modern world by imposing on them a language or customs that alter their own identities and condemn them to extinction.

Far from being an obstacle to progress, each component of Peru's multicultural fabric must be considered both an asset for reaffirming our identity, and a potential contribution to the formation of the new global culture, particularly because, in order adequately to appreciate what is meant by a fractured global order, it is necessary to pool the diversity of peculiar features, physical contexts, times, and languages. Countries like Peru, where various cultures have coexisted more or less peacefully for centuries, have a potential advantage over other parts of the world where homogeneity has prevailed. But this advantage will only be realized if we are able to appreciate our diversity and adopt a positive stance when reflecting on our heterogeneous historical legacy.

The pluralistic and integrated nature of our national identity makes more sense if we realize that it does not only consist of a collection of individual identities and groups but that these, in turn, are built from a series of partial and fluid identities that mutually condition each other. For example, there are neighborhood, city, regional, national, and Latin American identities; the identities that come with belonging to religious groups, volunteer organizations, and sports clubs; those associated with gender, family, generations, and marital status; and those of academic centers, professions, and the work place, as well as many other forms of identification with di- verse elements and aspects of our environment.

One example would be a young man from Cusco who lives in Calle Zaguan del Cielo in the San Blas quarter and enjoys speaking in Quechua, the language of his elders. At the same time he is a supporter of Universitario de Deportes football club, an anthropology graduate of Universidad San Antonio Abad, and feels sure that the Inca Region has the

potential to offer him broad possibilities for his future advancement. He is also learning French with various colleagues from other areas, surfs the Internet on a daily basis, and identifies with the indigenous peoples of the Americas. This multiplicity of partial identifications that intertwine, overlap, collide, and mutually strengthen each other, as well as being arranged in a series of layers, add up to a sense of identity that —though imprecise and incomplete— define what it is to be Peruvian.

In describing and thinking of ourselves as a diverse country we must avoid extremes and seek a happy medium. To foment a national identity based solely on one's personal views and enclosed in the context of "what is ours" carries the risk of advocating the existence of a single, self-sufficient, or superior culture that ultimately isolates and condemns itself to sterility. Emphasizing only heterogeneity leads to a flood of incoherent multiplicities and a view of diversity that prevents recognizing ourselves as part of a whole. We need to visualize ourselves as a diverse country without lapsing into the absurdity of incorporating so much diversity as to make it impossible to conceive of ourselves as a community and articulate a common vision of what we have been, what we are, and what we must become as a country. For this reason, the construction of a pluralistic, integrated, and continually evolving identity requires patterns of human interaction firmly inserted in a framework of democratic institutions designed to ensure freedom of thought and action and to establish a way for all Peruvians to relate equally to each other as equals.

Many other authors have begun to explore how to deal with the problem of values in the contemporary setting of globalization, multiple crisis and interconnectedness that characterizes the emergence of the fractured global order.

For Jerome Bindé (2004) we are confronting a "*contemporary crisis of values*" that: "*affects not only the traditional moral frameworks transmitted by the great religious faiths but also the secular values that succeeded them (science and progress, the emancipation of peoples, and humanist ideals of solidarity) [...] at a time when the boundaries between the three stages of lie are becoming blurred, new values – both cognitive and future-oriented- seem to be emerging. They are not so much inherited as invented, not so much reproduced as created, not so much received as transmitted.*" Referring to the need for creating new values, Mohammed Arkoun (2004) poses several questions: *"Where are the values in question? Where are the creative minds and the works conveying values capable to transcending the loss of direction, confusion and systemic violence with which societies, cultures and religions are contending at the present time? … There are vast enterprises waiting to be undertaken, substantial gaps to be filled, new territories to be explored and radical rethinking to be carried out in our relationship with 'values'."*

Futurist Edgar Morin (2004) tackles the question of individual and shared values from a different perspective to that adopted by Sissela Bok, but ends coinciding with her on the need to reconcile individual and collective values:

> *"Matters naturally change with the growth of autonomy and individual responsibility, since the imperative no longer proceeds from God, religion, the state or society but from the individual himself, in accordance with the Kantian categorical imperative. This imperative has become insular, self-generating and self-justifying, and this situation must evolve through*

recognition that the human being is not simply an individual, society or the human species, but rather an interdependent trinity comprising all three. From this standpoint, values relate not only to the individual, in terms of his sense of responsibility, dignity, virtue and honor, but also to the group and the species – particularly in a context of globalization."

The task of reframing, revitalizing, creating and realizing the values that will rddefine what progress and development are in the 21st century and beyond — this is, in the post-Baconian age— is just in its early stages. Much more thought and work will be necessary to transform these ideas into operational guidelines capable of orienting human behavior. As the discussions briefly reviewed in this section suggest, it will be necessary to creat spaces for dialogues among cultures with widely different viewsthat could lead to consensus, certainly not unanimity, on what a post-Baconian set of values should be like. This would provide one of the key elements to begin elaborating a post-Baconian Program in the decades to come.

Concluding remarks

At the dawn of the post-Baconian age we must embark in the search for a new program. Perhaps it will take several decades, or even longer, before a new program for the whole of humanity will be articulated with the clarity and the coherence that we can now —nearly four hundred years after the fact— attribute to Bacon's program. This search must build on the achievements of the Baconian age, taking advantage of its enormous success —but at the same time acknowledging its limitations. Two indications suggest a possible direction for our search. First, there is a need to expand what became a rather narrow range of considerations —referred almost exclusively to the exercise of our rational faculties— that were fully incorporated into the implementation of the Baconian program. Perhaps this calls for putting ethical, emotional and aesthetic questions (this is: feelings) on equal footing with reason, integrating all of them into attempts at envisaging and outlining a new program.

The second indication derives from the fact that, in the process of putting the Baconian program in practice, Western civilization took the world by storm. In just a few centuries it altered all aspects of the human condition. Other cultures and civilizations had to absorb, adapt to and respond to the advances of the Western worldview. Along the way, the potential contribution of the outlooks and mindsets of other cultures was lost, or at least ignored. Perhaps it is time to reconsider this state of affairs and begin to recover a diversity of cultural perspectives on the human condition. But we must do this while maintaining a firm and responsible ethical stand, avoiding those extreme manifestations of cultural relativism in which any and every behavior appears justifiable.

The future of humanity over the next centuries will be determined by our success in devising a new program to guide human evolution into the post-Baconian age. The complexity and interconnectedness of the world we live in at the beginning of the 21st century implies that —in contrast with the achievements of Bacon— this new program will not be designed by a gifted individual; it will be a collective construction emerging out of a multiplicity of human interactions; it will integrate many different perspectives and perhaps take decades to articulate.

