

Spectres of the Neo-Liberal State and the (Im)possibilities of Democracy

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Abstract

International organisations and civil society in Fiji called for 'good governance' following the coup of 2000, as did the Australian government. The discourse of good governance is part of a larger phase of neo-liberal capitalism, originating with the World Bank's declaration in 1989 that the underlying barrier to development in Africa was a 'crisis in governance'. Central to the contemporary idea of governance is a critical rethinking of the role of the state in its relationship to the economy: the state is to be made an efficient enabler of neo-liberal economic reform, and developing countries are supposed to clean up their own mess so that it no longer appears to have been imposed from outside. Good governance and democracy are identified not with the empowerment of the many, such as those working in the Fiji garment industry for low wages, but with constitutionality, free elections and a deregulated market.

The Torah demands, in opposition to the natural perseverance of each being in his or her own being (a fundamental ontological law) concern for the stranger, the widow and the orphan, *a preoccupation with the other person.*

The Context

The invocation of the mantra of 'good governance' and democracy as not simply desirable but essential conditions for development in all societies has now assumed a central place in the development discourse and the language of international development institutions

including the World Bank. A significant section of intellectuals on the Left of the political spectrum have also adopted similar, if not the same, mantra.

In the last 13 years, Fiji has been the centre stage of three military coups, the last being the so-called civilian coup of May 19, 2000. The coups, executed in the name of Fijian nationalism to pre-empt a perceived threat of the 'Indianisation' of Fiji, castigated not only democracy as 'foreign' but declared multiculturalism an impossible virtue in this postcolonial polity. 'Good' governance and the restoration of democracy, it was argued both by the international community and by civil society organizations in Fiji, was fundamental if Fiji was to not only salvage itself from the economic malaise following the political instability but also gain legitimacy as a member of the international community. A question that continuously haunts one is what exactly the terms 'good' governance and democracy mean and how exactly they are employed. A deconstructive reading of such terms is crucial not simply due to the theoretical semantics but also because of the historical context in which such terms are employed.

Rather than reading Fiji in terms of identitarianism, this paper will propose what Saskia Saassen (2000) has described as the process of the insertions of the global into the fabric of the national, and as a partial and insipient denationalization of that which historically has been constructed as the national, or, rather, certain properties of the national. This paper critically examines the relationship between governance, democracy and development under late capitalism. The pre-occupation with 'good' governance, as a new phase in the post-war project brings the terms democracy, governance and development in a particular relationship to each other. They simultaneously constitute the Third World as a subject of deviance and the West as an appropriate democratic subject. In so conceptualising the West-South dialectic, it generates particular types of meanings for the three terms so that their attainment comes to mean acceptance of the legitimate role of the West as the ultimate arbiter of ethical good.

The May 1999 elections in Fiji were significant and historic as an Indo-Fijian took over the helm of leadership after more than 100 years of exclusion from politics. However, this mood of triumphalism was short-lived as on 19 May 2000, a group of armed men led by George Speight took over Parliament and held Fiji's democratically elected government as hostage in a historic world first hostage case of such a

nature. The military subsequently abrogated the 1997 Constitution in the name of the paramountcy of indigenous rights. Speight's political agenda was presented as 'racially driven' and 'nationalist'. It was argued by Speight and his cronies that the paramountcy of indigenous rights could only be ensured by abrogating the 1997 Constitution, the same Constitution that was once approved unanimously by a Parliament dominated by indigenous Fijians, 'blessed by the Great Council of Chiefs and welcomed by the international community' (Lal, 2000:175). The international community did not remain oblivious to the political developments in Fiji.

The Australian cabinet met on 18 July 2000 to decide its response to Fiji's military installation of an interim government following the May 19 coup. The interim cabinet, headed by Josefa Iloilo, included suspected members of Speight's group and other Fijian ultranationalists. Australia declared that the coup was morally repugnant and quickly took the following measures: 'the recall of the Australian High Commissioner for consultations, the suspension of all military cooperation, the termination of most humanitarian aid and the suspension of government cooperation under the Australia-Fiji Trade and Economic Relations Agreement' (Goldsworthy, 2001:233). More significantly, there was a warning that the Australian Import Credit Scheme, which underpinned much of Fiji's garment industry (which helped support nearly twenty thousand jobs), would not be renewed if Fiji did not return to constitutional democracy.

