

# BCA Dispatch

"The issue is not issues; the issue is the system"  
—Ronnie Dugger

Newsletter of the **Boston-Cambridge Alliance for Democracy** **October 2009**

*An honest politician is "one who, when he is bought, will stay bought".*

—Simon Cameron, ca 1870

## COMMUNITY NOTES

Don't be left out! Join the BCA/NorthBridge planning group—call Barbara Clancy for time of next meeting: 781-894-1179.

### Relocalization Conference Success

About 250 folks of all ages from all over the state participated in this all-day conference on 18 October at Roxbury Community College's sports center named for Reggie Lewis. **Eli Beckerman** and his crew from Mass Coalition for *(Continued on Page 8 >>)*

## Home Rule in Boston

**What We Need for Greater Autonomy**

*by Gerald E. Frug & David J. Barron, Harvard Law School, 2006\**

*What follows is the Conclusion of the authors' substantial report to the Boston Foundation—*

**Boston Bound: A comparison of Boston's legal powers with those of six other major American cities.**

**T**HE STATE HAS A CREATIVE ROLE TO PLAY. But Boston should not be subject forever to a legal structure designed in another era for another kind of city.

Boston might overcome the legal obstacles surveyed in this report, just as it has reversed its declining fortunes over the last three decades. But the City of Boston should not be forced to do so. If, in the future, Boston is less able than other comparable American cities to respond to the economic and demographic shifts that are affecting major urban areas, it will operate at a disadvantage in an increasingly competitive atmosphere. Boston should be as free as other major cities in the country are to develop its own plans for the future. The current legal structure provides Boston with more disincentives than incentives for doing so. To enable Boston to profit from its advantages and address its problems, the state should help Boston take control of its future.

Boston has less power than New York, Chicago, Atlanta, Denver, Seattle or San Francisco to control its own destiny. Not every one of these other cities has each of the following powers—but one or more does. The important point is that Boston has none of them.

- The power to amend its city charter without following a detailed state-imposed process
- The power to enact "private law" without explicit state authorization
- The power to pass a local law (for example, one that offers domestic partnership benefits or that sets municipal employee benefits) that the state has no power *(Continued on Page 7 >>)*



*Elinor Ostrom, Nobel political economist*

## Nobel Prize for Work on Commons Ostrom Discovers When Localization Excels

*The Swedish Academy of Sciences awarded their Nobel prize in economics October 12<sup>th</sup> to Professor Elinor Ostrom of Indiana University for her long-term research on management of local/regional/universal common resources—The Commons. They divided the prize this year between Ostrom and Professor Oliver Williamson of University of California, Berkeley, who has researched relations between corporations, their components, and governments.*

*The prize for economics is independent of the Nobel prize for peace, which this year was inexplicably awarded by a committee chosen by the Norwegian parliament to President Barak Obama, who has made masterful peace-oriented speeches but has carried on Bush-era war policies. The economics award to Ostrom is especially interesting because the sponsor is the central bank of Sweden and Ostrom's work flies in the face of conventional economic thinking—exploring complexities and partially turning away from conventional models of "rational" decision making toward real historical and contemporary social rule-making.*

—Ed.

## Profile of Elinor Ostrom

*by Nick Zagorski, Proc Nat Acad Sci, 12 December 2006*

**B**ORN IN LOS ANGELES IN 1933, Elinor Ostrom experienced firsthand the value of sustainability at a young age. She grew up in an era of economic depression that led into a resource-consuming war, in a city where fresh water was a prized commodity. "My mother had a victory garden during the war," she recalls, "so I learned all about growing vegetables and preserving them by canning, and that *(Continued on Page 2 >>)*"

## Governing the Commons:

### The Evolution of Institutions for Collective Action

by Elinor Ostrom. Cambridge University Press, 1990, 280 pp.

Reviewed by Scott London, [scottlondon.com](http://scottlondon.com), 1998

**T**HIS STUDY LOOKS AT THE PROBLEM of collectively managing shared resources. Because of the book's unassuming nature and rather formal scholarly tone, it's easy to pass it over as just another academic work. But together with such books as Herman Daly and John Cobb's *For the Common Good*, Paul Hawken's *The Ecology of Commerce* and Vandana Shiva's work on restoring the commons, I consider it one of the more farsighted and genuinely significant works to emerge in recent years on environmental resource management.

Ostrom uses the term "common pool resources" to denote natural resources used by many individuals in common, such as fisheries, groundwater basins, and irrigation systems. Such resources have long been subject to overexploitation and misuse by individuals acting in their own best interests. Conventional solutions typically involve either centralized governmental regulation or privatization of the resource. But, according to Ostrom, there is a third approach to resolving the problem of the commons: the design of durable cooperative institutions that are organized and governed by the resource users themselves.

"The central question in this study," she writes, "is how a group of principals who are in an interdependent situation can organize and govern themselves to obtain continuing joint benefits when all face temptations to free-ride, shirk, or otherwise act opportunistically."