Whether we want it or not, we are moving into the post-Baconian age. The crises, turbulence, instability, uncertainty and bewilderment that characterize our times are symptoms of much more profound and deeper changes, of an epochal transformation. Wrenching adjustments in mindsets, conceptions, habits and practices will be required, as well extraordinary efforts to open our minds to understand the human predicament as we advance into the 21st century.

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ANNEX A:

Notes on recent advances in development thinking and practice

Recent research on how to improve development indicators

Garry Jacobs and Ivo Slaus

Jacobs and Slaus (2010) claim that develpoment thinkig and practice must be accompanied by the establishment of new welfare indicators that go beyond GDP as a measure of social progress. According to them, GDP is not a good indicator because of its variation in growth or decline does not discriminate between factors *"that contribute to social progress and those that may actually impair it or reflect its decline".*

- *"It treats on par investments in human capital, such as those that raise the level of education and training, with expenditures that reflect a decline in human welfare, such as increasing need for psychiatric services or divorce-related legal fees".*
- *"GDP includes some forms of economic activity that consume more capital than they generate".*
- *"GDP does not distinguish between sustainable and unsustainable activities."*
- *"GDP/capita is a measure of national productivity, not of personal consumption or the economic welfare of households."*
- *"GDP ignores the impact of unemployment on human security and welfare." "GDP takes no account of the distribution of income."*
- *"GDP ignores the non-market household and community economy, assigning zero value to household work and voluntary services, while attributing positive value to the very same activities when they are performed for pay."*
- *"GDP fails to distinguish between speculative gains in financial markets during a bubble economy and real gains from increasing employment, production and personal consumption."*
- *"GDP and other price-based indices grossly understate real improvements in living standards and quality of life, because they measure only the cost of goods and services, while ignoring real and often substantial improvements in product quality and quality of life."*

Beyond these deficiencies, GDP continues to be a good indicator of social progress mainly because it provides clear objectives for policy-and decision-making. The authors propose a new indicator of social progress called Human Economic Welfare Index (HEWI). This flag retains the strengths associated with GDP, but expands its ability to measure economic development. They say: *"HEWI monitors progress on five essential components of economic welfare – household consumption and savings, income distribution, employment, education and fossil fuel energy efficiency […] On one side, rising social tensions, recurring financial crises and*

ecological disaster; on the other, the progressive unfolding and development of human capacity in harmony with Nature".

The HEWI improves the effectiveness level of GDP to measure economic wellbeing but expand its measurement capabilities with the following dimensions:

- *"Personal Disposable Income (PDI) – It focuses on that part of national income which directly accrues to households and individuals for promoting human welfare, thereby avoiding the tendency to value growth for growth's sake".*

- *"Human Welfare Expenditure (HWE)* -- It focuses only on that part of private and public expenditure that directly promotes the welfare of human beings".

- *"Income Inequality (EWI)* -- It adjusts per capita income to reflect the impact of income inequality on household economic welfare".

- *"Full Employment (FEI)* -- It takes into account levels of employment and unemployment which directly impact on personal economic welfare and utilization of human capital".

- *"Combined Educational Enrollment (CEI) –* It considers the future economic impact of current investments in education".

- *"Energy Efficiency (EEI) –* It includes a measure for changes in fossil fuel energy efficiency over time as an index of sustainability".

Rohinton Medhora

Medhora (2010) notes that one of the most important innovations in approaches to measuring human welfare has been the Human Development Report 2010's Multidimensional Poverty Index (MPI). Its importance lies in transcending GDP as unique criteterion social progress. Medohora indicates that: *"In trying to understand what being poor really means, the report uses a new index that Canada helped create to gather data on 10 indicators, ranging from child mortality and nutrition levels to years of schooling and access to electricity, clean water and proper flooring. The 10 factors are combined, and the resulting score for each country is compared to the standard monetary measure of poverty, life on less than $1.25 a day."*

Using MPI in countries like India poor people increased by 135 million. In Uzbekistan, however, even if there is the high rate of monetary poverty, people are at leat nontheless decently literate and healthy. Meanwhile, in Mali and Ethipia, even when people have money, they do not have access to buy health and education.

Facing welfare criteria measurements like GDP, the importance of MPI is that it allows policy-makers to design better public policies, aimed straight to work on those dimensions of poverty in which the population is more vulnerable. Medhora says: *"Breaking down the new index into its components also reveals the concrete sources of poverty. In India, the poor tend to have relatively higher levels of education than they do good health. In China, it's the lack of education that dominates this measure. This new index helps us to understand that confronting the challenge of poverty lies in creative thinking rather than just throwing more money at it".*

Recent aproaches about how to rethink development after 2008 crisis

Robert Zoellick

Robert Zoellick (2010) discusses what should be the role of economic and development theory after the 2008 crisis. He argues that we are going through a time of transition and uncertainty in which the economic development paradigm is being questioned.

This paradigmatic transition period demand three fundamental changes in economic thinking. The first implies that the fundamental criteria of development thinking cannot be only economic knowledge emerged in developed countries. The new economic thinking must take account of economic thought emerged in the developing world. According to Zoellick: *"This is no longer about the Washington Consensus. One cannot have a consensus about political economy from one city applying to all. This is about experience regarding what is working ---- in New Delhi, in Sao Paolo, in Beijing, in Cairo, and Accra. Out of experience may come consensus. But only if it is firmly grounded -- and broadly owned".*

The second change in development thinking is that economics research must go beyond academics and contrast their premises with the experience itself, where the aspects that play in the design of public policies go beyond the mere economic point of view. According to Zoellick: *"The big questions facing policymakers are extremely complex. But is our present day research too narrowly focused -- and too weak on external validity or scalability -- to provide the kinds of insights policymakers need? I believe we need a more practical approach ---- one that is firmly grounded in the key knowledge gaps for development policy. [...] One that throws open the doors to all those with hands-on experience."*

The third change is linked to the need to take lessons from history. There are some principles that seem to transcend time, however it is essential that economic theory rest on what history has shown that it serves. Zoellick Says: *"there are some basic principles we can follow: a belief in property rights; contract rights; the use of markets; getting incentives right; the benefits of competition within and across economies; the importance of education; macro-economic stability -- but we might learn these more from economic history than from economic models [...] We have come a long way from the hubris of the 1960s in economics, with its faith in Keynesian-style fine- tuning and capital allocation, or its belief that poverty could be overcome with model cities and social engineering, neatly encapsulated in a plan drafted by economists in the developed world.The fact that such ideas today have lost credibility is progress. Yet we can't stop there. We need to take the thought that one size does not fit all one-step further"*

At the same time, Zoellick said that even though we live in uncertain times there are some keys to development of whose existence we can assume that are fundamental and should therefore be incorporated in development thinking.