The imposition of these 'smart' sanctions received mixed reactions from Fiji. On the one hand, trade unions and proponents of democracy such as the Citizens Constitutional Forum (CCF) strongly supported the measure. On the other hand, the sanctions had a deleterious impact on the ordinary workers and manufacturers.

Australian intervention in Fiji marks a fundamental shift in its foreign policy towards the South Pacific. In recent years, Australia has been increasing its scrutiny of other nations' affairs, most notably in the field of human rights. The Australian government now claims that a third of all Australian official development assistance is spent on improving governance in developing countries, not least in the Pacific. While the discourse of good governance that is being enacted in Fiji is a result of a particular relationship between Fiji and Australia, I would like to suggest that this discourse is part of a larger phase of neo-liberal capitalism that has ordered the state and economy in a particu-

lar relation to each other. In this vein, I will map the emergence of the concept of good governance.

Origins of the Good Governance Discourse

The emergence of the discourse of good governance is a product of particular historical conjuncture, a discursive product of the post-World War II climate. Preoccupation with growth, an illegitimate offspring of modernity, was one of the major features that fed the dominant orthodoxy about the meaning and purpose of development in the immediate post-war years. There was little explicit concern initially with issues such as human development or social development. This focus on growth was especially pronounced in the constitution, policies and thinking of emerging post-war international institutions like the World Bank and International Monetary Fund (IMF). By the 1970s it was clear that growth and structural change in developing countries did not result in the advancement of the developing world. On the contrary, inequalities had exacerbated dramatically since the benefits of growth were not 'trickling down' as theories had suggested. In the late 70s and 80s, the World Bank came increasingly to emphasize the importance of 'social development' while remaining committed to 'mobilizing capital and using it for growth' in an effort to end 'grinding poverty and gross injustice', only to quickly realize that 'imperfect markets are better than imperfect states'. This marked a major neo-liberal move away from statist and redistributive concerns to an emphasis on the role of free markets.

This neo-liberal theory was embodied in the implementation of structural adjustment programs of the 1980s designed to promote long-term economic development through policies such as trade liberalization and privatization, slimming down oversized public bureaucracy, reducing subsidies, liberalizing the labour market and reforming the tax system. The World Bank saw the implementation of structural adjustment as a purely technical matter, but the people of the developing countries whose economies were being structurally adjusted, frequently saw it otherwise. There is much literature about the political nature of austerity protests and food riots, largely due to their deleterious effects on the poor. By 1991, the World Bank had shifted dramatically to focus on a conception of development that linked economic growth with social development, declaring that the overall goal of de-

velopment is to increase economic, political and civil rights of all people across gender, race, countries, etc. Indeed this was a signature of the World Bank's emerging concern with 'good' governance. Such a postulation has radical implications about the state. But how did such a paradigm shift occur?

The term governance gained prominence after a 1989 World Bank report that identified 'a crisis of governance' as the underlying problem of development in Africa. Governance, in this particular context, came to mean something considerably broader than the notion of government itself. In the 1990s, the vocabulary of 'political conditionality' emerged as a precondition for development aid. Political conditionality required governmental and political changes encapsulated by greater demands for democracy and improvements in the standards of human rights as well as an insistence on 'good' governance. Two broad sets of meanings have been employed by international development institutions and western governments in an effort to explain what governance means. The first, associated with the World Bank, interprets governance primarily in administrative terms, largely due to the fact that the World Bank's charter precludes it from making political pronouncements and emphasizes virtues such as accountability and transparency as well as the establishment of legal frameworks to ensure stability for proper functioning of the market. For western governments, on the other hand, governance has come to entail not only concerns for sound administration but an insistence on competitive, democratic and participatory politics as well.

