

# Tyranny of the Ad Hoc

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The nature and composition of institutions-with-power, and whether they matter at all, has been absent from modern communist thinking in the 'developed world'. Absent in some part from the belief that thinking that such institutions matter at all is inherently reformist. Or perhaps because they are seen to have few tangible consequences. In a period of massively unequal globalization, formal institutions with at least nominal accountability have, with a few exceptions, been sidelined or become expendable. Power has shifted to a raft of ad hoc outfits with grandiose names and a lack of even nominal accountability. Their effect is often diffuse, and not immediately visible. Capitalism's protectorate demands unhindered freedom of action, happy to impose rules on others while dodging any on itself; slippery to its core. All this matters and especially now when in the economic sphere voluntary agreements, ad hoc oversight, and a lack of accountability has come to the fore.

## Weasel Words

One prominent evasive tool of the protectorate is its use of weasel words. 'Flexibility', for example, used to have a virtuous ring to it – the supple body, the give-and-take needed for civilized living, the possibility of working only when it's convenient – but not now, not for a long while. Rather, a change of meaning reflects how one-way and rigidified the hierarchy of give-and-take has become. It is now a virtue for exploiters. One in which any assertion of the rights of labour is automatically categorized as inflexible behaviour, and in which exploiters and their protectorate can never be pinned down, never be responsible for any thing specific. This is not simply 'double-speak', rather, double-speak has become so pervasive and marketing language so dominant. And, like Humpty Dumpty, who asserted that words would mean what *he* wanted them to mean, marketing agents and their masters don't want flexibility to mean anything other than what *they* want it to mean. When the World Health Organization, an arm of the UN, published the document 'The Use of Flexibilities in TRIPS by Developing Countries: Can They Promote Access to Medicines', the USA demanded an immediate review of WHO publication policy because the document had been critical of the US's interpretation of the World Trade Organization's TRIPS agreement. Subsequently, at a January 2008 Executive board meeting it was proposed that all WHO publications should be censored, subject to clearance by a Guidelines Review Committee.

There are, then, flexibilities and flexibilities. The World Trade Organization has been exemplary in its double standards. Talking of their agreements, Robert Hunter Wade, Professor of Political Economy at LSE, pointed out that "they are vague at points where vagueness benefits the developed countries, and precise at points where precision works against developing countries." This has been especially the case with intellectual property rights enforcement, whereas the promise of technology transfer has been smothered in vagueness. Like a character in Henry Green's novel 'Nothing', the most powerful forces in the world "take refuge in a vast quagmire of vagueness when at all pressed." When George W. Bush was pushing the UN Security Council for a vote to invade Iraq, UN President Lamine bravely demanded benchmarks by which Iraqi compliance/non-compliance could be judged. Such vagueness has also been the Western response to the number estimates of Iraqi conscript deaths in the Gulf War, and of Iraqi civilian deaths since the 2003 invasion.<sup>1</sup> It is also the case whenever a commitment to reaching targets is made, and especially in the matter of greenhouse gas emissions. When climate change negotiations began in earnest, President Bush the First made

sure that there was an inbuilt ambiguity regarding both principles and target. And just as there is flexibility as to what is flexible, there is an equal partiality when it comes to what is measurable. The McKinsey management conglomerate, with a toehold in every ad hoc pie has a mantra that says 'whatever can be measured can be managed.' This refers, in one form or another, to a measuring of the intensity of labour and surplus value extraction. Other things, uncomfortable realities, however, are not measured.

In a world dominated by the language of marketing, and by strategic vagueness, rhetorical demands for 'transparency' are just that, rhetorical, and until recently applied as selectively as WTO rules. Its sibling, 'accountability', is also applied selectively, and has been still further undermined by a 'tyranny of the ad hoc'. That is, power being exerted by institutions that are unelected and have been created with confident self-importance, approval openly from themselves, and murky funding. As has the virtuous meaning of the 'ad hoc', with its promise of spontaneity and the coming together of disinterested people across boundaries. In reality it has meant an ever-increasing plethora of think-tanks, Foundations, public-private partnerships, NGOs, and wholly unelected national and international bodies like The World Business Council for Sustainable Development, Chatham House or the G7/8 itself, the very inclusion/exclusion of Russia revealing its ad hoc nature. These are not just unaccountable: they preclude negotiation which is anathema to exploiters and their protectorate, since there is always the danger that they might open a can of worms, notions of fairness and justice; they are invariably undemocratic set-ups and are agencies of exclusion. These ad hoc set-ups are pervasive both nationally and internationally.