The heart of this study is an in-depth analysis of several long-standing and viable common property regimes, including Swiss grazing pastures, Japanese forests, and irrigation systems in Spain and the Philippines. Although Ostrom insists that each of these situations must be evaluated on its own terms, she delineates a set of eight "design principles" common to each of the cases. These include clearly defined boundaries, monitors who are either resource users or accountable to them, graduated sanctions, and mechanisms dominated by the users themselves to resolve conflicts and to alter the rules. The challenge, she observes, is to foster contingent self-commitment among the members: "I will commit myself to follow the set of rules we have devised in all instances except dire emergencies if the rest of those affected make a similar commitment and act accordingly."

This book is aimed chiefly at policy-makers, bureaucrats, and resource users, rather than scholars. Ostrom is concerned with the effective management of common property resources, rather than explanatory theories. Throughout the book, she stresses the dangers of overly generalized theories of collective action, particularly when used "metaphorically" as the foundation for public policy. The three dominant models—the tragedy of the commons, the prisoners's dilemma, and the logic of collective action—are all inadequate, she says, for they are based on the free-rider problem where individual, rational, resource users act against the best interest of the users collectively. These models are not necessarily wrong, Ostrom states, rather the conditions under which they hold are very particular. They apply only when the many, independently acting individuals involved have high discount rates and little mutual trust, no capacity to communicate or to enter into binding agreements, and when they do not arrange for monitoring and enforcing mechanisms to avoid

overinvestment and overuse.

Ostrom concludes that "if this study does nothing more than shatter the convictions of many policy analysts that the only way to solve common pool resource problems is for external authorities to impose full private property rights or centralized regulation, it will have accomplished one major purpose."

#### NOBEL PRIZE TO OSTROM (Continued from Page 1)

was a wonderful experience that a lot of urban kids don't ever learn." These early real-world lessons also revealed another important fact of life to Ostrom: that most people, when presented with a resource problem, can cooperate and act for the common good...

For her dissertation, Ostrom discussed an issue quite pertinent to southern California: water management. In 1945, some individuals in western Los Angeles noticed that water quality from one of the key groundwater basins under the city seemed to be declining. Salt water was found to be intruding into the system. A few individuals formed a water association to try to solve this problem. "They bargained in the court; they created a new set of rules; they established a water replenishment district, and then started injecting water along the coast. It was incredible," she says. "If the salt water intrusion had continued for a few more years, the basin might never have been recouped." In what would become a long-term theme for Ostrom, this experience taught her how disparate individuals could collectively band together to protect a common resource...

One of the first projects Ostrom undertook at Indiana University was an examination of an urban resource arguably as valuable as water: the police. At the time, a prevailing presumption for urban services like policing was that they underwent economies of scale and that a large centralized department would be most efficient for a city. Her project began modestly enough, with a performance comparison of one large and three small police departments that differed in size but served comparable middle-class neighborhoods in Indianapolis. Similar projects then followed for neighborhoods in Chicago and St. Louis, which eventually paved the way for a large-scale comparison of 80 metropolitan areas. The end results of this 15-year collaborative effort revealed several important conceptual processes of urban policing and turned widely held presumptions on their head.

"The presumption that economies of scale were prevalent was wrong; the presumption that you needed a single police department was wrong; and the presumption that individual departments wouldn't be smart enough to work out ways of coordinating is wrong," Ostrom says. Most aspects of police work in fact experienced diseconomies of scale. "For patrolling, if you don't know the neighborhood, you can't spot the early signs of problems, and if you have five or six layers of supervision, the police chief doesn't know what's occurring on the street," she explains. On the other hand, other areas such as dispatching and crime laboratories showed positive economies of scale, and technological advancements have helped those areas to improve. On the whole, polycentric arrangements with small, medium, and large departmental systems generally outperformed cities that had only one or two large departments ...

Ostrom participated in a National Research Council study of *common-pool resources*—shared goods such as watersheds, irrigation systems, and fishing grounds. Through the project, she had collected a vast number of examples of shared resources from across the globe. Her desired goal was to compare how different common-pool resources were managed at local levels

and to hopefully uncover the rules that defined successful common-property arrangements. "I tried like mad to find some common set of rules," she says, "but I just couldn't find them. I found private property that worked, communal property that worked, government property that worked, and all three that were failures."

Taking a step back, Ostrom did spot the occurrence of multiple design principles. "Think about architecture," she says. "Students learn design principles such as making entryways broadly accessible and keeping kitchen smells away from bedrooms. Then they have blueprints, which are very specific ways of applying those principles." So although Ostrom discovered no set of common-pool resource blueprints, she found that ideas such as maintaining clearly defined boundaries and collective efforts to monitor inappropriate behavior repeatedly presented themselves in successful common-pool resource regimes. In 1990, her collected efforts appeared in her book *Governing the Commons*, a work that once again set aside conventional wisdom that either privatization or government control was the best arrangement for managing common property.