- **"*Securing Transformation*".** To ensure productive transformation is necessary the existence of a governance environment which allow to identify what sector needs to be developed in each particular country. Zoellick says: "*Within agriculture, services, or industry, we need to know much more about the process of moving into higher quality goods and services, about what determines a country's economic dynamism, and what contributes to the flexible adjustments in the structure of an economy.*"

  Within this framework, the role of governments is crucial when designing specific development policies. Zoellick noted that: "*that a competitive market should be the economy's fundamental mechanism for allocating resources. But there are market failures. There are also government failures -- including an inability to correct market failures. There is an important role for good governance, anti-corruption, and the rule of law, and governance will go beyond considerations of simple economic efficiency.*"

- **"*Broadening Opportunities*".** It is necessary to expand access to financial services to populations traditionally excluded from the economic system. In addition to including the poor within the credit system, is necessary to train these populations in managing the volatility of the economy. Zoellick noted that: "*We need to better understand how access to economic opportunities can be broadened to ensure inclusive and sustainable development so that societies tap and foster the creativities and energy of everyone. We need to understand more about the constraints to better service delivery and better access to finance for the poor [...] I have seen development lag because the poor do not have access to markets and finance. Many small businesses cannot get credit, people cannot use their property as collateral, competitors are not available to lower prices. In these poor communities, we need more markets, not less, to bring more opportunity. But how do we manage the risks that markets inevitably bring with them? How do we help people to manage change?*"

- **"*Dealing with risk and vulnerability*".** In addition to investigating how to manage risk and economic vulnerability, is also necessary to investigate how to handle new types of human or social risk: health, climate change, weak institutions, weak rule of law, food security, agricultural productivity. Zoellick points out that: "*We need to be able to meet new global challenges of dealing with risks facing economies and people. Our world is riskier than many supposed. [...] A large segment of the developing world's population remains especially vulnerable to shocks. These can range from natural disasters to health pandemics, wars and civil strife, oil and food price shocks, regional and global economic crises. Climate change adds to the risks. [...] To date more attention has focused on financial risk than human risk. [...] We need more research on how to reduce conflict and stabilize fragile states ---- through an integrated combination of security, governance, and development policies. [...] Even "good performers" can be blown far off course by natural events that are individually unforeseen but collectively predictable. We need more climatic and hydrologic data and analysis to calibrate drought and flood warning systems; more financial "insurance" tools to assist with specific recoveries while avoiding*

dangerous macro-setbacks [...] We need more analysis of food security, agricultural productivity growth, improved seed- varieties, and climate-resilient agriculture as we prepare to feed the additional 3 billion people expected by 2050."

- ***"Knowing what works: the Results Agenda".*** It is necessary to incorporate into the development agenda programmes whose success strategies have been tested in specific interventions. Zoellick noted that: *"We need to know what works: we need a research agenda that focuses on results. To do so, we will need to gather more evidence and data to assess the effectiveness of development efforts, including aid [...] Aid and loans, whether stemming from public or private sources, are not the main drivers of development success. The dominant role has to be played by the populations and governments in the countries concerned. The assessment of results in development economics needs much greater attention.*

Incorporating these new keys in the global agenda for development means developing a platform for exchange information between the agents involved in development. The World Bank is developing a platform that will enable the exchange of experiences from the local to the global. This is a intent to "*democratize development economics*" provide a system of exchange of information (different types of data, demographics, malnutrition, illiteracy, etc..), which can be accessed from anywhere in the world. This network will grow with the information each person from any location adds. Zoellick noted that: *"This initiative will open the treasure chest of the World Bank's data and knowledge to every village health care worker, every researcher, everyone [...] We need to democratize and demystify development economics, recognizing that we do not have a monopoly on the answers [...] We need to recognize that development knowledge is no longer the sole province of the researcher, the scholar, or the ivory tower. It's about the health-care worker in Chiapas recording her results; it's about the local official posting the school budget on the classroom door so that parents can complain when their children are shortchanged; it's about the Minister, the academician, the statistician, and the entrepreneur comparing notes on the impact of incentives [...] No longer can the model solely be to research a specific issue and write a paper hoping someone will read it. The new model must be "wholesale" and networked. It must increasingly open information and knowledge to others by giving them the tools to do the economic research themselves [...]With networked research, all can help collect and share the data that is sorely lacking. We need more core data across countries and time periods on health, education, infrastructure, and gender. We need more and better data on public finance, especially at sub-national levels, which is critical for better governance. We need more hands and minds to confront theory with evidence on major policy issues."*

David Dickson

David Dickson (2010) argues that it must take into account three factors to promote development strategies. First, development policies arising from the State should be based on a holistic conception of development. This conception has to understand that all government sectors are involved in enhancing the sustainable social and economic development. Dickson notes that: "*A holistic approach is also essential for building the solid infrastructure and social systems needed to sustain scientific research and technological innovation in developing countries, as both activities cut across a wide range of different social and economic objectives [...] Such an approach needs to include, for example, input from, and collaboration with, the ministries of health, agriculture and energy — and not just ministries of science and technology. It also requires development ranging from building robust educational systems to creating supportive patent policies, neither of which is restricted to one field alone.*"

Second, international development financing should be strengthened by using information from the direct beneficiaries of aid programs. The information should not focus on general programs, but in specific projects that are easier to measure, and in which the impacts of aid are seen more clearly. Dickson notes that: "*A meeting organized in Geneva this week (26 October) by the Council on Health Research for Development (COHRED) heard that, despite the need for a holistic approach, introducing greater 'systems thinking' into the development agenda in general — and the health agenda in particular — is easier said than done [...] Donor agencies find it easier to meet domestic demands for greater accountability by measuring the outputs of clearly defined projects, rather than assessing the impact of their funding on programmes that are more diffuse and long term (such as building up the infrastructure required to establish a strong scientific community).*"

Finally, Dickson argues that aid recipients should no longer be understood as individual beneficiaries, but as community beneficiaries. Aid should aim to generate systemic networks that ensure sustainable development in the long run. Dickson notes that: "*[A] first step lies in modifying the way the development process is perceived. It is not simply about providing aid money, or improving individual skills and livelihoods, but helping countries build up the complex systems on which social and economic development depends.*"

Roy Culpeper

Roy Culpeper (2010), President of the North-South Institute, notes that the 2008 crisis highlighted the need for a new development model.