## The British Version

When it no longer mattered, the unctuous Tony Blair was criticised for having run a 'sofa cabinet' in which informal groupings took major governmental decisions. The most publicised came from a civil service mandarin with an ingrained belief in constitutional protocol and the semblance of checks and balances on executive power. Another came from David Runciman<sup>2</sup> who compared it ironically to the 1970s National Health Service. Ironic because New Labour described the 'old NHS' as Stalinist whereas in reality it was a matter of who you knew; comparable, because "Blair runs his own administration...with everything depending on finding yourself on the right sofa at the right time, with as little as possible written down, no proper minutes, everything geared towards reaching a workable consensus among colleagues who understood how things worked on the inside." Altogether, in both set-ups, "no one was ultimately accountable," and when it came to health policy, it was a case of the "wishful thinking that passes for health policy research in the prime minister's circle." "Wishful thinking" being one consequence of unaccountability, and, of the absence of any space or desire for critical voices.

This unaccountability is far more pervasive than political government itself, and, given the fabled ad hoc nature of the British Constitution, that much easier to get away with. I have given a sketch of its scope in 'The High and Mighty'<sup>3</sup>, with Dame Pauline Neville-Jones as exemplar of someone, an ex-civil servant, who holds positions of power across the public-private spectrum, with its voluntary agreements, political advisers, think-tanks, quangos and, most concretely, PFI deals. Voluntary agreements by sectors of capitalism and self-policed regulation are not new, but the same justificatory weasel words described by Nigel Balchin in his London blitz novel 'Darkness

Falls from the Air' are still being used by the food industry in avoiding mandatory targets in relation to obesity, and even by cheeky bankers. An exemplary case in 2007, just as the contours of the financial crisis to come were becoming visible, and described by Philip Inman (Guardian July 18th) was a report into private equity firms conducted by a former chairman of Morgan Stanley, a subsequently failed-and-rescued investment bank. The report rejected demands for closer scrutiny of the huge fees it enjoyed and called for a voluntary code of conduct in explicit opposition to clear, enforceable regulation.

Quangos and think-tanks are not new either, rather they have increased in number, and beyond military realpolitik in scope. This increase has happened in tandem with New Labour developing the trend towards the monopolisation of political power by the executive. Most of these ad hoc outfits involve people who know 'how things work on the inside' and share ideological views of the world; whether pro-Americanism, like the British-American Project for the Successor Generation, or blind faith in business managerialism. There are isolated demands for accountability, as in the case of Lord John Birt's role as a government adviser, but they remain isolated incidents. There are numerous 'public-private partnerships' like the Carbon Trust, a player in the murky world of carbon trading, or there is the Information Assurance Advisory Council. Meanwhile what are essentially public-private schools are becoming the norm, conditioned by charities and/or religious affiliation.

## The Sandwiched State

This is how 'development' policy manifests itself in Britain, but a far greater impetus for documenting internal ad hoc domination has come from radical intellectuals in NGO-laden Africa. NGOs cover a multitude of sins and virtues. The Adam Smith Institute for example, a think tank of free market fanatics, was sub-contracted to work on the privatisation element of structural adjustment. How NGOs came into being, by and for whom, how democratic, varies a great deal. Many are self-organised by the oppressed; others provided the tools for such groups with no strings attached. In the context of debt-coerced 'structural adjustment' policies however, many have played a key role, wittingly or not, in the imposition of those policies with their neoliberal agenda. This happens when the state in the affected countries is deprived of much of its role of responsibility to its citizens, reduced to being a reliable re-payer of foreign debt and imposing the social discipline that requires.

In these circumstances the role of NGOs is problematic: when they are usually financed by debt-receiving countries; have their own organisational dynamics; are themselves largely unaccountable; and when multilateral agencies like the World Bank directly incorporate NGO elites, or proxy agencies financed by the Bank, like Civicus.

They look especially problematic when the patrons of structural adjustment have come to blame the misery they themselves have caused by these policies, and their failure even within their own terms (the 'trickle-down' fantasy), exclusively on state corruption. To this end, they have come up with a new, ready-made ideology of 'good governance'. This was especially so in the brief period when the World Bank was headed by that righteous killer Paul Wolfowitz. He spoke of nothing else during his time there, but it was very much on behalf of the Bank, and consistent with its ideology. Not only did corruption *per se* – or as the Bank put it, a lack of 'good governance' – come to rationalise the failure of structural adjustment, it aimed at pioneering a further stripping of state capacity.