The Good Governance = Freedom = Development Thesis

An expanded meaning of development found expression in the UNDP in 1990 with the publication of its annual *Human Development Report*, which urged an expansion of the formal definition and measurement of development to incorporate the notion of human development. UNDP defined human development as 'a process of expanding human choices by enabling people to enjoy long, healthy and creative lives' (UNDP, 1998: 16). Major components of human development included: education, better health standards, and access to resources that provide a decent standard of living. These conditions made human choice possible. It was further argued that political, social and economic freedom is essential 'for being creative and productive, and

enjoying personal self respect and guaranteed human rights' (UNDP, 1990: 10).

The 1992 Human Development Report went much further in illuminating the centrality of freedom in achieving development, concluding that 'political freedom is an essential element of human development' (UNDP, 1992: 27). It is imperative to point out that this approach to an expanded conception of development was formulated by Amartya Sen and Mahbub ul Haq, amongst others, precisely in response (and counter) to the World Bank's narrow preoccupation with growth and its deleterious effects on the poor, as the fundamental premise of development. Indeed, it marked a radical shift in an understanding of development if one examines the trajectory of the post-war meanings of development, perhaps best encapsulated in Amartya Sen's sophisticated formulation of development as freedom (Sen, 1999). Sen resists and opposes the idea that the question of freedom, political freedom in particular, must be postponed until economic and social development has been achieved in order to create a conducive environment for the sustainability of political freedom. To the contrary, Sen advanced the argument that political freedom and other forms of freedom are 'among the constituent components of development' (1999: 5). In his canonical piece, *Development as Freedom*, Sen elucidates:

the expansion of freedom is viewed both (1) the *primary end* and (2) the *principal means* of development. They can be called the 'constitutive role' and the 'instrumental role' of freedom in development (1999: 36).

Sen further postulates that any realization of development is contingent upon firstly 'the removal of major sources of unfreedom: poverty as well as tyranny, poor economic opportunities as well as systemic social deprivation, neglect of public facilities as well as intolerance or over activity of repressive states' (Sen, 1999: 37). Sen classifies five categories of freedom which he deems instrumental in the advancement of development: political freedoms (seen as fundamental in ensuring accountability), economic freedoms, social opportunities, transparency guarantees and protective security (Sen, 1999: 38-9). For Sen, freedom (political, economic, social, etc) and individual agency are the main sources that foster development; and the attainment of a greater degree of economic success only serves to guarantee further

freedom.

Sen is not a leftist radical. For Sen, 'it's hard to think that any process of substantial development can do without any substantive use of the markets'. Markets, in Sen's view, need to be supplemented with social safety nets; economic growth must co-exist with local cultures, which cannot be swept away like 'old and discarded machinery'. For Sen, the 'overarching objective' of development is to maximize what he calls people's 'capabilities' 'their freedom to 'lead the kind of lives they value, and have reason to value'. Indeed, Sen's contribution marks a return of a modern social-democratic approach to economics. Sen regards the state as fundamental in 'safeguarding and strengthening human capabilities' since it is only under a regime that ensures certain kinds of freedom that individuals can pursue their trading or productive activities to advance development (Sen, 1999: 53).

The language of freedom and the conception of development that Sen postulates, do not mark a radical shift from the language of good governance that has been promoted by international development agencies such as the World Bank. What is noteworthy in both Sen's work and that of the World Bank, is bringing the primacy of the state back for the smooth operation of the market and its ability to handle the structural problems of the market. It is this modernist-developmental focus that has enabled the appropriation of the concept by the World Bank. Hence, the language of good governance is shared both by neo-liberal institutions as well as more centre-leaning institutions such as UNDP.

Central to the contemporary idea of governance is a critical re-thinking of the role of the state. Governance with its 'concern for human rights, pluralist politics and efficient government' focuses directly on the state in its relationship to the economy (Sen, 1995: 324). It is premised upon the assumption that state capacity and legitimacy are crucial for the successful implementation of economic reforms. This marks a fundamental shift from the earlier stance taken by the World Bank and other financial institutions and lending agencies. In the early 50s and 60s, the state was depicted as central in fostering economic growth. The failure of state-led development led critics to proclaim the state to be an impediment to economic growth rather than being a facilitator.