He argues that maximalist economic policy recommendations may bring more harm than good. Its necessary to consider how the spectrum of global economic policy recommendations were in part the cause of the crisis. In contrast points out that emerging economies were able to cope with the crisis opting for economic policy that were not aligned with "mainstream" policy recommendations. According to Culpeper: *"It is instructive to recap how quickly the current crisis was resolved in many of the industrial and emerging- market countries. Countercyclical economic policies, comprising interest rates that were lowered to levels of near zero and fiscal stimulus programs, were swiftly enacted. Until just prior to the crisis such countercyclical policies had been discredited by mainstream policy- makers and media pundits. Today few would dispute that such measures helped avert economic collapse."*

In addition, Culpeper says we should study how it would be useful to promote the abandonment of orthodox policies from the "Washington Consensus", as many countries managed to overcome the crisis using unorthodox economic policies. Colpeper says: *"It is instructive to recap how quickly the current crisis was resolved in many of the industrial and emerging- market countries. Countercyclical economic policies, comprising interest rates that were lowered to levels of near zero and fiscal stimulus programs, were swiftly enacted. Until just prior to the crisis such countercyclical policies had been discredited by mainstream policymakers and media pundits. Today few would dispute that such measures helped avert economic collapse [...] Unfortunately, most developing countries do not have the latitude to deploy such counter-cyclical policies, ones that cool down the economy when it is in an upswing and stimulate the economy when it is in a downturn. Their tax bases are narrow and domestic revenues meagre; they lack domestic bond markets. They are, accordingly, much more dependent on external resources in the form of aid or private financing, such as foreign direct investment. Such exter- nal resources can be unreliable, volatile and tied to policy conditions or to the development of enclaves that do little to advance key priorities. Sometimes they also have negative environmental, social and political impacts".*

Regarding development finacing, he states that the efficacy of the aid must be evaluated from the beneficiaries. It's neccesary to create mechanisms for beneficiaries of aid to strengthen their ability to "owner" the aid. He notes that: *"more priority needs to be given to aid effectiveness, meaning aid that is consistent with the receiving government's plans, strategies and sys tems. This focus on "ownership" would go beyond simply receiving aid; it would determine how aid gets used, providing the policy space necessary for developing countries to set national policies and priorities in order to determine how aid would best be spent."*

Development financing must focus on strengthening the endogenous capacities generating sustainable economic growth in the aid beneficiaries

and not merley to shovel the effects of the crisis in their countries. He argues that: *"To date, IMF efforts have helped remedy balance of payments disequilibria and have promoted macroeconomic stability but, as yet, there are no IMF facilities oriented toward longterm development objectives related to poverty reduction and social and economic progress. Our research indicates that such an all-grant anti-shocks facility would provide the best possible basis for emergency assistance, as did the Marshall Plan after the Second World War [...] Until domestic resources are mobilized to a substantially higher level, the sustainability of development initiatives will continue to be undermined by chronic aid dependence. The UN Millennium Development Goals (MDG) campaign is a case in point. While donors can help build momentum toward achieving the goals, for example, through frontend investments in areas such as universal primary education or maternal and child health care, sustainable advances in any sector will require recurrent investment and support [...] Some donors may continue to contribute past the MDG target date of 2015, but developing countries are likely to find that they will have to take up an increasing share of the burden soon afterwards. This means their governments will have to generate the revenues, primarily via taxation, to support the necessary expenditures [...] For instance, untapped sources for taxation, such as property tax, should be developed. Loopholes and exemptions (including tax holidays for foreign investors), which typically cause huge tax losses for developing countries, should be reviewed and closed or, at the very least, narrowed [...] The international community could also help build capacity for tax and savings mobilization through financial and tax cooperation, more coherent trade and investment policies and support to the development of the financial sector in developing countries. In the private sector, there is scope for augmenting pension and life insurance programs, which would also provide new or more channels for local savings.*

Funding for adaptation and mitigation of climate change can be used to channel development aid. Environment conservation is a new area that can funtion as an instrument for channeling development finance. He argues that: *"Adaptation to climate change adds a new challenge for developing countries and presents the most urgent source of additional demand for external long-term financing. The recent Copenhagen Accord, for example, calls on industrialized countries to raise $30 billion a year for mitigation and adaptation efforts between 2010 and 2012. It also calls on them to raise an additional $100 billion by 2020 to address the onerous climate change challenges that developing countries will face [...] Even though this amount may fall short of what is actually required to tackle the full costs of climate change adaptation in developing countries, $100 billion is roughly of the same order of magnitude as current aid flows from OECD donors. Faced by increasing deficits in fighting the recession, donor countries are likely to be hard-pressed to double aid flows over the next decade."*

Some additional ideas for channeling aid through funding for climate change mitigation:

- *The IMF has suggested that a Green Fund, financed in part from a redistribution of its so-called special drawing rights (SDRs), might provide a way forward.*

SDRs are an international reserve asset created by the IMF 40 years ago and currently used to meet international payments obligations (they are the equivalent of money). A portion of out- standing SDRs can be made available to the poorest countries as they confront climate change. In April 2009, the G20 decided to create an additional US$250 billion worth of new SDRs. Along with a special allocation of about US$33 billion had been agreed to a decade ago, the new SDRs provide a compelling opportunity to address the climate change challenges.

- *Another possible source of innovative funding for climate change and/or other development initiatives is the application of a currency transaction tax (CTT), an option that NSI research has examined indepth. Based on con- servative estimates, our research shows that $33 billion per year could be raised with a tax levied at just 0.005 percent on all global currency transactions, and without disrupting financial markets.*

- *Indeed, a report prepared by a coalition of civil society organizations recently proposed that $376 billion in revenues could be generated annually from currency ($33 billion) and finan- cial transactions taxes on traded shares ($225 billion) as well as other securities ($118 billion) around the globe.*

Finally, Culpeper stresses the need to rethink the scheme of " Washintong Consensus" from what new evidence shows. Country-specific policies and an active role of the State can be the new focal points of development policies. He states that: *"One thing remains certain: without radical changes in policies the world can expect recurring financial crises of similar or greater intensity to the one the world is currently climbing out of, while the underlying problems of growing inequality and social disarray continue to mount. On top of all this are the multiple threats of climate change, which, without adequate response, will visit recurring devastation particularly upon the poorest and most vulnerable parts of the world's population [...] As Canada and the rest of the G8/G20 prepare for their June meetings, they have a unique opportunity to articulate a new ethos for development that would constitute a final renunciation of the Washington Consensus, the "one size fits all" recipe that failed so miserably. Instead, as writers such as Dani Rodrik have argued, there are "many policy recipes" that suit different economic and historical contexts. Certainly, the emerging-market members of the G20, includ- ing China, India and Brazil, have demonstrated that, with policies significantly at odds with the Washington Consensus".*

Society for International Development SID, and Humanist Institute for Cooperation with Developing Countries HIVOS

This report is the product of several meetings organized by the Society for International Development (SID), with the Humanist Institute for Cooperation with Developing Countries (Hivos) during 2009-2010. From the new scenario generated after the crisis, seek to analyze what are the keys to rethink the concept and practice of development (See Society for International Development SID, and Humanist Institute for Cooperation with Developing Countries HIVOS, 2010).