On the heels of *Governing the Commons*, Ostrom began examining specific types of common resources in more detail. "I started working with colleagues in Nepal, and together we developed a large database on irrigation and developed a whole series of studies just on that," she says. The results of that work showed that farmer-managed systems tended to be superior to government-managed ones. In 1992, the United Nations Food and Agriculture Organization (FAO) asked Ostrom to study forestry resources, and since then she has spent a considerable amount of time with the International Forestry Resources and Institutions (IFRI) program.

As in her previous studies, Ostrom has taken a comprehensive approach to studying common resources, as summarized in her research on forests in her *PNAS* [Proceedings of the National Academy of Sciences] Inaugural Article. From the Amazon basin to the Arctic Circle, forests provide an abundance of resources (timber, fuel, minerals, food, and tourism) yet face rapid depletion. Using social and ecological measurements in conjunction with computational predictions of human decision-making, Ostrom highlights the conditions that allow for the most productive [resource] tenure arrangements, but she stresses that no single governance policy can control over-harvesting in all settings. In a reversal of a popular idiom, her work underscores that it is critical to "see the trees for the forest".

The most fantastic addition to her repertoire has been the use of remote satellite sensing, which allows for direct observations of how different management regimes affect forest area and conditions. Ostrom again notes that concepts such as local-level monitoring help ensure forest sustainability. This recurring theme of user-level management is especially promising for sustainability because it counters the gloomy future envisioned by the "tragedy of the commons," the concept wherein human desires to maximize individual rewards inevitably destroy long-term resource viability, she says.

"Now I've seen in laboratory settings and the field settings that some people can be a real son-of-a-gun, but most individuals are nuanced beings [who] can have real preferences about the welfare of others. If presented a situation where they can evolve trust and reciprocity, they will do so," she says. This nuanced aspect is critical, however, because Ostrom is wary that some

people may apply her findings too broadly. "Some people have told me that our work is the reason they are advocating decentralization," she says, "but I'm not too happy with that because they're advocating it in too simplified a way."

Ostrom hopes to garner attention to the potential dangers of having set guidelines encompass all members of a particular resource, be they forests or fisheries. She and several colleagues will in fact contribute their findings and thoughts in this regard in an upcoming *PNAS* special feature titled, "Beyond Panaceas." She says, "The problem with these cure-alls is that they presume that humans do not have the ability to craft, even though they have a system of law and the courts that provides an arena to do so." Ostrom knows this idea is another incorrect presumption. As someone who has spent more than three decades running an extremely successful workshop on cross-disciplinary policy analysis, she knows humans can craft solutions just fine in the right surroundings.

## SPP Officially Dead Future Uncertain for US Globalization

by Murray Dobbin, Canadian journalist, 24 Sept 2009

**T**HE SPP IS DEAD. GOOD. That helps reduce dependence on a downbound US.

With virtually no fanfare or media analysis, one of the most transformative agreements ever signed by Canada and the U.S. and Mexico is officially dead. The Security and Prosperity Partnership of North America (SPP), the formal expression of a corporate lobbying campaign called deep integration, is no more. Its official U.S. government website declared last month: "The Security and Prosperity Partnership of North America (SPP) is no longer an active initiative... There will not be any updates to this site." (It's been edited since to be a little less brutal).

We should celebrate. It seems the economic crisis had a silver lining.

The SPP met a fate similar to the ill-fated MAI back in 1998: death by secrecy and hubris [*exposed by BCA —Ed.*]. Terrified of another public battle a la "free trade" its proponents knew they would lose, the Masters of the Universe chose not only secrecy but an exclusively executive agreement in overt partnership with a super elite, corporate committee of 30 CEOs from the three countries, called the North American Competitiveness Council (NACC).

Almost as important as the SPP's demise, the NACC has been left cooling its heels. It was not even invited to the August trilateral summit in Guadalajara, where the SSP would normally have been discussed. According to David Ganong, a Canadian member of the NACC, "Whether the [North American Competitiveness Council] will be allowed to meet with the national leaders in 2010 remains unclear."

That's an incredible humbling for a group that is used to dictating policy to politicians.

SPP proponents virtually never talked about it, leaving the field open to relentless critics to the point that even capitalist advice columnist John Ibbitson at the *Globe and Mail* got disgusted with the lack of transparency, declaring, "If you're going to negotiate freer trade sing it from the rooftops. Keep the media informed. Make it a Big Deal."

Some on the left are so accustomed to losing that they make the claim the SPP will just re-emerge with another name. While some of the nastier initiatives are still in place, like energy "inte-

gration" and common regulations, a zip-locked North America is off the agenda. Now we have a weak version called the PPA—the Pathways to Prosperity in the Americas.

Launched by Bush last December and being expanded by Obama, the PPA is a neoliberal fantasy about revising the FTAA, the Free Trade Area of the Americas. Sorry, guys, it's never going to happen because the U.S. has already lost the largest economies in South America to another agenda.

The PPA is a stalking horse for a weakened U.S. empire trying to reassert itself in its own backyard. The new version of the Canadian government carrying the bully's coat is renewed Canadian "interest" in Latin America—the empire's junior partner helping out in the hope that Uncle Sam will throw it a bone.