This needs qualifying. There are many brave and capable humanists working within large institutional NGOs, and especially those working in emergency relief who I saw for myself at work during the period of Ranamo terror in Mozambique.<sup>4</sup> But I'm especially sceptical of the fashionable downplaying of such emergency relief with talk that goes, "we must not just respond, but work on the long-term causes of these emergency situations", for it is exactly with such goals, that it substitutes itself for the capacity of the state which at least has some accountability, however nominal. And I'm sceptical despite there being a group of think-tanks (The NGO Watch of the American Enterprise Institute, the American Rushford Report and the NGO Monitor in Jerusalem) devoted to monitoring development NGOs for any signs of challenging Western hegemony.<sup>5</sup> The irony in this situation really takes the biscuit; unaccountable, privately funded think-tanks keep surveillance on NGOs using NGO's own lack of accountability as cover for political attacks on them. But this, along with donor pressure means that NGOs are even more likely to fulfil their state-replacement role, whatever their original misgivings.<sup>6</sup>

The African state, formed in large part by colonial rule which actively encouraged 'tribalism' as a set of hierarchic chieftaincies, has often had morbid dynamics. Elites have used ancestral traditions – as created by colonial powers – to use the notion of African consensual decision-making in order to "refuse to concede to the formal representation of the interests of cultural solidarities."<sup>7</sup> And of course there is corruption, pervasive in some parts; African fiction writers have been mapping the debilitating frustration it produces for years. But this too needs qualification. Corruption is not unique to the public sector, nor the "less developed world", nor of 'human nature'; rather, it is characteristic of unaccountability. Indeed the rich world's complicity in, and benefit from such corruption is well known. It has taken the form of siphoned off millions into non-transparent Western banks, and, insidiously, in the sale of unnecessary armaments in the case of Tanzania, and accompanied by bribes in South Africa.<sup>8</sup> On the other hand, unscrupulous elites have used the IMF as both a punchbag and an excuse in domestic politics to impose austerity programs they themselves favoured. These 'structural adjustment' policies had as a main target, public sector wages. Cuts directed against them not only prompted new waves of 'brain drain' but were self-fulfilling in regards to corruption. Bureaucratic corruption and teacher absenteeism were predictable results.

## The Opportunists

The advent of structural adjustment, a policy of reducing state capacity in favour of an ad hoc group of agencies, was a consequence of policy decisions in the West, and an ideology that soon followed to justify them which originally went under the name Monetarism.<sup>9</sup> It was an ideology used partially; useful in the attack on wages identified as the cause of inflation. Partially, because 'Keynesianism' was not thrown overboard, rather it became one of corporate welfare, of military budgets and personal indebtedness. Capitalism is necessarily an opportunistic mode of production. It uses whatever is to hand whether it be ideology or what might appear to

be adverse circumstances. Thus US inflation, in part a consequence of the war against Vietnam, prompted the decision to break the relationship between gold and the dollar. This had two related consequences: the fiction of 'the independence of money' was broken, as was the Bretton Woods system of fixed exchange rates. This system was not capitalist utopianism writ large, that notion, as presented by Keynes in the form of the 'Clearing Union', had been knocked on the head at Bretton Woods itself. It did however involve governments deciding on changes to their currency values when deemed necessary in negotiation with the International Monetary Fund, which also meant there was a degree of inflexibility in exchange rate movement. Since then floating rates have meant that the currencies of countries where the demands of the investor class did not monopolise economic policy, could be attacked massively, at speed, and, most of all, without negotiation.

Soon afterwards, the emergence of OPEC as a real force and the first qualitative jump in the price of oil appeared at first as a crisis for the capitalist economy, but soon became instead an opportunity for this opportunist mode of production and its protectorate, rather than for the 'less developed' world. It's not that this world which had organised itself in the Non-Aligned movement did not see the opportunity. Taking a leading role, the Algerian government – as an oil producer itself – and the movement as a whole, articulated clear demands in negotiations under the auspices of UNCTAD (the UN's Trade and Development arm) for a New International Economic Order. With the perhaps predictable connivance of the Saudis and the pro-active diplomacy of Henry Kissinger – the West's front man for the torturers of the time – UNCTAD was by-passed. When, in 1987, UNCTAD attempted to restart negotiations to make global North-South trade more fair, the institution was dismissed as 'ideological' by the Reagan Administration. Ideological! No beating them for sheer brazen cheek. And followed up with vindictive ideological zeal by the USA's withdrawal from all International Commodity Agreements which had provided some stability and predictability for farmers.<sup>10</sup>

