ABSTRACT

This paper will first provide a definition of *hegemony*, as defined by neo-Gramscian theory, connecting it to the ideas of *Structural Power* from the works of Susan Strange. This theoretical approach will help to explain the ideological, institutional, and coercive mechanisms needed to establish hegemony in the international sphere. The neo-Gramscian and Structural Power frame will also serve as a foundation for discussing possible strategic approaches and policies, that emerging countries may implement in order to mitigate or reduce the restrictive influences of the international order.

Second, it will examine the historical development of the hegemonic structure of neo-liberalism. It will demonstrate how this system maintains its dominant status globally. Third, it will establish a more comprehensive understanding of how to apply the mechanisms of maintaining hegemony. Fourth, using the country of Haiti as a case study, it will discuss one possible alternative for development funding, as an example of how to devise a counter hegemonic policy.
Development Funding under a Hegemonic System: An Alternative Approach for Haiti

By

Patrick Clairzier

Introduction

This paper represents preliminary research to expand the understanding of the structural mechanisms on which hegemonic systems are formed. In addition, it will seek to provide a future progressive Haitian government with the political and economic approaches with which to counter the coercive forces of neoliberal hegemony. Neoliberals claim that, in the industrialized countries, too much government involvement in the private sphere and the growth of the welfare state was responsible for the economic stagflation of the 1970s. Moreover, in their view the only effective solution was for nations to liberalize their markets, eliminate trade barriers, and reduce entitlement programs in order to revitalize the world economy. This rhetoric has been used as the ideological pillar for the establishment of an international economic system that claims to have no alternatives.

Hegemony, as defined by neo-Gramscian theory, is the manufacture of societal consent supported by material resources and institutions. The material resources and institutions are used to design the production, finance/credit, knowledge, and security mechanisms of structural power, which is fundamental to maintaining hegemony nationally and internationally. The mainstream paths to understanding hegemony in international politics have been non-historical, static, and focused on problem-solving preoccupied with maintaining social power relationships (Bieler and Morton, 2002). Mainstream theoretical approaches such as Realism, advocated by such scholars as Hans J. Morgenthau and Kenneth Thompson, Politics Among Nations- the struggle for power and peace, 1985, focus primarily on the use of force—political, economic, and military—to maintain a balance of power in the world system. In the early 1980s, Canadian
scholar Robert W. Cox, drawing largely from the works of Antonio Gramsci, developed a critical theory of hegemony, world order, and historical change (Bieler and Morton, 2002). Cox’s work focused on interpreting relevant ideas on hegemony from Gramsci’s ‘Prison Notebooks’ and applying them to international relations (IR). He writes that “Gramsci did not have very much to say directly about international relations. Nevertheless…Gramsci’s thinking was helpful in understanding the meaning of international organization” (Cox, 1981).

Cox’s work helped expand Gramsci’s ideas to IR, enhanced the theoretical understanding of hegemony, and set the basis for the Neo-Gramscian school of thought. Gramsci’s ideas as interpreted by Cox lead one to first examine the national level as the route to hegemony on the international level. In Cox’s expansion of Gramscian hegemony to IR, he states that it is only after the social forces and groups that occupy the dominant role in the society of a particular nation-state promote broad acceptance of their ideas supported by material resources that they are able to extend those ideals on the global stage via an ideological and institutional structure.

A distinction is made between dominance and hegemony, because a state or a group may have dominance due to its unequal power over others but without consent it is not hegemonic. In neo-Gramscian terms hegemony historically is constructed on ‘three spheres of activity’: social, state, and world. Moreover, these three spheres themselves are constructed and maintained on their ability to satisfy the four basic structures of power in a society, as illustrated by Susan Strange, States and Markets, 1994. Strange argues that there are two types of power exercised within political economy: relational power and structural power. “Relational power…is the power of A to get B to do something they would not otherwise do” (Strange, 1988: 24). This form of power is basic and direct; if B refuses to do what A demands there is usually a price to be paid. An example of relational power can be seen in the first Gulf War conducted by the
Western powers against Iraq. The military invasion of Kuwait by Western forces to remove the Iraqi army was a direct relational consequence to Saddam Hussein’s refusal to remove his army from Kuwaiti territory.