The SPP was the ultimate expression of Bay Street's hare-brained determination to put all of Canada's economic eggs in one basket—or in this instance, basket case: the U.S. economy. Barack Obama's administration has apparently figured out that globalization is critically wounded if not dead, and wants to retrench into the safety of protectionism and its old sphere of influence.

—Elsewhere Dobbin comments:—

The U.S. economy will never recover from its current economic catastrophe. It has a gargantuan public debt and a huge balance of payments deficit. Consumer debt is equally enormous. The trillions pumped into the economy will eventually destroy the dollar even if it doesn't lead to hyper-inflation. The U.S. recklessly de-industrialized, assuming that globalization would continue for ever, and lost millions of its best paying jobs. They will never come back.

The U.S. dollar is doomed as a global currency. And it's headed for another bubble as Wall Street spends millions lobbying to stop financial re-regulation.

Fully 50 per cent of the economic growth in the world since 2007 has taken place in the so-called BRIC countries (Brazil, Russia, India and China). Yet Bay Street is still blindly tying their future, and our own, almost exclusively to a fragile and sick U.S. economy.

But we need and deserve something better. Bay Street has been dictating economic policy to Ottawa for 25 years. They had their chance and failed. Now it's Main Street's turn.

*Murray Dobbin's State of the Nation column appears every other Thursday in The Tyee and rabble.ca.*

## Deglobalization

### Re-Embed the Economy in Society

by Walden Bello, *Foreign Policy in Focus*, 4 Sept 2009

**T**HE CURRENT GLOBAL DOWNTURN, the worst since the Great Depression 70 years ago, pounded the last nail into the coffin of globalization. Already beleaguered by evidence that showed global poverty and inequality increasing, even as most poor countries experienced little or no economic growth, globalization has been terminally discredited in the last two years. As the much-heralded process of financial and trade interdependence went into reverse, it became the transmission belt not of prosperity but of economic crisis and collapse.

#### End of an Era

In their responses to the current economic crisis, governments paid lip service to global coordination but propelled separate

stimulus programs meant to rev up national markets. In so doing, governments quietly shelved export-oriented growth, long the driver of many economies, though paid the usual nostrums to advancing trade liberalization as a means of countering the global downturn by completing the Doha Round of trade negotiations under the World Trade Organization. There is increasing acknowledgment that there will be no returning to a world centrally dependent on free-spending American consumers, since many are bankrupt and nobody has taken their place.

Moreover, whether agreed on internationally or unilaterally set up by national governments, a whole raft of restrictions will almost certainly be imposed on finance capital, the untrammelled mobility of which has been the cutting edge of the current crisis.

Intellectual discourse, however, hasn't yet shown many signs of this break with orthodoxy. Neoliberalism, with its emphasis on free trade, the primacy of private enterprise, and a minimalist role for the state, continues to be the default language among policymakers. Establishment critics of market fundamentalism, including Joseph Stiglitz and Paul Krugman, have become entangled in endless debates over how large stimulus programs should be, and whether or not the state should retain an interventionist presence or, once stabilized, return the companies and banks to the private sector. Moreover some, such as Stiglitz, continue to believe in what they perceive to be the economic benefits of globalization while bemoaning its social costs.

But trends are fast outpacing both ideologues and critics of neoliberal globalization, and developments thought impossible a few years ago are gaining steam. "The integration of the world economy is in retreat on almost every front," writes the *Economist*. While the magazine says that corporations continue to believe in the efficiency of global supply chains, "like any chain, these are only as strong as their weakest link. A danger point will come if firms decide that this way of organizing production has had its day."

"Deglobalization," a term that the *Economist* attributes to me, is a development that the magazine, the world's prime avatar of free market ideology, views as negative. I believe, however, that deglobalization is an opportunity. Indeed, my colleagues and I at Focus on the Global South first forwarded deglobalization as a comprehensive paradigm to replace neoliberal globalization almost a decade ago, when the stresses, strains, and contradictions brought about by the latter had become painfully evident. Elaborated as an alternative mainly for developing countries, the deglobalization paradigm is not without relevance to the central capitalist economies.

#### Fundamentals of the Alternative

There are 11 key prongs of the deglobalization paradigm:

1. Production for the domestic market must again become the center of gravity of the economy rather than production for export markets.
2. The principle of subsidiarity should be enshrined in economic life by encouraging production of goods at the level of the community and at the national level if this can be done at reasonable cost in order to preserve community.
3. Trade policy—that is, quotas and tariffs—should be used to protect the local economy from destruction by corporate-

subsidized commodities with artificially low prices.

4. Industrial policy—including subsidies, tariffs, and trade—should be used to revitalize and strengthen the manufacturing sector.

5. Long-postponed measures of equitable income redistribution and land redistribution (including urban land reform) can create a vibrant internal market that would serve as the anchor of the economy and produce local financial resources for investment.

6. Deemphasizing growth, emphasizing upgrading the quality of life, and maximizing equity will reduce environmental disequilibrium.