The first conclusion of the report is that the crisis was not just the product of international financial mismanagement, but is due to the confluence of the systemic way in which man has been linked to the biophysical environment. It is argued that: *"The world is facing more than a financial and economic crisis, rather we are experiencing a systemic crisis that involves the whole system of values and norms on which our societies have been built. The pervasiveness of the financial crisis has made it clear that not only the concept of markets needs to be revisited but also economics itself. Our worldviews are being seriously challenged affecting the whole social fabric of the world we live in".*

Moreover, the crisis has revealed how the current global production model has generated a high environmental vulnerability that can bring devastating effects for much of the world's population. It is argued that *"Hence, the financial crisis is integrally linked to the climate, food and care crises with consequences for both people in the North and South of the world. Countries in the South are particularly affected, burdened by increased levels of poverty and inequality due to neo-liberal policies in the 80s and 90s and under pressure from international financial institutions. As a result they are more vulnerable to climate change even if they have contributed far less to global emissions, and are the victims of a food system that favors agribusiness instead of small farmers. The challenge is to shift development institutions in order to put people and environment at the centre of economic policy rather than at the margins. Civil society has to do all it can to propose and help shape such changes."*

To rethink the concept of development is necessary to question some of the traditional components of development and incorporate new principles. Within the components to be replanted are the premises posed by neoliberalism: *"Economics as an academic discipline has tended to detach itself from society with a focus on models and formula for efficiency and profitability at the expense of peoples, culture, and the environment. Rethinking the 'culture of economics' and de-emphasizing neo- liberal ideology is crucial if we are to address the system crisis. Such a rethinking needs to embrace all disciplines, engage as many actors as possible, and aim at long-term interventions."*

It must also take into account factors that have nothing to do with economic variables. Among them are:

- *"**Solidarity economics**: Communities are experimenting with social and solidarity economies centred on the community. The premise of these experiments is that common property can be successfully managed by groups, and people can interact with ecosystems to maintain long- term sustainable resource yields. Alternative worldviews like South America's **buen vivir and West Africa's Bamtaare,** which focus on quality of life to achieve collective sustainable development, offer possibilities for alternative pathways to those focused on neo-liberal capitalist economics."*

- *"**Cultural shifts:** Economics has taken a dominating political role in development. However what the crisis reveals is the economics can only be part of the development agenda. The market has failed the bottom billion. The predominantly global approach to the multiple crises from food, climate, care and the economy has led to marginalization in decision-making processes, particularly in the South. A cultural shift can empower people to create a new politics leading to new institutions that guide us toward a new common future."*

- *"**Social agendas:** Building collective responsibility for sustainable livelihoods requires creating an inclusive economy with a social agenda governed by democratic institutions that empower responsible citizens. Welfare programmes in Brazil and India, for example, use economic interventions to support a social agenda for poor and indigenous families, schools and labourers. Civil society in both countries played a major role in pressuring governments to make provisions for those not benefiting from economic growth. Civil society should remain at the forefront, and economists must broaden their analysis of market failure to include impacts on marginalized people."*

- *"**The state's role in the economy:** States cannot be spectators to their own development. Politics often undermines rational policymaking, and reliance on external financing hamstrings autonomous decision-making. A resilient, relevant economy must be determined by competent domestic political and business leaders who engender greater self-reliance by nurturing strong democratic institutions and a responsible private sector."*

- *"**Regulating The Bonfire of the Vanities:** With a reference to the Tom Wolfe novel, the key question is how to stop the 'great con' behind the global financial architecture. Business leaders explained the technical underpinnings of finance and the political and moral principles underlying the capitalist economy. East Africans need to craft an economic and political structure that fits their societies. Civil society has a major role to play, and can ensure that regulation is afforded crucial importance. People, not profit, must rule."*

- *"**Feminist economics:** Recession has forced women to work more, submit to exploitative labour or migrate, causing an unprecedented care crisis. The economic system attaches value only to remunerative activities, while the reproductive and care roles of women are minimized. Feminist economics must contribute to a new vision in which care work and the care drain are made more visible."*

- *"**New forms of citizen engagement:** The Internet is prompting the young to engage in new forms of national aspiration within a global world, linking for instance 'netizens' in East Africa to diasporas. They have created political forums through innovative networks, research and think tanks, and created a vision of state and nationhood by 'blogging for social change'. Some netizens challenge the NGO and donor agenda by energizing movements for economic and social justice."*

- *"**Lessons from the unmeasured economy:** Most East African citizens work in unmeasured economies that provide essential income through barter and exchange, and include women who care for young and elderly family members. Often driven by a complex combination of community and market values, these activities are critical to East Africa's resilience. It is important to learn more about how local economies function on the margins of neo-liberal global capitalism" (p. 5).*

- *"**Human development beyond economics:** Mainstream economics has co-opted human development and whittled it down to competitive indexes, HDI measurements and the Millennium Development Goals. But it cannot be measured by income alone. It should be about creating an environment in which people can develop their full potential and lead productive, creative lives […]In this respect, the participants welcomed the Nobel Peace Prize for Economic Sciences going to Elinor Ostrom for her demonstration of how common property can be successfully managed by groups. She also emphasizes how humans can interact with ecosystems to maintain longterm sustainable resource yields."*

- *"**Ethics:** A new form of morality is necessary to engage all people and redefine decision-making ethics to resituate the market within society. This new ethics needs to be nurtured and built from the spaces where creation and contestation lead to an inclusive development model challenging the dominant discourse. In creating these pathways citizens are empowered to design their own lives. Civil society needs to work with development institutions to move people and the environment from the margins to the centre of economic policy."*

- ***Human development beyond economics:** The chance to discuss human development with staff members working on the UNDP Human Development Report gave a welcome opportunity for participations to rethink human development as a concept that could be useful when looking for new ways forward. Participants welcomed the current rethinking of human development by UNDP. Human development needs to be about much more than the rise or fall of national incomes. It should be about creating an environment in which people can develop".*

Esther Duflo

Esther Duflo's research aims to overcome the problem of the effectiveness of development aid. His proposal seeks to establish mechanisms to ensure that help is solving the problems of the final aid beneficiaries (Rampell, 2010).