“Structural Power on the other hand, is the power to shape and determine the structures of the global political economy within which other states, their political institutions, their economic enterprises and (not least) their scientists and other professional people have to operate” (Strange, 1988:24-25). Structural power is one of the most important aspects to establishing and maintaining hegemony. It is the ability “to decide how things shall be done, the power to shape frameworks within which states relate to each other, relate to people, or relate to corporate enterprises” (Ibid). In other words, the ability to determine who benefits from a society’s security, finance/credit, production, and knowledge systems is how hegemony is attained by a dominant group. The application of the neo-Gramscian frame and Susan Strange’s structural lens provides a fuller picture of the workings of current world order.

**Rise of Neo-liberalism**

Neo-liberalism is based on the ideas of classical liberalism, which is concerned with limiting the political powers of the state and promoting the ideals of the free market economic system. Friedrich August Hayek, of the Austrian School of Economics, is regarded as the leading scholar on the ideological underpinnings of neo-liberalism. Hayek’s views on individualism, for which he credits such thinkers as John Locke, Bernard Mandeville, David Hume, Adam Smith, and Josiah Tucker are key to understanding his opposition to a state centered Keynesian style economic system. The post World War II intellectual consensus within industrialized countries involved an acceptance of a positive role for the state in creating full employment and
establishing a welfare system via a planned economic system, leading to a greater level of equality (Barry, 1979). This view was regarded as perfectly compatible in maintaining the rule of law and the protection of individual liberty and private property (Ibid). Hayek was extremely hostile to the idea that the state should have such control over the decisions of the individual. He believed that the greatest achievements of humanity were the combined effects of individual actions unhampered by the influences of collectivism.

It is the contention that, by tracing the combined effects of individual actions, we discover that many of the institutions on which human achievements rest have arisen and are functioning without a designing and directing mind; that, as Adam Ferguson expressed it, “nations stumble upon establishments which are indeed the result of human action but not the result of human design… (Hayek, 1948: 6-7).

Hayek was seeking to preserve what he saw as the power of the individual to produce, unhindered by the collective will of the state. He looked to limit the power of the state as did earlier classical liberal theorists such as Locke, Mill, and Bentham. The idea of limiting state power in favor of private property rights grew in prominence among Western states given the explosive global economic growth and the rise of the multinational corporation after World War II.

Hayek found ideological supporters such as Milton Friedman, George Stigler, and other faculty members and promoters of laissez-faire free market economics in the influential Chicago School of Economics. Over the years the Chicago school gained a great deal of prestige and influence, boasting numerous Nobel Prize winners and John Bates Clark Medalists in economics. Milton Friedman became its most influential member with his work on monetary policy *A Monetary History of the United States, 1963*, in which he argues against governmental intervention in the economy and in favor of a free market system.
The ideas from the Chicago School became widely accepted over the years, influencing governmental officials, academics, and private capital, laying the ground work for major policy changes domestically and internationally. Furthermore, these ideas were later adopted as a narrow set of economic policies by a number of U.S. governmental agencies and international institutions, which became known as the Bretton Woods institutions based in Washington D.C. Termed The Washington Consensus, this has become the ideological linchpin in Western states’ neoliberal policies. Furthermore, it is the acceptance of this ideology by the various ruling elites within the developing world that has helped to build and maintain the hegemony of neoliberalism.

In order to understand the structural failures that led to the promotion of neo-liberalism globally by the Western countries, it is necessary to discuss the economic conditions following World War II and the events that led to the adoption of these policies. In July 1944, the major Western powers, still in the midst of war, met at the Mount Washington Hotel in Bretton Woods, New Hampshire to discuss the structure of the post-World War II world economic order. They established a monetary policy and exchange rates between nations, made arrangements for the rebuilding of continental Europe, and established the Bretton Woods institutions such as the International Monetary Fund (IMF), World Bank, and General Agreement on Tariffs and Trade (GATT). The following 20 years saw a great increase in world economic growth under the Bretton Woods system. But this system “depended on the largesse of the US in being prepared to run deficits with the rest of the world and to absorb any excess product within its borders” (Harvey, 2005: 11). By the late 1960s, problems started to appear in the system, leading to a crisis of over accumulation. “Unemployment and inflation were both surging everywhere, ushering in a global phase of ‘stagflation’ that lasted throughout the 1970s” (Harvey 2005: 12).
In addition, Third World countries did not possess the buying power to absorb the excess production, leading to a decline in global economic growth (Veltmeyer, Petras, and Vieux 1997: 12). The economic downturn greatly reduced commodity prices, which affected the exports of developing countries, reducing their Gross Domestic Product (GDP) and causing large structural economic problems within those states.