The 1991 *World Development Report*, for instance, linked 'big states' to the state's inherent inability to promote economic efficiency

as it reduced the possibilities for competition in the economy through state protection of domestic producers, and promotes 'rent seeking' (Baylies, 1995). Proponents of the neo-liberal agenda advocated the notion of a minimalist state through reform processes such as the privatization of state enterprises, deregulation, as well as the retrenchment of the civil service, to name just a few. The primary goal was the protection of property rights, the establishment of an effective judiciary as well as an efficient civil service. It is essential to point out that this formulation of the neo-liberal state is characteristic of the features of the Lockean state. This neo-liberal theory was embodied in the implementation of the structural adjustment programme. While the state was regarded as a problem, the state was also recognized as crucial to institute these reforms. Hence, governance emerged out of a specific need to find out how states could be made to function more effectively in promoting economic reforms. Neo-liberal intervention is no longer restricted to sound economic policy and the need to 'roll back the state'; rather it is concerned with the nature of governance itself. The governance discourse has served as an efficient means of focusing responsibility on governments of developing countries for the implementation of reform packages. Governance, under the neo-liberal paradigm, is not about merely the implementation of governance as a purely technical matter; rather it is about statecraft itself that would serve the logic of capital.

Global versus National

The opposite of global is not local but national. This has radical implications for Fiji especially when one considers the ways in which the global is enacted into the fabric of the national and how the national attempts to deal with the forces of economic globalization. An ethnography of the neo-liberal state is crucial in understanding this process. In the case of Fiji, the implementation of structural adjustment programmes posed an inherent contradiction. While the post-coup state had promised to ensure indigenous Fijian advancement in the realm of the economic, it now had to address the tension between pursuing economic liberalization on the one hand and economic affirmative action programmes as part of its nationalist agenda on the other. The reform measures pursued had an adverse effect on the indigenous Fijians as the market did not discriminate between Indians

and Fijians. The burden of public sector reform fell largely on ethnic Fijians since much of the public sector was dominated by indigenous Fijians (see Sutherland, 2000; Ratuva, 2000).

Despite three military coups and the installation of ethnic Fijian dominated governments, many development issues confronting indigenous Fijians remain unresolved. The problem of native land leases has not been resolved; landowners at Monasavu are still demanding compensation. Underperformance in the field of education continues to be a problem amongst the indigenous Fijians. Economic affirmative policies pursued by successive governments have done little to improve the living standards of many grassroots indigenous Fijians. Over the years, indigenous Fijian squatter population also increased; so has the number of family on welfare payments.

The Qarase government is also pursuing affirmative action policies in an effort to fulfill its nationalist manifesto. Successive post-colonial states in Fiji have engaged in a bio-political act which simultaneously engages with indigenous bodies (through the project of ethno-nationalism) and renders them abject in terms of their position under globalization. This constitutes an epistemological violence that the post-coup states have refused to acknowledge. One of the colonial legacies of Fiji is that the political imaginary of the nation is that of entitlements. It has never been a nation of rights.

A close reading of neo-liberalism in postcolonial Fiji shows that 'good' does not necessarily translate into 'effective' governance. For example, soon after the military coups in 1987 in Fiji, and in search for aid in an effort to salvage itself from economic malaise, Fiji embraced adjustment policies. It was also pursued in response to the growing external pressure for greater economic liberalization and export-oriented industrialization. However, Ratu Mara, who was then prime minister, later acknowledged that the military coups of 1987 made such reform possible (Mara, 1997). Such policies included producer price reforms, removal of subsidies, liberalization of internal and external trade, new foreign exchange regimes usually premised on severe devaluation, privatization, and the restructuring of government institutions. In essence, the policies embodied the main thrust of neo-liberalism which advocates minimum state intervention, market-friendly and export-oriented approaches (see Chand, 1997). However, it is also the case that neo-liberalism accentuates state intervention to produce its dominance. It is important here to recognize the complic-

ity of the third world political elite with the international financial institutions. This narrative also disturbs the neat dichotomies of the west and the rest where it is usually fashionable to 'bastardize' the west and valorize the rest.