Back in the 1970s even the IMF, a 'Bretton Woods institution' which along with the World Bank survived the end of Bretton Woods as a system, was sidelined. The 're-cycling' of petrodollars was a thoroughly privatized affair. The institution only made a comeback in the 1980s to take on the role of debt-collection enforcer when the profits made with petro-dollar loans, desperate for outlets, resulted in a 'debt crisis' centred on Latin America. The strategy was that IMF loans would encourage private lending to resume on the grounds that IMF 'conditionality' – prototype structural adjustment policies – would do the job of making conditions conducive to profitable investment by policies that attacked the public sector and held down wages by pushing for export-led growth. This global policeman role, different to its original role of managing Balances of Payment, came and went as required. What's more, it was restricted to this role, the crucial decision taken in the international monetary system in the 1980's, the Plaza Agreement to 'manage' a fall in the value of the dollar, was made by a few finance ministers, and it worked although nothing formal had been agreed on paper. This, since it was a balance of payments problem, should have been IMF work, but in effect use of this institution in the interests

of global capital was itself *flexible*.

The IMF only became a significant actor again with another crisis, that of East Asian currencies in the 1997-8 period. Its role was rightly criticized for turning a "dangerous situation into a calamitous one", as Jeffrey Sachs put it, making the repayment of foreign investors paramount. The policies this involved exacerbated the crisis by publicly closing banks, raising interest rates and tightening credit in return for the stamped-with-approval credit the Fund provided, which was needed to deal with a liquidity crisis. Even then its role had to be supplemented at the end of '97 when its original package was in danger of failing to prevent a South Korean default.<sup>11</sup> The IMF's use was, rather, to open up Asian capital markets to foreign finance while, as Francois Godement said, it "conveniently takes the blame and serves as a handy shield for the principals, should events turn sour." Convenient for Western finance capital and in perverse fashion, for free-market true believers. At its 1997 annual meeting in Hong Kong when the crisis was still just a blip, Milton Friedman the Monetarist guru announced that it had outlived its purpose: it had, he said, become a lender of last resort to countries "making the same old mistakes of government interference." A political protégé, Jack Kemp, attacked the Fund's handling of the crisis and demanded a comprehensive deregulation of Asian economies as its 'conditionality'. Though I'm loath to make analogies, these true believers do rather resemble the racist Jewish settlers in occupied Palestine. They are functional to Zionism, in creating facts on the ground, and making mainstream Zionism look reasonable in comparison, but are repressed if their demands and actions run contrary to core interests.<sup>12</sup> The free market variety of fanatic put pressure on how the Fund should act, and in the event, as Kemp must have known, he got what he wanted while keeping his ideological hands clean. Not so difficult when the USA itself applied pressure by playing games with the Fund's own funding.

The usefulness of the IMF as structured, was twofold and this was appreciated by the USA. The pressure it exerted on Japan to abandon its proposal for an Asian Monetary Fund at the time was one indication of this appreciation. Then at the IMF/World Bank conference when things had quietened down in the autumn of 1998, proposals made by the then President Chirac of France to reform the Fund were similarly shot down. They centred on the demand that its Interim Committee be transformed from a *consensus-based* system into a fully-fledged decision-making body in which voting would replace the consensus-based system. Consensus decision-making is usually conducive to the tyranny of the ad hoc, in that it hides the way that such decisions represent the interests of the most powerful, and smother critical voices, and the Chirac proposal was seen to undermine the USA-backed creation of an ad hoc "Group of 22". This insistence mirrored the USA attitude to the demands for a global financial architecture in the wake of the East Asian crisis. All it wanted was "an *informal taskforce*" looking into regulatory possibilities, hoping that the impetus for reform would pass, as it did, before serious issues like offshore banking and capital market liberalisation were raised.

## Money Talks

Some 40 years ago one of the most important texts of the period was 'The Tyranny of Structurelessness'. It was written in the early days of the Women's Movement at the point at which discussion groups were on the point of becoming both more organised and activist. It has since been smothered in ahistorical Foucault-derived treacle in which self-policing and hidden modes of policing are presented as integral to the human condition, but the text's purpose at the moment of organisational transition when it was written, was to warn of the dangers that informal organisation might give rise to. It was one in which hidden power could be exerted by informal groupings within such organisations, especially so in *consensus-based* decision-making. Its materialist analysis suggested that such informal groupings with their implicit power would arise from unequal power relations like those that might, for example, be exerted by founder members.