The Bretton Woods system, with its various institutions to manage trade and a fixed currency exchange system between the industrialized states, had broken down. On August 15, 1971, the U.S. abandoned the gold standard, which had guaranteed the convertibility of U.S. dollars into gold at a rate of $35 per ounce. The U.S. could no longer guarantee the exchange of gold from its reserves for dollars held by other countries, a situation that became evident when the Bank of England made such a request in early August 1971 (Skidmore-Hess and Cox, 1999: 143). This situation, coupled with the cost of the Vietnam War, 1973 OPEC oil embargo, and overall low economic activity, made it impossible for the system to continue in its present form. But crises within capitalism also represent an opportunity for the system to redefine and reconstitute itself. The breakdown of Bretton Woods provided free market supporters with the opportunity to advance their ideology of greater market liberalism as the only viable solution to the crisis.

In the mid-1970s, the elite circles of free-market supporters started to promote the idea that the economic stagflation was caused by low productivity and inadequate incentives for new investment, which could only be remedied by lowering public spending, holding down wages, and reducing government regulation in order to restart investment by the private sector and raise productivity (Ibid: 147). Those that shared Friedman’s and Hayek’s free market ideology were now to be found in elite circles. Members of the U.S. investment banking and manufacturing industries started calling for changes in laws that regulated foreign direct investments. U.S. firms
wanted to raise the percentage of their earnings made from foreign activities that they could keep abroad, from 30% to 50%, in order to invest internationally and expand their businesses (Ibid: 140). On the public side of this free market group were government officials that also shared this growing neoliberal view. A prominent example could be found in William Simon, Secretary of the Treasury under Presidents Nixon and Ford, who shared the views of corporate elites and blamed the Keynesian economic model of government involvement in the economy for the current stagflation (Ibid: 140; Zinn, 2005: 558).

In the 1980s, the Thatcher and Reagan governments helped finalized the system’s transition to neo-liberalism by promoting a program of fewer government services, less market regulation, and free trade as the basis of the new world order. The Bretton Woods institutions and regimes— the IMF, World Bank, and GATT (restructured in 1995 to the World Trade Organization) — transformed their role from one of facilitating a stable system of trade and currency exchange to being the promoters and supporters of economic liberalization. Furthermore, these organizations institutionalized neoliberal ideology into a set of policies, referred to as Structural Adjustment Programs (SAPs), which are pushed on developing countries as the only means to economic development. The institutions’ personnel were purged of their pro-Keynesian economists of the likes of Hollis Chenery, a recognized development economist and professor at Harvard University, replaced by free market supporter, Ann Krueger, a trade specialist, who was installed as chief economist (Stiglitz, 2003: 12). These programs promoted by the IMF and the World Bank include the following measures that are to be applied by the countries that adopt them: practice fiscal discipline, reduce or eliminate expenditures on social programs, lower taxes on investment capital and corporate profits, remove controls on currency exchanges, privatize all publicly-owned enterprises, remove trade barriers lowering or completely removing tariffs on
goods and services, deregulate entry and exit of foreign capital, and secure the rights of private ownership in order to receive developmental aid.

Debt and Development

As asserted earlier, the economic downturn in the 1970s spread worldwide, reducing commodity prices, greatly affecting the economic growth of developing countries, and substantially exhausting their financial resources. The combination of rising energy costs and the decline in commodity prices created a balance of payments problem for the developing countries. They needed to borrow funds from the public and private IFIs to support their deteriorating situation. Simultaneously, these international institutions, specifically the private lenders, were benefiting from a large amount of incoming funds from the oil producing nations as a consequence of the higher oil prices. The influx of excess funds provided an opportunity to generate greater profits by redistributing these funds as loans to developing countries. In addition, the Western countries were raising interest rates to fight growing inflation, raising the cost to borrow the funds that developing countries so desperately needed, which led to further economic hardship within those states. The increase in total funds borrowed, coupled with higher servicing costs caused by rising interest rates, reduced the amount of revenue available for social programs and daily operations of needed services.