It is not accidental that the globalization of the lexicon of 'good' governance prefers to operate in an environment of liberal democracy. Foreign investment and the transnational movement of capital work best under the socio-political conditions of stability and security. The implementation of reform processes such as privatization, deregulation, labour market reforms, and tax-free incentives, it was believed, would ensure the restoration of 'normalcy'. The operation of international corporations that are taking advantage of labour markets under an authoritarian regime which has a record of human rights abuse would indeed give such corporations a bad name! Government insisted that these policies would bring economic growth, which would have a trickle down effect on the country's social and political development. These policies were necessary for the state to rescue the economy from the severe downturn that followed the coup. However, structural adjustment reforms were implemented in Fiji at a time when there was an absence of parliamentary democracy since Fiji parliament had been suspended between 1987 and 1992, following the 1987 coups. This has a serious bearing on the notion of democracy as unpopular reforms were implemented by a group of people who were not democratically elected.

Governance and Garments

The garment industry, one of the gifts of structural adjustment, established through the creation of a tax free zone with minimal state intervention, provided the basis for Fiji's post-coup economic recovery (Ram, 1994). It has been much to the detriment of women workers. Here I want to specifically engage with the politics of the 'unambiguous'. Under the banner of heteronormative capital, which remains a patriarchal formulation, many women, including my mother, entered the labour force thanks to the establishment of tax free zones. Capital in this instance frees gender. It is crucial to acknowledge this emancipatory aspect of capital. Critics who would easily rule out the entry of women workers into the exploitative labour market as merely a Hegelian false consciousness fail to realize that it has created the condition

of possibility for so many women to look after the welfare of their families. It is for this reason that I argue that capital must be distinguished from the institution of capitalism, for capital remains philosophically 'just'. Rather than being subsumed, one is complicit or woven into the narrative of capital. The anti-globalization movement quite paradoxically is itself a product of globalization. We intimately inhabit the space of capital. Poverty then is a relationship. The question then is how do we deconstruct that space which we intimately inhabit? This is the predicament of women workers in the garment industry who have been rendered abject as a consequence of cheap labour; lack of adequate labour laws and trade liberalization.

Despite highly exploitative nature of work, including the failure of employers to adequately compensate night workers, no effort has been made by the state to demand better working standards. I have raised this problem with prominent trade unionists several times during election campaigns only to be told that if elected, they would look into the matter. Here, the subject of democracy remains an empty signifier. Globalization makes it easier for multinational capital to take advantage of gender divisions to its advantage on an international scale. Since 2000, many factories began to close overnight. Following the establishment of the industry in 1985, there was no effort by Australia or civil society to look into the working conditions of the garment workers in Fiji despite numerous appeals by the workers over the years to look into the abuse of workers' rights. Workers were muted by the argument that they were not members of their respective trade unions and therefore could not be represented.

The accumulation of profit under the current phase of globalization thrives in conditions of exploitation, vulnerability and inequality as most private companies employ workers who have only their labour to sell and often face problems of long-term job security, leaving many Third World workers in a vulnerable position (see Elson 1994). Most writings on the current phase of globalization place emphasis on terms such as intensification of the movement of capital as well as ideas of excessive temporality and the speed at which the world is becoming increasing interlinked. Such a reading of globalization depoliticizes the discourse of globalization and reads the unfolding of capital as inevitable or teleological. While capital has the ability to move, the notion of rights, it appears, is still caught within the nation state. Little is documented for instance about the rights of Chinese immigrant

workers in sweatshops. Can we afford to look the other way at a time when many of us are celebrating the virtues of human rights? The question is an important one. Through what grammar do we imagine difference under the banner of capital? It is not accidental that most of the garment factories in the tax free zones in Fiji are sweatshops owned by Asian and Australian businessmen. The erasure of labour from any substantial understanding of rights in the current discourse of governance and democracy does not account for any real possibilities of democracy where capital is seen as creating the condition of possibility of free choice. In the words of Spivak and Plotke:

...if one considers globality in an informed way, if one looks at post-Fordism, one would see that the greatest burden of the so-called decentralized factory is being borne by women-and not only in the extraordinary global phenomenon of home working of various kinds. Women are also absorbing the cost of management, workplace safety, recruitment, you name it - all kinds of costs. Now when the workforce is global, when a very large number is unorganized, permanent casuals, women, how on earth are values going to operate that would lead to participation in the functioning of democracy (Spivak & Plotke, 1994: 19).