7. The development and diffusion of environmentally congenial technology in both agriculture and industry should be encouraged.

8. Strategic economic decisions cannot be left to the market or to technocrats. Instead, the scope of democratic decision-making in the economy should be expanded so that all vital questions—such as which industries to develop or phase out, what proportion of the government budget to devote to agriculture, etc.—become subject to democratic discussion and choice.

9. Civil society must constantly monitor and supervise the private sector and the state, a process that should be institutionalized.

10. The property complex should be transformed into a "mixed economy" that includes community cooperatives, private enterprises, and state enterprises, and excludes transnational corporations.

11. Centralized global institutions like the IMF and the World Bank should be replaced with regional institutions built not on free trade and capital mobility but on principles of cooperation that, to use the words of Hugo Chavez in describing the Bolivarian Alternative for the Americas (ALBA), "transcend the logic of capitalism."

#### From Cult of Efficiency to Effective Economics

The aim of the deglobalization paradigm is to move beyond the economics of narrow efficiency, in which the key criterion is the reduction of unit cost, never mind the social and ecological destabilization this process brings about. It is to move beyond a system of economic calculation that, in the words of John Maynard Keynes, made "the whole conduct of life...into a paradox of an accountant's nightmare." An effective economics, rather, strengthens social solidarity by subordinating the operations of the market to the values of equity, justice, and community by enlarging the sphere of democratic decision making. To use the language of the great Hungarian thinker Karl Polanyi in his book *The Great Transformation*, deglobalization is about "re-embedding" the economy in society, instead of having society driven by the economy.

The deglobalization paradigm also asserts that a "one size fits all" model like neoliberalism or centralized bureaucratic socialism is dysfunctional and destabilizing. Instead, diversity should be expected and encouraged, as it is in nature. Shared principles of alternative economics do exist, and they have already substantially emerged in the struggle against and critical reflection over the failure of centralized socialism and capitalism. However, how these principles—the most important of which have been

sketched out above—are concretely articulated will depend on the values, rhythms, and strategic choices of each society.

#### Deglobalization's Pedigree

Though it may sound radical, deglobalization isn't really new. Its pedigree includes the writings of the towering British economist Keynes who, at the height of the Depression, bluntly stated: "We do not wish...to be at the mercy of world forces working out, or trying to work out, some uniform equilibrium, according to the principles of laissez faire capitalism."

Indeed, he continued, over "an increasingly wide range of industrial products, and perhaps agricultural products also, I become doubtful whether the economic cost of self-sufficiency is great enough to outweigh the other advantages of gradually bringing the producer and the consumer within the ambit of the same national, economic and financial organization. Experience accumulates to prove that most modern mass-production processes can be performed in most countries and climates with almost equal efficiency."

And with words that have a very contemporary ring, Keynes concluded, "I sympathize...with those who would minimize rather than with those who would maximize economic entanglement between nations. Ideas, knowledge, art, hospitality, travel—these are the things which should of their nature be international. But let goods be homespun whenever it is reasonably and conveniently possible; and, above all, let finance be primarily national."

*Walden Bello, is professor of sociology at the University of the Philippines and senior analyst at the Bangkok-based research and advocacy institute Focus on the Global South. He is the author of, among other books, Dilemmas of Domination: The Unmaking of the American Empire (New York: Henry Holt, 2005).*

*For interesting reader comments, see archives for 4 Sept 2009 at [www.commondreams.org](http://www.commondreams.org)*

## Brazil Emerges as Military Power France To Transfer Weapons Technology

*by Raúl Zibechi, Center for International Policy, 14 October 2009*

**T**HE RECENTLY SIGNED AGREEMENTS between Brazil and France are about much more than the purchase of armaments. They indicate the creation of a military industrial complex, a goal which forms part of the National Defense Strategy of Brazil. This new industrial superpower, owner of the seventh largest oil reserves of the world and the world's largest area of natural biodiversity in the Amazon, is now seeking to protect its riches and assert itself as a new military power.

Sometimes it seems the modus operandi of the large modern warfare businesses closely resembles the intrigues of a television soap opera. It took President Luiz Inacio Lula da Silva's announcement that he was leaning toward purchasing 35 fifth-generation fighter planes from the French company Dassault, for the Swedish Saab and the American Boeing to fall over themselves to profess their unrequited love for all things Brazilian.

The companies are responding to the announcement that Brazil is renovating its aging fleet and also planning to create the

largest military industrial complex in the southern hemisphere. On Sept. 7, Brazil's Independence Day, Lula and the French President Nicolas Sarkozy signed off on the purchase of five submarines, four of them conventional and one nuclear, and 50 military transport helicopters, all for a total of USD\$12 billion. At the same time, Lula announced Brazil's intention to purchase 36 [French] Rafale fighter jets, which would increase the financial transaction to USD\$20 billion.