By the 1980s, this created a large debt crisis for Third World countries. For example, Haiti, under the Duvalier dictatorships, accepted over $900 million in loans from the international community. In 1970, Haiti’s total debt was $40 million, but by 1987, after Jean-Claude Duvalier was removed from office, the country’s debt was over $800 million, an amount that in 2004 still accounted for 60% of the country’s overall debt burden to the IFIs. (Jubilee Haiti Debt Report,
Haiti’s debt was finally cancelled due to the devastation caused by the earthquake in January of 2010, which destroyed its capital, killed over 200,000 of its people, and made hundreds of thousands more homeless. The devastation caused by this act of nature further exacerbated by the conditions of poverty was the motivating factor that led the IFIs to release Haiti from its crushing debt load.

During this time, U.S. private banks were becoming concerned that the Latin American countries would not be able to continue servicing the loans they had made to them previously under their current economic conditions. In 1982, Mexico announced that it could no longer service its debt. However, the U.S. banks were able to get the Reagan administration, with help from the Federal Reserve, IMF and foreign banks to fund and repackage Mexico’s debt in order not to suffer a major loss in their lending activities (Skidmore-Hess and Cox, 1999: 174). A second example of the institutional growth of neo-liberalism that directly affected Haiti was the signing of the *Caribbean Basin Initiative* (CBI) by the U.S. at the behest of corporate interests in 1983.

The proposal for CBI came from the lobbying efforts of the Caribbean Central American Lobby (CCAA) in 1979, which was composed of approximately 450 of the Fortune 500 firms that had investments in the Caribbean Basin (Ibid: 187-188). These businesses were instrumental in drafting the legislation which got the U.S. government to greatly reduce tariffs on products produced in the Caribbean Basin and exported to the U.S., which included products by the affiliates and subcontractors of these firms already operating in the region (Ibid: 188). At first, the initiative was supported primarily by the electronics firms, but they were soon joined by manufacturers of baseball gloves, belts, metals, and food processors (Ibid: 187-188). Today, the CBI is a broad program promoting economic development through the private sector in Central
America and the Caribbean Basin, by providing duty-free entry on an extensive range of products from these two regions into the U.S. (U.S. Department of Commerce CBI, 2000: 1).

The E.U. is presently as active as the U.S. in promoting market-liberalization policies to developing countries. *The European Commission’s Directorate General for Development (DG DEV)* is the body within the E.U. responsible for managing all development programs directed at developing countries. “Europe has, since 1975, granted non-reciprocal preferential access to its markets for 79 African, Caribbean, and Pacific (ACP) countries” (Oxfam, 2005: 30). However, the Cotonou Agreement, signed in 2000, which was the latest in a series of bilateral trade and development accords between ACP countries and the E.U., expired in December of 2007. It was the primary policy instrument that served as the E.U.’s poverty reduction program for former colonial states. However, with the goal of expanding its reach the E.U., along with other Western powers during the Doha Developments Rounds in 2001, tried to impose greater free trade and economic liberalization on developing countries. These negotiations failed when a large block of developing nations led by China, India, and Brazil rejected the agreements.

As a consequence of the failed talks, the E.U. is now returning to the process of negotiating a series of bilateral agreements with developing countries, referred to as *Economic Partnership Agreements (EPAs)*. EPAs have been criticized as requiring greater trade liberalization from the developing countries than do current WTO rules, which are themselves heavily free market-oriented. The EPAs as they are currently written will open up the vulnerable service sectors of these countries to foreign competition, something that is not required even under WTO rules. The E.U. has managed to finalize an EPA with the Cariforum states, and on December 16, 2007, in Barbados, the Cariforum-EC EPA was initialed by the European Commission (EC) and the 15 member states from the Caribbean region to replace the Cotonou Agreement. This legally
binding treaty has no defined expiration date and promotes full integration into the world economic system at a faster rate than current trade rules.