Duflo proposes using randomized controlled trials as is used in drug industry. What she recommends is to divide the target population into groups, and implementing various types of interventions but with the same goal. Based their conclusions on her work in Udaipur, Rajahastan, where different types of intervention used to increase the rate of schooling, immunization and mechanisms to combat malaria. In these experiments she discovered what types of intervention is the most effective. It follows that the most effective could be replicated and scaled.

Duflo's deep concern is the same as that of many concerning the mechanisms for achieving minimum development standards of living, such as education and health. For her, the key is to bring reliable information that serves to achieve the development goals outlined.

Owen Barder

Owen Barder seeks to redefine the concept of development and proposes that development must be understood as an emergent property of an economic, social and political. This definition is intended to reconsider the recent Amartya Sen's notion according to what development is the strengthening of the capacities and freedoms of each of the individuals in a society.

According to Barder, development must be understood as the system's capacity to provide sustainable welfare in the long run. Most economists doubt that economic theory can specify how the social and economic systems evolve to build this capacity. That is why they are reluctant to accept this kind of definition.

However, for some time, various specialists from the complexity science (physics, biology and other sciences) are interested in using complexity theory to address issues of economic and political development (see for example: Dolphin and Nash (2012), Complex new world: *Translating new economic thinking into public policy*, Institute for Public Policy Research).

From the perspective of complex systems: *"Development is not the sum of well-being of people in the economy and we cannot bring it about simply by making enough people in the economy better off. Development is instead a system-wide manifestation of the way that people, firms, technologies and institutions interact with each other within the economic, social and political system. Specifically, development is the capacity of those systems to provide self-organising complexity. Self-organising complexity in an adaptive system is never designed or deliberately built: it comes about from a process of adaptation and evolution. It follows that if we want to accelerate and shape development, we should focus especially on how the environment can be made most conducive for self-organising complexity to evolve"*.

ANNEX B:

Notes on values and development thinking

A possible framework to establish a minimal set of values

Since we live in turbulent times, marked by uncertainty, where the ideas of progress, development, and history as a linear process are constantly questioned, it is difficult to anticipate what kind of challenges we, as humanity, will be facing in the future. This became difficult, if not impossible, to establish what type of future we are expecting to construct as human beings.

Even though, what we can do is to establish a minimal set of values that can ensure our coexistence in the world and within the world.

1. A first step to do this challenge is to analyze what is the relation between values (as valuation) and the idea of progress, as linear unfolding of time. Some ideas for construct this challenge comes from philosophers like Manuel García Morente.

According to García Morente (1980), the concept of progress is linked to the concept of value (valuation). The valuation establishes the criteria for determining whether or not progress is being made. García Morente puts it in the following terms:

> "[...] progreso es cambio y serie de cambios enderezados hacia una meta; que esta meta no puede ser el puro futuro, sino un estado final de la cosa sometida a cambio; que este estado final es para nosotros "preferible"; es decir, que el cambio llamado progreso se diferencia del cambio verificado por los procesos naturales, en que los proecesos naturales caminan hacia su fin por efecto exclusivamente de las leyes naturales, mientras que el progreso representa una serie de cambios, producidos también, sin duda, con arreglo a leyes naturales, pero gobernadas éstas por el hombre y dispuestas por el homre del modo más adecuado para lograr el fin preferido. Por último, hemos visto que esos fines preferidos son los valores, las cualidades irreales que hallamos en las cosas de nuestro mundo y que realizamos en ellas. En suma, el progreso es la realización del reino de los valores por el esfuerzo humano."

> "[...] Progress is change and number of changes made straight towards a goal that this goal can not be the pure future, but a final state of the thing subject to change, that this final state for us" better ", i.e. that the change called **progress** of change differs verified by natural processes, natural processes that walking to an end as a result solely of natural laws, while **progress** is a series of changes, produced also, no doubt, according to natural laws, but they ruled by man and arranged by man, as appropriate to achieve the preferred order. Finally, we have seen that these values are preferred for the unrealistic qualities we find in our

world of things and we do them. In addition, progress is the realization of the realm of values by human effort." [Translation is ours].

2. Since we understand that *values* and *progress* are cultural constructed and both have an artificial origin, we can now give a second step in our discussion about values and try to find the genesis of our occidental valuation for progress and development. Thinkers like Jerome Bindé can give us some light in our research.

Bindé (2004) notes that the concept of progress has a historical genesis and it is therefore subject to change. It came to as in a time of crisis (the Renaissance) and now also in a time of crisis and uncertainty, is being questioned. Bindé point out that:

"*The contemporary crisis of values affects not only the traditional moral frameworks transmitted by the great religious faiths but also the secular values that succeeded them (science and progress, the emancipation of peoples, and humanist ideals of solidarity) […] at a time when the boundaries between the three stages of lie are becoming blurred, new values – both cognitive and future-oriented- seem to be emerging. They are not so much inherited as invented, not so much reproduced as created, not so much received as transmitted.*"

3. Since we noted that values are an artificial creation, we can venture to think that it is possible to change our valuation structure. Mohame Arkoun (2004) makes the effort to state the necessity of change our valuation system.

> *"Values must be constantly recreated because of the actions of the very people who are supposed to be the stewards and protectors of so-called sacred, divine, humanist or universal values and who appropriate them for their own ends so long as they as they are shielded from the subversive criticism of non-conformist thinkers. The distinction between 'frivolous' values and 'serious' values itself requires justifications that contemporary ethical thinking would be hard pressed to formulate in a convincing manner."*

From this reflection, Arkoun establish the necessity of recreate our values:

> *"Where are the values in question? Where are the creative minds and the works systemic violence with which societies, cultures and religions are contending at the present time? I shall limit myself to these questions, which are not rhetorical but programmatic. There are vast enterprises waiting to be undertaken, substantial gaps to be filled, new territories to be explored and radical rethinking to be carried out in our relationship with 'values' [...] all these ventures are under way in Europe/the West, but two forms of expansion are handed. One is required within Western society themselves to reverse the current total dominate of throwaway thought and populist culture, increasingly subject to the implacable laws of the neo-liberal market. This is reflected in the reduction in the public outlets for critical thought in the human and social sciences. On the pretext of rooting out jargon, excessive erudition and abstract speculation (which is legitimate), you finish up by impoverishing the wide-scale transmission of the very real advances made by research in the social sciences, history, linguistics, semiotics, anthropology, criticism of political and legal thinking and ethical enquiry. The other form of expansion concerns the systematic application of the social sciences to the study of under-analyzed societies, cultures that have been scandalously overlooked and very influential and even crucial systems of thought such as foundational thought – or the quest for foundations – and the fundamentalist imaginative world constructed with the help of mytho-historical and mytho-ideological representation."*

4. This minimal set of values supposes do not recreate the modern dissemination and global expansion of values in a cultural colonialist fashion, first, because it is empirically impossible. Second, because such an attempt could recreate all the errors that modern colonialisms create in the past.