However, this narrative of the exploitation and disempowerment of workers under capitalism has continuously served as a footnote in explaining Fiji's political history, which has largely and quite conveniently been read as a problem of 'race' and poor governance. The displacement of an underlying political-economic structure has served as an ideological justification for Australia to intervene and seek the restoration of democracy following the coup in May 2000. It is pertinent to note that prior to this Australia was not overtly concerned with ideas of human rights and particularly with workers' rights. The heavy presence of businesses entities in the parliamentary complex (where hostages were kept) at the height of the political instability suggests the complex web of relations between the state and capital whereby the state can occupy both the space of legality and illegality and yet determine what constitutes a legal subject.

Towards a Deconstructive Reading of Governance & Democracy

The concept of governance presupposes the condition of normal-

ity. Governance is presented as a technical quick fix to the 'problems' of development. The professionalization of governance has ensured that one could sanitize abnormalities created by bad governance by removing it from the political and cultural realm and recasting it into the 'neutral' realm of science by presenting it as merely a bureaucratic impediment (Escobar, 1992). The discourse assumes a teleology with the belief that many of the developmental problems can be addressed if one were to follow the right prescription, a belief that the Third World can be salvaged.

The discourse of good governance is a derivative concept that rests on the assumption that there is something outside the ambit of 'good' governance that can be castigated as bad governance. It then begs the question: whose governments are supposed to be bad? Governance then, is contingent upon the notion of difference. Western governments such as Australia as well as hegemonic institutions such as the World Bank, through their policy of good governance create a regime of 'truth' as they decide whether a particular regime of governance is good or bad and as such become the arbiter of ethical good. The ideology is a selective one since good governance is prescribed by the World Bank and other international lending agencies for much of the Third World which it claims is riddled with corruption, a lack of transparency and poor democratic norms.

Yet, interestingly enough, the Enron scandal was never castigated as an issue of bad governance or a problem that was symptomatic of the Third World. It made the headlines as major fallacy in accounting practices. The Third World as a category has been created by institutions such as the World Bank as deviant 'Other' which requires social control through the disciplinary measure of good governance. The Third World is invited into the narrative of good governance but they are not the authors of their representation. It follows the simultaneous process of the creation of deviant subjects and the politics of redemption. In other words, governance is both identified as a problem of development and prescribed as its solution. Following Althusser, the discourse of governance presupposes a subject position which precedes the subject. After all, what is the purpose of the prison-industrial complex, as Michel Foucault would ask, without its prisoners or the asylum without the insane? Governance, I would argue, follows a similar logic which requires the constant creation of deviant subjects to manage and discipline and the interpellation and internalization of

the idea of governance into the state which becomes subservient to the imperatives of capital. It thus constitutes a shift in the burden and responsibility from developed countries to developing countries whereby the latter have to 'clean up their own mess' so that it no longer appears to be an external imposition but owned and implemented by governments that have been legitimated through the national democratic process of free and fair elections!

Good governance has become an integral part of the Australian aid conditionality. Perhaps the most obvious sign of political conditionality as a precondition for aid for the Pacific Islands was at the 1994 South Pacific Forum when Gordon Bilney adopted a 'get tough' policy and urged Island leaders to pursue economic reform packages as the essential condition for further aid. Not only does Australia identify problems confronting Pacific Island countries, it also prescribes solutions to address these problems. This is aptly captured in Gordon Bilney's speech when he noted that, 'it's right that we should help our friends, by pointing out the obstacles and how to avoid them' (Bilney, 1994).