The Third World debt crisis in the 1980s provided the Western powers with an opportunity to open up new markets for their corporate interests, alleviate some of the financial and economic problems they were experiencing, and reconstitute their hegemony. Western powers promoted SAPs to these debt-ridden countries by offering to restructure their debts, but only if they accepted certain restrictions imposed on them, termed *conditionality*, for taking the loans. SAPs were a new attempt by the Western powers, via the World Bank, IMF, and regional development banks, to expand their neoliberal hegemony by advocating that developing countries accept trade liberalization policies in managing their economies.

These programs have not been very successful in reducing poverty in the developing countries, even by the IFIs’ own assessments. The income gap between rich and poor countries has not only increased but accelerated since the implementation of these policies, doubling in the past 40 years. In 2001, the income of the 20 richest countries was 37 times that of the 20 poorest countries (World Bank Attacking Poverty Overview: 2000/01). In addition, the same report cites the fact that the number of people living on less than a dollar a day has increased between 1987-1996 in the regions of Europe/Central Asia, Latin America/Caribbean, South Asia, and Sub-Saharan Africa. These programs have not reduced the global poverty problem and have led to an increase in the debt load these countries carry.

For Third World governments which are not receptive to these policies, the U.S. has adopted what are called *electoral intervention strategies*. These policies are identified by Ronald Cox, in what is termed ‘electoral interventionism’, and ‘provides an apt label for U.S. strategies to counter governments and popular movements opposed to U.S. political and economic goals in’
the Caribbean basin” (Skidmore and Cox 1997: 194). In addition, Cox provides further insight into the structural apparatus that was created to foster this policy. "The formation of the National Endowment for Democracy (NED) in 1983 was part of a joint effort by the Republican and Democratic parties, the Reagan administration, and private-sector groups to promote “electoral intervention” to advance U.S. interests" (Ibid). In addition, he describes the specific mandate of this apparatus. "NED devotes its resources to building political coalitions capable of advancing candidates that support U.S. interests in pursuing structural adjustment programs. Similarly, the organization targets for defeat those parties or governments opposed to U.S. goals." (Ibid: 195).

Today, the two political parties in the U.S. have created separate party-specific organizations that mirror the efforts started by NED. The National Democratic Institute (NDI) is affiliated with the U.S. Democratic Party and describes itself as a nonprofit, nonpartisan organization that advances democracy around the world, but currently has prominent members of the Democratic Party on its board including Madeleine Albright, former Secretary of State under U.S. President and William J. Clinton, as its Chairman, and Walter F. Mondale, former Vice President under U.S. President Jimmy Carter, as its Chairman Emeritus. The International Republican Institute (IRI) is the “electoral intervention” arm of the Republican Party, which was directly involved in the 2000 Haitian elections. The IRI also describes itself as a nonprofit, nonpartisan organization that advances democracy by "supporting aspiring democrats worldwide." (www.iri.org). However, its board of directors is chaired by major figures within the Republican Party, including U.S. Senator John McCain, former Secretary of State Lawrence S. Eagleburger, former presidential envoy to Iraq L. Paul Bremer, and former National-Security adviser Brent Scowcroft. "Of all the groups, though, the IRI is closest to the administration. President Bush picked its president, Lorne W. Craner, to run his administration's democracy-building
The synergy between private and public interests shows that, “private sector organizations...have worked to devise long-term strategies for promoting U.S. intervention in the less-developed world” (Skidmore and Cox 1997: 194). This private and public relationship further highlights the connections that exist between the economic interests of multinational corporations, western governments, and local elites in developing countries. These connections have been instrumental in the creation of Western hegemony.

The global reach of neoliberal policies “is perhaps best understood as part of a wider historical pattern of structural change associated with modernity” (Gill, 2003). Thus, neoliberalism can be seen as the response by the liberal order to the economic conditions brought on by the crisis within the system.