Regarding this ideas, Jean Baudrillard (2004) distinguishes to different types of global expansion that in a first look seems to be equal, but in reality are different. Baudrillard uses two categories to explain the relationship between values (what is peaceable to be universalized) and globalization (what is peaceable to be globalize): "Universal" and "Global".

> *"There is a deceptive analogy between the terms 'global' and 'universal'. Universality relates to human rights, freedom, culture and democracy, while globalization concerns technologies, markets, tourism and information. Globalization appears irreversible, whereas the universal would seem to be in the process of disappearing, at least as the constituent principle of a modern Western value system without parallel in any other culture" (p. 19)*

Edgar Morin (2004) also states the way in which valuation interact among the individual, the society and human species, and in which way we can start to thinking in a creation of values.

> *"Matters naturally change with the growth of autonomy and individual responsibility, since the imperative no longer proceeds from God, religion, the state or society but from the individual himself, in accordance with the Kantian categorical imperative. This imperative has become insular, self-generating and self-justifying, and this situation must evolve through recognition that the human being is not simply an individual, society or the human species, but rather an interdependent trinity comprising all three. From this standpoint, values relate not only to the individual, in terms of his sense of responsibility, dignity, virtue and honour, but also to the group and the species – particularly in a context of globalization. As it is difficult to observe these three overlapping requirements simultaneously, conflicts of duty frequently occur"*

5. After having established the possibility of the creation of values, and we also determine the difficulty and the danger that this task means, we have now to point out who are the people called to do this tremendous task. We have some reflections of the philosopher Jacques Derrida (2004) to give us some light in this respect.

"The task of the philosopher in this connection, as I see it, a task both assigned and implied by the new world contract we are considering would also be the task facing anyone undertaking political or legal responsibilities in this field: to render an account – while consciously accepting it by a way of profession of faith – of that which, within this heritage of the concept of 'world' and in the process of globalization, makes possible and necessary an effective universalization that frees itself from its own historical, geographical and nation-state roots or limitations, as the very time when out of loyalty being an act of faith – it brings the best memory in that heritage into action and combats the effects of inequality, hegemony and homo-hegemoization which that same tradition may have produced and may still produce. For it also from deep within that heritage that there arise the very motifs that today, by way of the profound change in international law and its new concepts, contain the potential for the universalization and hence the sharing or, if one prefers, expropriation of the Euro-Christian heritage"

6. Since we have seen these preliminary reflections, now we can star thinking in what context we are trying to recreate values. As we mention, we live in uncertainty times, so we have to think in the way in which creation of values have to be developed. Edgar Morin's ideas of *complexifying ethics* could help us as a background thinking for our task.

> *"Complexifying ethics means trying to conceive and then establish a proper relationship between science, ethics and politics, in other words, 'de-insularizing' the problem of values; it means recognizing the conflicts between equally powerful ethical imperatives; it means acknowledging the ultimate uncertainty of the outcome of actions motivated by the best intentions and by respect of values."* (Morin, 2004)

But this uncertainty time has as correlation an imperative to modify or, at least, start to think in what human condition and human being means. Spanish philosopher Manuel García Morente (1980) gives us some account in this respect.

> "Vivir no es solamente estar siendo; sino que es, sobre todo, estar disponiendo nuestro mundo circundante de la manera que nuestras preferencias nos dictan; es estar previendo y deseando; es estar construyendo bienes y destruyendo males, en esas cosas que la naturaleza crea impasibles y ajenas al bien y mal"

> *"Living is not just being, but it is, above all, to providing the world around us in a way in which our preferences dictate, is to be anticipating and looking forward, is to be building destroying goods and evils, in those things that nature creates impassive and beyond good and evil."* [Translation is ours]

7. Now, from this point, we can star to think in what is this minimums set of values we are expecting to create. For this purpose we can star whit the ideas of the American philosopher Sissela Bok.

Sissela Bok (2002) argues that the reflection on values has to turn around four propositions that constitute the overall motivation that expresses the need to create values.

> " (1) Certain basic values necessary to collective survival have had to be formulated in every society. A minimalist set of such values can be recognized across societal and other boundaries. (2) These basic values are indispensable to human coexistence, though far from sufficient, at every level of personal and working life and of family, community, national, and international relations. (3) It is possible to affirm both common values and respect for diversity and in this way to use the basic values to critique abuses perpetrated in the name either of more general values or of ethnic, religious, political, or other diversity. (4) The need to pursue the inquiry about which basic values can be shared across cultural boundaries is urgent, if societies are to have some common ground for cross-cultural dialogue and for debate about how best to cope with military, environmental, and other hazards that, themselves, do not stop at such boundaries."

The first mentioned is further subdivided into three categories. The content of these categories looking substantiate the existence of those values she calls necessary for collective survival.

> "A) All human groups, first of all, and all religious, moral, and legal traditions stress come form of positive duties regarding mutual support, loyalty and reciprocity [...] (B) The second category of fundamental values consists of negative duties to refrain from harmful action. All societies have stressed certain basic injunctions against at least a few forms of wronging other people – chief among these 'force and fraud', or violence and deceit. (C) A third category of basic values worked out in all societies consists of norms for at least rudimentary fairness and procedural justice in cases of conflict regarding both positive and negative injunctions, prominently including those listed in the first two categories above."

Bok believes that these values should be viewed as a minimalist set of values.

> "I suggest viewing them in a minimalist perspective. The term minimalist is increasingly used to characterize a limited set of fundamental values, helpful in specifying the characteristics and possible functions of values recognizable across cultural and other boundaries. I suggest that these types of values are minimalist ones in at least the following senses: (i) they are limited in number, in scope and in degree of elaboration. They are therefore far from constituting entire systems of ethics, law, or theology and have arisen before any such systems were formally elaborated. They represent the bare bones of more abstract and complex values and ideals such as 'love,' 'truth,' 'respect

for life,' 'fidelity,' 'equality,' 'integrity,' and justice.' (ii) Consequiently, minimalist values require no special erudition, or even literacy, to be understood. (iii) They concern primarily what people should do or not do, rather than all that they may plan, fear, intend dream of , or feel tempted by. (iv) They start out from clear-cut cases as in the injunction not to kill, leaving open the question of how to evaluate borderline cases. (v) They call for no agreement as to their source, foundation, or construction [...] (vi) They may not be the only values necessary for collective survival: indeed, certain other values such as a constraint on official secrecy have come to be stressed only in the past three centuries but are now increasingly seen as indispensable for public officitals and other bound by rules of accountability. (vii) No claim to universal acceptance need be made for these values: there will always be persons who reject every moral value including the most basic ones [...] (viii) Nor, finally, are such minimalist values absolute in that they allow for no exceptions. While constraint on lying and violence, for instance, are stressed in all traditions, more stringent total prohibition of such conduct are not."

