

*Accountability, democracy and degrowth: civil society rethinking political economy and finance?*

After an ‘apparent’ temporary relief, the financial crisis of 2009 is back full steam. The ‘double dip’ has turned into a full-blown meltdown of financial markets, public budgets and, by and large, democratic accountability. Intellectuals such as Jürgen Habermas, Joseph Stiglitz, Amartya Sen and Wolfgang Streeck have urged social sciences (and social scientists) to look at these events as a fundamental wake-up call: a signal that our conventional political economy and, perhaps, the very foundations of our societies need a serious rethinking.

Currently, the spotlight is on the role of political elites and economic agents (especially the investors included in the vague notion of ‘markets’) and their strategies to stabilize or destabilize countries, from North America to the Eurozone. Sadly, the actual and potential role of civil society is hardly mentioned in public debate. Yet, as Antonio Gramsci famously suggested, civil society is the social sphere where cultural hegemony is won or lost. Hence, it is exactly within civil society that important responses to the crisis may emerge. It is within civil society that an alternative paradigm and a fundamental rethinking of conventional wisdom may be fostered.

So far, the relationship between civil society and global finance has been mainly discussed in terms of the former’s capacity to contribute to a ‘containment’ of markets by engaging in the existing governance structures of international financial institutions, such as the IMF and the World Bank (Scholte 2002; Scholte et al 2011; Clark 2011) on the one hand, and on the role of civil society as a ‘democratizing agent’ of public institutions affected by limited transparency and lack of accountability, on the other. What the crisis has revealed, though, is that the public financial institutions are small players compared to the size and influence of private ‘markets’, and that civil society’s ‘voice’ against the power of markets (as embodied by social movements such as ATTAC) has been comparatively weak. Yet, the current financial crisis appears to have provided new momentum to existing activities and contributed to the emergence of new tendencies and actors, especially among grassroots movements and coalitions of advocacy organizations, which present a series of interesting cases.

In the course of our own work on the role of philanthropic foundations vis-à-vis the financial crisis, we have identified at least three different (complementary) ways in which civil society may be able to contrast the power of markets and redesign the functioning of our societies. First of all, civil society may act as a watchdog against unaccountable financial power and as a vehicle for stronger societal oversight in the field of private and public finance. Secondly, civil society may exert pressure in the political arena to regain control over the functioning of democracy, thus challenging not only the power of global and domestic finance but the very idea of capitalism. Thirdly, civil society may call for a redesign of the mainstream economic model based on continuous growth to identify new (and more sustainable) models of wellbeing.

Thus, depending on what angle one chooses, there may be different (albeit perhaps complementary) options for civil society actors. Of course, civil society is not a monolith. It is populated by a universe of actors, most of which have potentially contrasting agendas and irreconcilable interests. So, while it would be inappropriate to speak of civil society as a whole, it is nevertheless interesting to look at specific cases of activism, which may ultimately lead to some form of concrete and meaningful change. The current crisis, in this regard, may very well turn out to be a window of opportunity for creative reconstruction.

In this paper we intend to discuss various ways to frame the crisis (diagnoses) and link each of them with an existing response by civil society (prognoses). The ultimate goal of this analytical exercise is to unpack the transformative role of civil society in a sector in which it has traditionally been less proactive, in order to reflect on possible forms of social transformation that are not merely remedial but also constructive in nature.