Haiti and Countering Hegemony

The Western powers have actively and aggressively set the rules that govern international finance, production/trade, security, and distribution of knowledge in order to maintain their hegemony. As progressive movements in countries such as Haiti look to counter the international status quo, they must establish alternative democratic and egalitarian mechanisms for finance, production, security, and distribution of knowledge if they are to achieve any lasting success. As we’ve seen, as the Bretton Woods system started to fail, specifically its finance/credit and production mechanisms, societal consent started to decline and large numbers of people began questioning the legitimacy of the system. The consensus in Western societies regarding how the system should be structured started to fracture. It required the status quo to quickly reconstitute the finance and production system in order to regain legitimacy. Therefore, establishing an
alternative will require the establishment of new methods of maintaining the mechanisms of structural power.

For example, if we look at the finance/credit mechanism of the current world system with regards to developing countries such as Haiti, we see a system that is controlled and managed for the benefit of the wealthier countries. The importance of financing for development purposes is undeniable, but how this financing is provided, and by whom, are major questions. The majority of developing nations do not possess the petroleum reserves of a Venezuela or the abundant cheap labor of a China with which to finance their development. A developing nation attempting to finance its economic growth without the benefit of valuable natural resources to sell on the international markets has limited choices. Options for these countries are either the private multi-national banks or the traditional international and regional financing institutions such as the IMF, World Bank, and USAID. There have been recent efforts by the emerging countries to create financing institutions of their own such as Bank of the South, which was started in September 2009, by Argentina, Brazil, Paraguay, Uruguay, Ecuador, Bolivia, and Venezuela, with $7 billion dollars of initial contributions. However, this is a fairly new regional project that will require a good deal of time to reach a level where it can contend with the established western institutions.

Over the past 8 months, in the aftermath of the earthquake, Haiti has received a great deal of attention from the international community. A loud and persistent cry has gone out from the international community as well as organizations such as Jubilee USA to have the country’s debt forgiven. On July 21, 2010, the remaining portion of Haiti's outstanding debt of $268 million to the IMF was finally cancelled. The country’s bilateral debts and debts owed to other multilateral organizations such as the World Bank were cancelled earlier in the year. Though the IMF was
praised for cancelling Haiti’s debt, it also raised concerns by simultaneously extending the country a loan of $60 million, with no interest until end 2011, for as it stated, “to boost Haiti’s international reserves and help the central bank manage potential swings in the value of the local currency.” The idea that a country that has been promised billions of dollars in grants, to rebuild itself, would need a loan of $60 million to fund its international reserves is illogical and it is further evidence of the current system’s need to perpetuate the debt burden of nations in the developing world as a way of sustaining its hold on power.

Progressives looking to counter this system must look into creating alternative means of organizing the four aspects of structural power. It is not enough to try to force these institutions to change their policies. They are designed to propagate the hegemony of Western capitalism, which is built on the perpetuation of unsustainable debt. Since the creation of perpetual debt is the driver of neoliberal finance, the IMF canceling the remaining Haitian debt with one hand and trying to reestablish it with the other is understandable. Western hegemony necessitates the continuation of the current configuration of the finance/credit aspect of structural power on the international level.

Though Haiti’s massive debt has been cancelled, it is doubtful the funds that were promised from the international community in the aftermath of the earthquake will ever materialize. Thus, in order to change the system, progressives must provide the world’s poor nations with alternative mechanisms with which to maintain the four aspects of structural power, as a way to start the transition out of this system. A possible alternative mode of financing development projects for Haiti that would bypass the international system altogether is the creation of private financing vehicles funded by its large Diaspora

Diaspora Bonds are not new. Nations such as Israel and India have used these bonds to raise
approximately $40 billion, even during times of crisis, to finance their development needs (Finance & Development, 2009). The World Bank and the IMF have promoted the use of these bonds for developing countries, but with a more market-oriented approach, that cater to the neoliberal financial system. The level of remittances that most developing countries receive as a percentage of their Gross Domestic Product (GDP) is proof of the level of funding this source could generate in the future, if properly utilized. Haiti, according to the World Bank receives approximately $2 billion in remittances annually, representing about a third of its GDP. The Haitian Diaspora is estimated to number over 2.5 million, with the majority living in the United States and significant populations in Europe, Canada, the Dominican Republic, and other Caribbean States. Haiti itself is a relatively small country with a population of only about 9 million people and a GDP of $6.9 billion. Therefore, given its large and economically viable Diaspora there exists an opportunity to re-envision the funding of its development. “Current Population Survey of the US: nearly one-third of Haitian immigrants in the US belong to households that earned more than $60,000 in 2009” (Ratha, 2010).