This fragment concludes with the following thought:

"Given that minimalist moral values are so widely to be found, they offer a basis on which to build negotiation and dialogue about hot to extended the scope within which they are honored."

8. A first start point to establish a minimum set of values is the necessity to recognize a minimum set of instrumental conditions that allow the realization of the values in practice; from which we can talk about development. And hence derive some guidelines for action. These instrumental conditions include health, feeding and the ability to generate knowledge.

Sissela Bok (2002) gives us some insight about these ideas. She called this minimal instrumental condition the *survival values*.

> *"The preliminary fist step, then, of an inquiry concerning common values is to bracket the conventional declarations supporting and denying the universality of values. Having done so, we can ask: Can any values be said be to be widely shared, and if so which ones? What obstacles stand in the way of perceiving them as widely held? And to what extent might at least some be acknowledged as requiring cross-cultural observance? To seek answer to these questions, we need a starting point acceptable even to holders of widely different political, religious, and moral doctrines. One minimal controversial starting point is that of the biological survival needs that human being share with a number of other species: the need for at least enough nourishment oxygen, water, and shelter no to perish. Infants everywhere needs these to survive, even as they need warmth, human contact, and nurturing to thrive."*

9. Taking this minimum set of instrumental conditions as basis, we can establish that one of the most important values is related with the capacity to accept and tolerate cultural diversity, and associated to this, the disposition to reach consensus. Box 1 gives one example of how the program Agenda: Peru tries to conceptualize the Peruvian cultural diversity and the necessity to find the ways in which people could live whiting this type of diversity.

BOX: **Diversity and heterogeneity: the case of Peru**

Appreciating the value of our cultural heterogeneity entails a constant rediscovery of who we are as Peruvians. For example, it is dangerous to fall into the simplistic belief that Peru consists only of the Andes and the coast, while forgetting the diverse Amazonian cultures. Moreover, bearing in mind the great cultural diversity of the Andes, there is a serious risk involved in thinking of the Andean world in the singular. Neither should we fall into the trap of constructing static and picturesque images of our heterogeneity, which, like some picture postcard and in the effort to prevent exclusion, freeze into stereo- types the varied manifestations of Peru's cultural diversity. It is equally hazardous to value Peru's heterogeneity on purely romantic or moral grounds and regard other cultures as incapable of becoming part of a modern and globalized world. This frequently leads to an enforced process of racial and cultural blending (*mestizaje*) in order to 'help them' to become part of the modern world by imposing on them a language or customs that alter their own identities and condemn them to extinction.

Far from being an obstacle to progress, each component of Peru's multicultural fabric must be considered both an asset for reaffirming our identity, and a potential contribution to the formation of the new global culture, particularly because, in order adequately to appreciate what is meant by a fractured global order, it is necessary to pool the diversity of peculiar features, physical contexts, times, and languages. Countries like Peru, where various cultures have coexisted more or less peacefully for centuries, have a potential advantage over other parts of the world where homogeneity has prevailed. But this advantage will only be realized if we are able to appreciate our diversity and adopt a positive stance when reflecting on our heterogeneous historical legacy.

The pluralistic and integrated nature of national identity makes more sense if we realize that it does not only consist of a collection of individual identities and groups but that these, in turn, are built from a series of partial and fluid identities that mute- ally condition each other. For example, there are neighborhood, city, regional, national, and Latin Amery- can identities; the identities that come with belonging to religious groups, volunteer organizations, and sports clubs; those associated with gender, family, generations, and marital status; and those of academic centers, professions, and the work place, as well as many other forms of identification with di- verse elements and aspects of our environment.

One example would be a young man from Cusco who lives in Calle Zaguan del Cielo in the San Blas quarter and enjoys speaking in Quechua, the language of his elders. At the same time he is a supporter of Universitario de Deportes football club, an anthropology graduate of Universidad San Antonio Abad, and feels sure that the Inca Region has the potential to offer him broad possibilities for his future advancement. He is also learning French with various col- leagues from other areas, surfs the Internet on a daily basis, and identifies with the indigenous peoples of the Americas. This multiplicity of partial identifications that intertwine, overlap, collide, and mutually strengthen each other, as

well as being arranged in a series of layers, add up to a sense of identity that ñ though imprecise and incomplete ñ define what it is to be Peruvian.

In describing and thinking of ourselves as a diverse country we must avoid extremes and seek a happy medium. To foment a national identity based solely on one's personal views and enclosed in the context of 'what is ours' carries the risk of advocating the existence of a single, self-sufficient, or superior culture that ultimately isolates and condemns itself to sterility. Emphasizing only heterogeneity leads to a flood of incoherent multiplicities and a view of diversity that prevents recognizing ourselves as part of a whole. We need to visualize ourselves as a diverse country without lapsing into the absurdity of incorporating so much diversity as to make it impossible to conceive of ourselves as a community and articulate a common vision of what we have been, what we are, and what we must become as a country. For this reason, the construction of a pluralistic, integrated, and continually evolving identity requires patterns of human interaction firmly inserted in a framework of democratic institutions designed to ensure freedom of thought and action and to establish a way for all Peruvians to relate equally to each other as equals.

Regarding diversity, we can also take account about what Sissela Bok's says about cultural diversity.

"Cultual diversity can and should be honored, but only within the context of respect for common values. Any claim to diversity that violates minimalist values – such as claims defending child prostitution or mutilation of girls and woman on 'cultural' or 'aesthetic' grounds or insisting that human sacrifice is religiously mandated – can critiqued on cross-cultural grounds invoking the basic respect due all human beings […] Such a critique does not advocate sameness or uniformity. It places no obstacles in the way of the most wide-ranging interests or the highest ideals, so long as the minimalist values are upheld. It assumes that individuals, professions in their codes of ethics, religious organizations, political parties, and other group should be free to set for themselves the most diverse goals and aspirations, and the highest standards of conduct, so long as these don't violate the minimalist values." (Bok, 2002)