The fighter jet story goes back to 1998. The Brazilian Air Force has 110 jets which were built in the 1970s and 80s and which are now too old and outdated for a country whose needs include patrolling 8 million square kilometers of territory, 17 million kilometers of national borders, and vast offshore oil platforms. The newest aircraft are 12 [French] Mirage 2000s, which were bought second-hand and are well past their retirement date. By contrast, Chile has 28 [US] F-16s, and Venezuela has 24 [Russian] Sukhoi 30s, both the most advanced models available.

In the running for the contract are the French Rafale, the Swedish Gripen, and Boeing's F-18 Super Hornet. There is not much of a difference between them on a technical basis, but their prices do vary dramatically: each Gripen costs USD\$50 million, and the Rafales are priced at USD\$80 million. The advantage that the F-18 has is that it is the most tried and tested fighter plane on offer. The French, however, have from the start guaranteed to give the Brazilians the source codes—the digital heart—of the aircraft, something Boeing is unable to do without the authorization of the U.S. Congress...

The French president sent Lula a personal letter, stressing French willingness to participate in the "unrestricted transfer" of technological intelligence. The French president knew that this is a key issue for Brazil. Furthermore, Sarkozy raised the possibility of manufacturing the Rafale in Brazil for the Latin American market, which would reduce the overall price...

Foreign Minister Celso Amorim emphasized that "the transaction involving the Rafale is not merely a purchase, because they will be manufactured in Brazil and there will be the possibility that they will then be sold throughout Latin America." And so Brazil will begin to play in the big leagues of the arms trade. It has even managed to secure a place within that select club of manufacturers of nuclear submarines which, until now, consisted only of the United States, Great Britain, Russia, China, and France, coincidentally the five permanent members of the Security Council...

The autonomy or independence of a country is usually defined in the intellectual realm. The [Brazilian] National Defense Strategy reflects this maturity and independent thinking. Point 16 of the strategy document illustrates this: "It is imperative to organize a nation's armed forces around its own capacities, not around a specific enemy." This is a clear departure from other types of defense strategies, and, from a visionary point of view, clearly aligns itself with a philosophy of autonomy...

*Raúl Zibechi is an international analyst for Brecha of Montevideo, Uruguay, lecturer and researcher on social movements at the Multiversidad Franciscana de América Latina, and adviser to several social groups. He writes the monthly "Zibechi Report" for the Center for International Policy's Americas Program ([www.americasprogram.org](http://www.americasprogram.org)).*

## Democracy and Relocalization Seeking a Good and Sustainable Way of Life

by Dave Lewit, *Alliance for Democracy*, 18 October 2009

**D**EMOCRACY MEANS POLITICAL FREEDOM AND PARTICIPATION. It means freedom from corporate rule, whether by foreign-controlled corporations like the British East India Company in 1773, or contemporary corporations acting together as the US Chamber of Commerce or the Business Roundtable. Democracy means freedom to make laws and to construct institutions that serve the people. So our question today is how far can we or should we go on the road to Autonomy—local or regional self-governance still connected with other localities within a larger polity? This is not pie in the sky. Gar Alperovitz in *American Beyond Capitalism* illustrates many ways in which municipal and regional assertiveness has already averted privatization and has made inroads on still-pervasive corporate control of land, utilities, universities, transport, banking, wages, and medical facilities.

### Corporate Personhood

Our democracy workshops this afternoon provide a forum for discussing where to go with local and regional governance, and how to do it. In challenging corporate power we can act to change laws and constitutions themselves. We must question Corporate Personhood, the doctrine—launched by the Supreme Court in the days of P.T. Barnum and the Robber Barons—that corporations have the same rights as real persons in courts of law: a right of free speech, meaning that they can spend limitless millions to influence elections in their favor; a right to control most of the mass media in any area of the country; a right to secrecy of their inner workings; and the right to create endless technical delays and immunities in courts, putting ordinary people with limited resources out of the running.

### Ending Corporate Privilege

Towns in New Hampshire and Maine have recently passed ordinances stripping corporations of such rights within their town boundaries, so as to protect their water from being stolen by corporations. These ordinances were passed under visible duress—towns were plagued with giant corporations already exporting a million gallons of groundwater a day from other towns, as if groundwater were not a Commons, or, as in Pennsylvania, threatening to build factory farms—pigging out their air, land, and water, and dispossessing farm families. With concrete causes, it's easier to educate and galvanize people to pass laws or especially to amend charters and constitutions—in this instance, to ensure that corporations serve the public good rather than arrogate power for themselves. In Spokane, citizens are preparing to vote on just such a charter. In *Hidden Power*, BC's Charlie Derber proposes that *corporate charters* require corporations to be accountable to the public, and to protect workers and consumers as well as the environment and democracy itself.

### Voting Your Mind

In small polities like cities and towns and even in state houses, citizens can personally know legislators and government officials, and can possibly mount campaigns to get significant numbers of citizens behind reform efforts. For example, cities like Cambridge have adopted Instant Runoff Voting which empowers voters—no more "spoiler" worries. If enough localities do this, change at the state level also is likely, making *radical* parties or

candidates safe for voters to choose. Democracy at last!