In the case of the IMF and the World Bank, unequal power relations were constitutionally established. More generally, the tyranny of the ad hoc depends on unequal access to money, allied to the neoliberal shrinking of the state's welfare capacity.

Think tanks have money, usually from very rich donors ('philanthropists') and Foundations. Foundations are themselves products of corporate wealth. And charities, which in the UK and USA have been encouraged and devised to fill in the space left by cuts to that shrinking of state capacity, are increasingly dependent on religious or ideological affiliation.

The same pattern is observable at international level. We've already seen how the UN's World Health Organization is being subjected to censorship. It is also being financially outweighed and undermined by unaccountable entities. The Gates Foundation is the largest of these bringing with it executives from Microsoft and other corporations. It is neither transparent nor accountable, with many of its grants based on informal networking; it is favourable to the ubiquitous McKinsey consulting group and, apart from its own programmes, has great influence on the WHO itself.<sup>13</sup> Similarly the Global Fund for AIDS TB and Malaria, funded by the Gates Foundation, depends for local implementation on the equally ubiquitous PriceWaterhouseCoopers and KPMG, both global accountancy oligopolies.

Foundations are especially anti-democratic. As described by Robert Arnove, "they represent relatively unregulated and unaccountable concentrations of power and wealth which buy talent, promote causes, and, in effect, establish an agenda of what merits society's attention. They serve as 'cooling out' agencies, delaying and preventing more radical change." When Mrs Brundtland was head of the WHO she encouraged public-private partnerships, with the help of the Rockefeller Foundation which was instrumental in setting up the Initiative on Public Private Partnerships for Health. Many of these partnerships are dependent on the Gates Foundation. In addition there is the usual plethora of NGOs and bilateral donors which, all together, make for a global health industry operating a loosely connected portfolio of initiatives and programmes. Zambia for instance has fifteen donor agencies in the health sector alone. What it also means is that the World Health Organization is being by-passed, while its funding situation means that instead of it being at least a nominally democratic UN agency, it is in danger of becoming an instrument to serve donor interests. And as if this were not enough, the World Bank with its neoliberal agenda has itself become a leading financier of health projects.

## Institutional Steeplechase

The World Bank is the more consistently powerful of the Bretton Woods institutions. Its loyalty to the protectorate has never been in doubt. When it immediately ceased any loans to Chile on the election of Salvador Allende in 1970, for

example, and then to Sandinista Nicaragua. Its importance can be gauged by the USA's recent insistence on its absolute right to choose the Bank's next boss against pressure from a coalition of 10 developing countries. An internal memo from the USA leaked to *The Observer* is very revealing.<sup>14</sup> "The arrangement that exists regarding the nationality of the President of the Bank is an *informal agreement* among shareholders and we cannot support an option paper for the annual meeting that includes concrete options with respect to the selection process of the President."

The IMF's power, on the other hand, is ironically conditional; to be used or not used as required. True; the ad hoc characteristic of 'consensus' decision-making remains intact, as does the secrecy and thus unaccountability of its proceedings. But now, at the very moment of perhaps the biggest ever monetary crisis of capitalism, its role is minor at best, just as it was in the crucial 1980s Plaza deal. Its own funds are low, alternatives like the Chiang Mai Initiative are developing, and it has been reduced to 'helping out' relatively small players; Ireland, Hungary and Iceland. The bigger role has been taken by ad hoc central banker meetings and the G7, which itself has graduated from the ad hoc to institution by sheer longevity.

The Bank may also turn out to have more staying power than the World Trade Organization. The enforcement of global capitalist power by the WTO with its TRIPS and TRIMS agreements, has been inequitable, and is well known. These are the agreements that are *not vague*, and are open to judgment on a case-by-case basis by the Dispute Settlement Mechanism which consists of committees of unaccountable 'experts'. They are unaccountable but have the power to constrain the role of democratically elected national bodies. However, the defeat of the proposed Multilateral Agreement on Investment (MAI) and then the Free Trade Area of the Americas (FTAA) and now resistance to Western demands in the WTO's Doha Round, whatever the outcome, will mean that trade is increasingly dominated by bilateral deals in which the 'investor is king' as envisaged by the MAI. The WTO has caused great damage, but at the same time, however distorted they are, it has aimed to create a system of economic governance based on a universal set of rules, and in the process made the case for collective action obvious and compelling. This possibility makes bilateral trade and investment deals far more attractive to the powerful. Since 2004, and despite rejection of the FTAA, the USA has bilateral deals with Chile, Peru, Colombia, Central America, and has ongoing talks with Panama.