Such infantilization has been realized through painting an apocalyptic scenario for the Pacific characterized by what the World Bank has called 'the Pacific Paradox' and more recently by Ben Reilly's 'Africanization of the South Pacific' thesis characterized by 'weak states', poor democratic norms, soaring corruption and income disparity to name a few (Reilly, 2000). Such works dismiss the role of international power differentials that inform notions of governance and development. It is here that one needs to examine the complicity of the intellectual in the production of particular regimes of truth or reality. Reilly's article reminds one of Immanuel Kant's essay on *Aufklärung* or the Enlightenment, where Kant argues for a 'public sphere' in which the individual, who is a subject of this universal domain, can actively participate in debates through an exercise of reason despite an individual's particular social location. Kant was indeed advocating freedom of thought as the true condition for enlightenment. However, when one thinks of the cacophony of the margins, one is reminded of the rise of experts and specialists on the one hand and the consistent call for unrestricted education sanitized of any social prejudice on the other. Certain modes of knowledge have been privileged over time so that the public sphere becomes a collective of selective individuals qualified enough to speak for the subaltern. This is the predicament of international civil society, fuelled

international civil society, fuelled by liberal individualism, which continues to serve as the local voice of international organizations. The Australian government allocated an estimated \$25 million after 2000 as part of its development cooperation with Fiji to focus on improving the justice system as well as supporting an effective, accountable and democratic government.

One tends to be perplexed at the constant availability of funds for research on 'elections' or 'constitutions' which later determines the 'state' of democracy in postcolonial spaces like Fiji. The growth of the 'governance industry' parallels the growth of the poor on the streets in Fiji. The discourse of governance presupposes a particular form of political society characterized by free and fair elections, constitutional norms as well as deregulated market, and depicts it as the ultimate and only legitimate political imaginary, that of capitalist democracy. The system of capitalist democracy itself remains the ideal form of political society, in need of only minor renovation. It is this belief that has led to the advance of liberal democracy with an evangelical zeal in the post Cold War world. This form of government promises political stability and the activation of civil liberties as well as accountability.

Again it needs to be stressed that accountability itself does not translate into democracy. Furthermore, the language of accountability is itself a vocabulary of the corporatist philanthropy. It raises the question of accountable to whom? These terms straddle both the realm of the economic as well as the political. Joseph Stiglitz, for instance, has recently argued that 'the political notion of accountability corresponds closely to the economists' conception of incentives'. Who decides what are free and fair elections? To date, I am still haunted by an interview which I carried out with a subaltern woman during the 1999 general elections in Fiji. I asked her if she felt her rights were secured under the 1997 Constitution to which she replied acerbically: 'and what am I supposed to eat in the evening? The Constitution?' This discourse metalyptically produces a counter-narrative of governance. How do we materialize the constitution rather than thinking of it as a document that remains identitarian or culturalist in its mode?

While it is crucial to be critical of the logic of governance as proposed by the World Bank and its service to neo-liberalism, it is equally crucial to be suspicious of the liberal variants of this discourse. Both the international development agencies and the intellectuals failed to examine the ways in which such technocratic ap-

proaches to poverty reduction, done as an alibi for the progression of world governance, are complicit in the abstraction of labour in the process of capitalist valorization and the production of surplus value. Such discourses displace the question of labour to a secondary status so that democracy could mean the attainment of free and fair elections and a stable environment for the efficient functioning of the market.

Liberal governance is seen as a purely technical matter and indifferent to politics as 'democracy keeps its hands clean'. This 'deficit of politics', Hardt and Negri warn, implies 'a reduction of the State structure to its bare bones, a mechanical skeleton of rule' (Hardt and Negri, 1994: 236). Both politics and the state in this discourse are conceptualized as 'thin' where the state is reduced to an abstract and mechanical instrument that ensures order and stability. 'Normalcy' and stability have been privileged over democracy. The political and the economic need to be seen as mutually constituent in producing particular subjectivities if the meanings of these terms are to be reclaimed. Governance needs to examine the predicament of the 'new subaltern'. Otherwise, any yearnings for democracy will remain a fiction, an incomplete project of modernity reserved for an enlightened elite engaged with the pedagogical mission of speaking on behalf of the subaltern.

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