### **Participatory Budgeting**

Perhaps the most promising innovation in democracy in recent years is Participatory Budgeting. This is a big deal for cities and even states, wherein every ordinary resident can participate directly in deciding how the city or state spends taxpayers' money. In Brazil, the million or so adults of Porto Alegre passed laws which enabled them to become prepared about municipal budgeting and to set priorities in 17 districts around the city, and then to elect a council of the budget—accountable to the people in all districts—to adopt and apply formulas to allot \$200,000,000 for their priorities. Poor people have participated heavily, and thus got roads, water, schools, clinics and so on for their neighborhoods. Participatory Budgeting has annually drawn 50,000 people in Porto Alegre alone and caught on in 500 cities around Brazil and South America, and has even spread to Europe and, with UN help, to Africa. Can we make something like this happen here?

### **Education**

Reforming schools to "liberate" rather than "domesticate" young people may require interacting with local businesses, courts, hospitals, artist studios, prisons, and so on—things kids don't see on television. Kids should see democratic workplaces as well as conventional, authoritarian workplaces. We could cultivate kids' imagination by encouraging their own hip-hop rather than just marching in a band—and by teaching nonviolent strategies for change. Such naturalization of education could go far in addressing racial and other forms of discrimination. Could your election to a school committee help to eliminate the distraction and domestication of No Child Left Behind?

### **Media**

Community television, low-power radio, and internet neutrality are first steps toward reform of mainstream media, regarding programming, advertising, and especially political bias. Again in Brazil, participatory theater on street corners and in schools and stadiums has caught on with the general population, engaging folks socially and revealing their hidden dispositions and talents for addressing social problems. And what if public opinion surveys were taken seriously enough to *require* certain issues to be on forum agendas and ballots?

### **Justice**

Democracy can't function without justice. Our present justice system is slow and biased toward corporations and others who can afford powerful lawyers. Can restorative justice be implemented in your town? Can jury selection be turned from a lawyers' playgrounds into panels with more relevant experience? And might city councils and legislators function more fairly if some fraction of these law-makers were chosen like jurors, by lot—at random? The ancient Athenians did it in their first-off democratic system!

### **Ending Globalization's Damage**

We've been highlighting how communities can innovate to preserve and promote democracy. But communities need also to protect themselves from impacts of Corporate Globalization. Massachusetts citizen groups filed a bill for citizen trade commissions—and Maine, New Hampshire and Vermont have actually set up such commissions—to screen international trade proposals like NAFTA for the harm they may do to state and local laws, economies, employment, environment, human rights, and communities—advising their legislatures and the public.

How long will it take to get organized to pass the Massachusetts bill?

### **Subsidiarity**

Communities can't do everything for themselves. They may need to import cars and some food and some industrial raw materials, coordinate regionally for public transportation, and take advantage of region-wide insurance and capital pools and energy networks. But they could be doing far more if their natural resources were not taken for profit by out-of-state or foreign shareholders, if their human and tax resources were not massively taken for wasteful and criminal wars, if their ability to zone and regulate were not too often coopted by underfunded or politically-biased state agencies, if they could establish public banks for green development. South Dakota thrives with a state bank while private banks elsewhere go under. And what if those public banks got initial assets from a million New England war-tax resisters channeling part of their federal taxes into a pool for local projects—a different version of "public option"? We should study and apply the principle of Subsidiarity—that decisions which *can* be made locally or regionally *should* be made locally or regionally—the level closest to the people affected. Read how, in Michael Shuman's book *Going Local*.

### **Regional Integration**

In conclusion, former Governor Dukakis attempted to call members of the Massachusetts National Guard home from Honduras and Panama, defying federal arrogance. Berkshire County folks are adopting their own currency. The idea of local or regional autonomy has spawned secession movements in Vermont, California, the Pacific Northwest, Texas, and elsewhere. Of course there are problems with secession, but communities may need to expand their horizontal relations—negotiating with other communities for regional integration. Would a United Communities of New England—or a United States of New England—be such a bad idea? Apart from that, a committee of the Massachusetts legislature is now beginning to consider reforming the state Home Rule acts, in order to grant more authority to cities, towns, and counties. That may be our best political next step toward democratic re-localization. ■ ■

*Dave Lewit presented these comments as an introduction to a pair of workshops on Democracy at the Relocalization Conference at the Reggie Lewis Center in Roxbury. He is your BCA Dispatch editor. For workshop results, see Community Notes, page 8.*

## **New York 9/11 Initiative Stymied**

NYCCAN gathered 80,000 citizen signatures to put on the November ballot in NY City a mandate to mount a new, independent investigation of the 9/11 disaster. A city referee recommended that the initiative be disqualified, and on 8 Oct a state supreme court justice agreed. Rather than appealing on legalistic grounds, NYCCAN decided to mount a nationwide PR campaign to educate citizens and promote local resolutions, and eventually to realize a new investigation and court action.