Today, there are quite a number of Haitian Diaspora organizations in North America and Europe that provide a great deal of assistance to their compatriots in Haiti. But these organizations do not work closely together. In addition, because of political differences there has been a fair amount of distrust between the Haitian Diaspora and the Haitian government. Repairing this relationship will be the key to bypassing the neoliberal financing system. It is not enough for progressive forces in Haiti to gain power in the country. As we have seen in the past, as with President Aristide in 1991 and again in 2004, they are quickly removed from power.

The approach to this situation is twofold. First, it is not enough for progressive forces in Haiti to concentrate only on organizing within the country; they must also reach out to Haiti’s already
socially and politically active Diaspora. This will allow progressive forces both inside and outside the country to build a relationship. Second, it will allow a future progressive Haitian government to tap into a vast source of funding not previously available. This will also help it to counter attempts by the international community and the status quo forces within Haiti itself from starving the country of funds, as they have done in the past.

**Conclusion**

In conclusion, the establishment of a Diaspora-funded vehicle would need to be administered in an open and inclusive manner, with the interests of all the stakeholders represented, and based on integrity, fairness, and ethical conduct. The need to prevent fraud and corruption and foster a positive ongoing relationship between a progressive Haitian government and the Diaspora, require that the funding institution be staffed with leading members within the international community, represented by government officials, civil society, and donors.

The Diaspora funding mechanism is only one example of possible alternatives to development projects. Other sources of funding are also possible, such as direct bilateral funding from more progressive emerging states and international institutions. In general, the possibilities for alternatives to the current system are numerous, but they require an organized and structured approach. It is the goal of this ongoing research project to analyze and develop these approaches.
Bibliography

Books
Barry, Norman P. *Hayek's Social and Economic Philosophy*
   London; Basingstoke: Macmillan, 1979

   Boulder; London: Lynne Rienner, 1999

Harman, Chris. *A People’s History of The World*
   London UK: Verso, 2008

Harvey, David. *A Brief History of Neoliberalism*
   New York NY: Oxford University Press, 2005

Hayek, Friedrich, A. *Individualism and Economic Order*
   Chicago IL: University of Chicago Press, 1948

Kumar, Krishan. *From Post-Industrial to Post-Modern Society, 2nd edition*
   Malden, MA: Blackwell Publishing, 2005

Skidmore, David. *Contested Social Orders and International Politics*

Stiglitz. Joseph E. *Globalization and Its Discontents*

Strange, Susan. *States and Markets*
   London, UK: Continuum, 2004

Veltmeyer, Henry and Petras, James and Vieux, Steve. *Neoliberalism and Class Conflict in Latin America*

Wallerstein, Immanuel. *After Liberalism*

Wallerstein, Immanuel. *The End of the World as You Know It*
   Minneapolis, MN: WW University of Minnesota Press, 1999
Zinn, Howard. A People’s History of the United States 1492-Present

**Periodicals/Reports**
Volume 12 No.2 p162

Volume 10 No.2 p126

Jubilee USA Network, *Break the Chain of Haiti’s Debt*
by Mark Schuller, June 2006

Oxfam Report, April 2005: *Kicking Down the Door – How Upcoming WTO Talks Threaten Farmers in Poor Countries*
Traidcraft Exchange, September 2003: *Economic Partnership Agreements: The EU’s New Trade Battleground*

**Web Links**
Andreas Bieler and Adam David Morton, “Teaching Neo-Gramscian Perspectives,” 2002
http://www.bisa.ac.uk/bisanews/0205/bisa0205_2.htm.
http://www.victoryiscertain.com/gramsci/

Global Policy Forum- Haiti index


International Gramsci Society, *Gramsci, Modernity and Globalization*,
by Gill, Stephen, January 2003
www.internationalgramscisociety.org/resources/online_articles/articles/gill01.shtml

International Republican Institute
http://www.iri.org/

The New York Times

The World Bank
World Development Report Overview 2000/01

Mobilizing the diaspora for reconstruction of Haiti - via diaspora bonds, by Dilip Ratha, January 22, 2010