## Fingers in all the Pies

The global reach of the World Bank, however, is far more secure. Its role in structural adjustment has been far more hands-on than that of the IMF. In 1990 the Bank's Infrastructure Economics and Finance department formed a proxy set-up, the Public-Private Infrastructure Advisory Facility. Its default ideology is free market capitalism, in place ever since the Elliot Berg report of 1982. From 2004 it has relaxed its environmental and social requirements when lending to the private sector, especially as it lends most to the mining, oil and gas industries, with flexibility a justification in itself. As opposed to the IMF, it has applied this ideology by itself, or via proxies, at a *micro* level. In our marketing dominated times this has been done under the buzz words 'participation' (also an NGO word along with 'empowerment,' equity', and 'sustainability') and 'poverty eradication'. In practice 'participation' has had two functions. It depicts relations between creditors and debtors, governments and NGOs as if their interests were identical or at least compatible; and it has replaced democratic decision-making. This has amounted to the participation of senior officials of the affected countries being given expanded opportunities to participate in new layers of managerial activity. These include becoming consultants, international institution staff, or managers of 'participatory' processes funded



by the Bank (see Civicus above) or by bilateral donors. This co-option of official local elites weakens local democracy, and has also given the Bank access to a wealth of knowledge(s) of specific situations. It is knowledge from the partial view point of careerists, whether 'expert' or with political/bureaucratic experience. It is this monopolisation of knowledge – as for example its Private Participation in Infrastructure Project Database, which it contributed to the Advisory Facility mentioned above – which puts the Bank at



the centre of a series of elite, ad hoc 'institutions' with power.

J.F. Rischard, the Bank's long term vice-president for Europe (with a background in academia and Wall Street) has been involved in various such elite networks, not just Davos but a series of more shadowy outfits:<sup>15</sup>

- The Rockefeller Brothers Fund Project on World Security ("Transnational governance requires the establishment of relationships, understandings, and shared expectations that are both self-



regulating and self-sustaining").

- The Commission on Globalization ("A leadership network for constructive global change").
- The Global Information Infrastructure Commission ("fosters private sector leadership and public-private sector cooperation in the development of information networks and services to advance global economic growth, education and quality of life").
- The Governing Body of the Institute of Development Studies, Sussex University. A position that seems especially sinister in the context of that monopolisation of information.
- The World Business Council for Sustainable

Development, and international group of Corporate CEOs) (“the pursuit of sustainable development is good for business and business is good for sustainable development”).

This latter outfit has been especially powerful in parameter-setting and negotiations on the issue of stabilising greenhouse gas emissions, an area in which strategic vagueness has been especially prevalent. It’s well known that from the Rio Conference of 1992 onwards – despite its Framework Convention on Climate Change – the absence of legally binding emissions targets was consistent US policy.<sup>16</sup> The Doha Declaration has adopted vague and contradictory language when it comes to specific reduction mechanisms. The World Business Council’s role has been more in its influence over UNCED, and in developing the murky world of emissions trading. Such ad hoc power is equally prevalent in this sphere, where “actions and tasks for the global governance of environmental issues are currently scattered in different institutions, as is also the case in the health sector. The Kyoto Protocol itself, which the USA would not sign, has targets but the trading allowed by it in the form of Clean Development Mechanisms (CDMs) shares all the characteristics of ‘nothing definite’. “The CDM community of financial advisers, accountants and consultants is a very tight network with ties to investment bankers, which raises doubt about independent verification.”<sup>17</sup> Doubts which are the greater because supposed defence against the abuse of CDMs, the concept of ‘additionality’, is itself vaguely defined.