### **HOME RULE IN BOSTON (Continued from Page 1)**

to overrule

- The power to levy new kinds of taxes without state permission
- The power to have a fixed share of a state-wide income or sales tax or to levy such a tax on its own
- The power to receive a dependable share of state aid without an annual legislative authorization

of the city's property tax base

- The power to exercise substantial control of health and pension costs for city employees
- The power to design its own governmental structure for zoning and redevelopment without new state legislation
- The power to own its own airport
- The power to engage in tax increment financing without significant state restrictions
- The power to create business improvement districts without giving landowners the ability to opt out of assessments
- The power to establish linkage and inclusionary zoning policy without state legislative authorization
- The power to control the number of charter schools in the city's school system
- The power to regulate municipal elections
- The power to control city transportation systems and infrastructure
- The power to ensure that the state can override a city ordinance only by making its intention to do so clear

As noted above, the state seems to have recognized the virtue of enhancing local control over one key area of city policy: education. Boston is now using its unusually high degree of control over its schools in ways that bode well for future gains in performance. Its pilot school program is an important example. Significantly, the state has not simply withdrawn from the education field; it remains an important actor when it comes to educational policy in Boston. But it has usefully permitted Boston to assume a leading role.

As the education structure illustrates, the point of legal reform is not simply to transfer power from the state to the City of Boston. The state has a creative role to play. But Boston should not be subject forever to a legal structure designed in another era for another kind of city. Without a legal structure that fosters civic confidence, that decouples the general endeavor of planning from local dependence on a narrow revenue base, and that provides the city the full range of economic development tools that cutting edge planning requires, Boston will face the 21st century at a disadvantage.

To spur the kind of rethinking needed to make the current structure of local government law appropriate for Boston in the 21st Century, new initiatives are needed. These initiatives should focus not just on substantive issues of land use, education, and city finance but on the legal structure that now defines the power of the City of Boston. The changes made in local government law are likely to be most successful—and most politically powerful—if they are formulated in a democratically responsible manner. One essential point should underlie these future undertakings. Boston is changing, as everyone who lives or works or visits here can readily see. Its legal structure needs to keep up with these changes.

\*See entire report, with 5700-word executive summary, at <http://www.tbf.org/tbfgen1.asp?id=3461>

## COMMUNITY NOTES (Continued from Page 1)

Healthy Communities (MCHC) did a great job of organizing, with 32 cosponsors, including BCA. Two local and two internationally high profile speakers provided plenary information and energy: city councilor Chuck Turner and former state rep Mel King; with Frances Moore Lappe enthusing about prospects for democracy, and Bill McKibben warning of imminent climate disaster.

The day's featured topics and panels (workshops), all relating to relocalization, were Climate/Energy, Health, Food, Democracy, Economics, and Transition initiatives.

BCA sent **Dave Lewit** and AfD's **Ruth Caplan** to lead two afternoon workshops on Democracy and Relocalization. You can read Dave's morning introduction on pages 6-7 in this issue. Altogether 40 people participated in lively discussions of what they are doing regarding local democracy, what they want to do, and whom they want to do it with. Among things which surfaced:

- \* Skills and practicing of everyday democracy.
- \* Instant Runoff Voting and "None Of The Above" option to empower citizens and new parties.
- \* Personal relationships in campaigning.
- \* Empowering local governments by reining in developers.
- \* Reviving participation in town meetings.
- \* Cambridge has convened a People's Congress, particularly to build will and balloting for Green city programs.
- \* Community land trusts; changing Home Rule laws.
- \* The whole neighborhood elects Dudley Street Neighborhood Initiative's officers. (BCA has connected with DSNi in the past and hopes to reconnect again, through their rep **May Louie**.)
- \* Community policing, green power co-ops, boosting people-values rather than corporate.

**Barbara Clancy** provided power-point slides and Alliance literature. **Joanna Herlihy** filmed events all day, including our first workshop, and will edit videos from the whole camera team.

## JOIN THE BCA

### YOU DON'T HAVE TO LIVE IN BOSTON TO LOVE BCA

Please help us as we fight to make a better future for ourselves and our children — Join the Boston/Cambridge Alliance for Democracy. (Cut out or copy this form and send it to Dave Lewit, 271 Dartmouth St. #2h, Boston, MA 02116.)

BOSTON-CAMBRIDGE ALLIANCE for DEMOCRACY PLEDGE

- \_\_\_ \$33/Year - "Count me in!"
- \_\_\_ \$66/Year - "Contributor" (We need to average this amount.)
- \_\_\_ \$111/Year - "Sustainer" (Helping us thrive.)
- \_\_\_ \$222/Year - "Community Steward"
- \_\_\_ \$444/Year - "Realize the vision"
- \_\_\_ What's fair for YOU? \$\_\_\_\_\_

Name : \_\_\_\_\_ Date: \_\_\_\_\_

Street No./Box/Apt: \_\_\_\_\_

Town and Zip: \_\_\_\_\_

Phone: Day \_\_\_\_\_ Night: \_\_\_\_\_

E-mail (for occasional contact): \_\_\_\_\_

## COLOPHON

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