## Across the Board

The processes described apply to every aspect of life-impacting decisions and policy:

- International water bodies have become more insistent on private sector involvement, a line being pushed by the World Commission on Water for the Twenty First Century which calls openly for governments to step aside, and for full-cost pricing. It has been chaired by Ismail Seragledin, a World Bank vice president.
- Food aid is increasingly channeled bilaterally rather than through the co-ordinated and multilateral system of the World Food programme.
- The spread of ad hoc ‘security’ organisations is not just a US phenomena. Ever since 1991 Tony Bunyan and *Statewatch* have described the plethora of such organisations within the European Union, including the Trevi group set up in 1976 of which he comments, “the British government sees Trevi’s ‘distinctive strength’ as lying in the informal, spontaneous and political character of its discussions.”
- For the nuts and bolts structure of the internet it is root servers and their location that has become most contentious – Africa does not have a single one – but ICANN (The Internet Corporation for Assigned Names and Numbers) has acted as a classic ad hoc set-up, or as an “adocracy” as Michael Fromkin, Professor of Law at University of Miami School of Law, described it.

## Misplaced Responsibility

The formal structure of organisations is no guarantee of how democratic they are in any real sense [by which I mean they are quite liable to be manipulated by promises, threats and demands for loyalty.. The development of wireless local area networks, open source software and a whole DIY culture it has been such an important part of, could only have happened in ad hoc style. Equally for the emerging, ‘consciousness-raising’ Women’s Movement of the late 1960s it was informal organisation that was appropriate. The warning from ‘The Tyranny of Structurelessness’ was that it would not be appropriate for activist, decision-making women’s groups for whom it was not just a matter of providing the tools for people at large. Powerful ad hoc agencies of capital’s protectorate have no critical voice to make a similar warning. Or rather, they would not understand such a voice, or want to understand it. Instead they are one significant component in the final draining

the ‘democratic’ from democracy, of *effective* accountability to citizens.

The limits to the democratic nature of professionalised representative democracy are well known, as against a structure of recallable delegates. It is the development of such delegate structures which are essential for a non-euphemistic way of seeing *whose* benefit and *whose* risk is being taken in any given policy. This is real ‘participatory democracy’ rather than the World Bank/NGO scam version. Where it does exist it tends to be at local level, but the limits of representative democracy have an impact on them with their power to create the parameters of what is possible, though these can be broken. The institutions of this professionalised democracy can either allow some space for social movements or take it away, or at the very least make strenuous efforts to do so. As these institutions become increasingly ad hoc, the space shrinks.

We know things are bad when the elite – necessarily exclusive – think tank-cum-seminar organiser and ‘opinion former’, the Ditchley Foundation, can hold a conference entitled ‘Legitimacy/Correcting the Democratic Deficit’. The lack of self-awareness is staggering; the words “part of the problem” come to mind. What *they* have in mind is clearly nothing to do with a citizen’s democracy. We know how bad things have become when the ‘War on Terror’ has created the precedent of an international ‘community’ – with a selective and flexible composition – which is not bound by formal decision-making or indeed the nominal limitations of international law. This is then amplified by how such ad hoc power becomes institutionalised by the power of precedent, like ‘coalitions of the willing’, the World Economic Forums, or the G7/8 itself.

All this, it could be said, is nothing new; except that the process has gone further than ever, and it also coincides with a crisis of capital’s self-driven deregulation, and of its protectorate’s complicity and failure in the economic sphere, the sphere in which it is supposed to be expert and on which its reputation is so dependent. The crisis provides the proverbial ‘window of opportunity’ to contest diffuse and comprehensive unaccountability in all spheres, and the protectorate’s ideological grip. Indeed it’s a necessity when, despite the havoc caused by neoliberalism economically, its ideology pedals on like one of those cartoon characters over the edge of the cliff, airborne until it looks down, which, so far, it has not had to do. The protectorate’s predominant rhetoric is still that of citizens’ rights being conditional on responsibilities as defined by the protectorate. It has talked cynically of “dependency being bred in individuals” as justification. This when it itself is irresponsible and so unaccountable. New Labour implies that citizenship is only the right of those who “play by the rules”, when in fact the rules they play by are flexible, vague and ad hoc.<sup>18</sup> Peter Harries-Jones, talking of how “social, political and economic risk increasingly escapes the institutional monitoring of risk” – now so obvious in the case of the economic – goes on to say, “but such blindness is no mere happenstance. The loose coalition of business firms, policymakers and experts who comment and/or devise policies about risk in contemporary society have constructed a discourse of euphemisms as a means of disavowing their responsibilities.” The very nature of such ‘loose coalitions’ makes this possible.

One opening in this window of opportunity is to make something of the demands being made from what was once called *social democracy* for regulation in the financial sphere, into a scrutiny of just how little good governance there is at all levels. I have written elsewhere of how regulatory demands following the East Asian currency crisis of 1997-8 – demands from some serious globalized capitalists for a ‘global financial architecture’ – came to nothing.<sup>19</sup> There is a fear in the heart of capital’s slippery protectorate of getting into negotiating situations of any sort, despite their experience in smothering outcomes. The present situation is so serious however that it may be unavoidable, and any substantive negotiation

has the possibility of being turned into that can of worms they fear. The pressure to make this happen will come mostly from the ‘less developed world’. Latin America’s forms of real participatory democracy *and* its mutually empowering diplomacy in resisting the FTAA is one model, one which demanded the FTAA negotiations be as transparent as possible with clear procedures for the dissemination of information to the affected populations. Our job in the West, at a minimum, with a becoming modesty vis-à-vis the rest of the world, is to pin down responsibility, expand its scope, and block off protectorate evasion.

## Notes

1. After the massacre at Mutla Ridge at the beginning of 1991, a Pentagon spokesman was explicit about wanting to keep the numbers vague, as reported by *The Sunday Telegraph*, 2nd March 1991. This time around the estimate given by *The Lancet* of civilian deaths has been routinely attacked, but not countered by any estimates from the invaders.
2. David Runciman: ‘Institutional Hypocrisy’: *London Review of Books*, 21st April 2005
3. Barker: *Variant*, Issue 30, Winter 2007
4. Critics like Alex de Waal are distinctly snooty when talking about emergency relief efforts. It seems especially perverse to in effect blame aid agencies for feeding Mozambicans during the Renamo destabilisation terror on the grounds that somehow this perpetuated a ‘civil war’. A fair and open-minded account can be found in Bruce Robbins’ ‘Progressive politics in transnational space’ in *Radical Philosophy* 153, Jan-Feb 2009. In the review he is critical of the tick-box ultra-leftism of Nicolas Guilhot’s ‘The Democracy Makers’ which second guesses in ideological fashion.
5. John Fante of the extremist Hudson Institute has demanded aid cut-offs for such sins.
6. See the aptly named ‘Civil Society or Shadow State’ by Margaret Sutton and Robert F. Arnove: Information Age Publishing 2005. Its focus is on education but gives a wider analysis.
7. ‘Africa’s Media: Democracy and the Politics of Belonging’: Francis B. Nyamnjoh: Zed Books
8. In the Tanzanian case BAe managed to sell them £28 millions worth of a pointless military air traffic control system.
9. It involved dusting down this dusty old theory which had sat on the shelves since the 1920s when Irving Fisher had set down in tablets of stone that  $MV=PT$ .
10. Describing the modern realities of export horticulture, Oxfam has described the loose contractual arrangements in many areas: “Agreements are often verbal, so that there is no written contract to break...Such informality gives buyers flexibility to delay payments, break programmes or cancel orders, forcing suppliers to find last-minute alternatives.”
11. Jeffrey Sachs: “IMF loans are effectively used to repay the foreign investors either through a fairly direct mechanism” or, in the case of Brazil, “when the central bank sells the dollars in the foreign exchange market as part of its currency operations.”
12. The Zionists are themselves experts at the use of ad hoc set-ups in the confiscation of Palestinian land as part of a mixed strategy of brute force and legalese. Confiscated land could not be sold but became a joint possession of the state and the entire Jewish people by allowing the Jewish National Fund, Jewish Agency and the Zionist Federation a share of the state’s sovereign powers. “The transfer of land to the hands of unaccountable bodies can be likened to a black hole from which Arab land cannot be retrieved.” As Masalha puts it in “The Nabka”.
13. See A.Damon ‘The Gates Foundation and the rise of free market philanthropy’: World Prout Assembly: 2007
14. *The Observer*, 10th August 2008
15. See Jonathan Murphy: ‘The Rise of Global Managers’; in Dar and Cooke, ‘The New Development Management’, Zed Books
16. In the case of the agreement on forest protection, the resulting document ‘Non Legally Binding Authoritative Statement of Principles’ – the very title a giveaway – is filled with green promises but continued to push for free market access for timber interests.
17. Y. Schreuder: ‘The Corporate Greenhouse’, Zed Books
18. It hardly needs saying that the UK Parliament is useless as a defender of the citizen. Only the jury system provides defence of the citizen by the citizen and that is why New Labour is forever chipping away at it.
19. See Barker: ‘Wishful Thinkers at the Calamity Bazaar’, *Mute*, December 2008