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#### Part 1 Introducción

Global interdependence dominates the foundations and practices of foreign policy today. During the last several decades, a public debate has emerged on the social and human dimensions of this interdependence. In the past, what happened inside national frontiers was considered sovereign, and the exercise of sovereignty was regarded as independent from the rest of the world. Yet, globalization has stripped down all possible physical and political boundaries and has questioned the traditional notions of nation-states. Despite the great resistance shown in certain quarters, globalization has provoked a number of changes in strategy, instruments, and programs. These changes are not all coherent, and thus, there are situations in which changes in strategies do not correspond to symmetric or appropriate changes in instruments. Old prescriptions—like those of the market and the state—are still advocated, regardless of the private and social costs to put these into place. The expectations about the market and the state have changed dramatically in the last several years; although it is difficult to identify the real and ultimate causes of the changes. However, there are two things to consider in examining the dynamics of change. First, civil society plays a crucial role in all aspects of daily life today. Second, the normative aspects of economic development hold an increasingly important role in public policy making. These are two grand variables that influence daily life in society.



## Part II CIVIL SOCIETY

The existence of an organized and effective civil society, including nongovernmental organizations (NGOs), is the greatest social phenomenon in the latter part of the 20th century and, certainly, in this new millennium. Specifically, civil society organizations have been instrumental in granting power to many people who are poor, voiceless, and powerless. These organizations have de facto become outlets of power for the poorest and a medium through which they can express opinions, views, and possible strategic concerns. The empowerment role that civil society plays is undeniable, even if it follows a traditional set of norms and governance structures similar to those of "quantitative" democracies, e.g., majority voting. Examples of the positive role of civil society include fostering gender equality, demanding the respect and defending the existence of indigenous peoples and their cultures, and tackling a number of unacceptable forms of behavior, such as lack of transparency and accountability, corruption, favoritism, and violations of ethnic freedom.



# Part III THE NORMATIVE ASPECTS OF DEVELOPMENT

No matter how important it is to attain higher levels of economic efficiency and development effectiveness, most societies confront a large number of "normative" challenges. In response to the development and human realities of the poor, in both developed and developing countries, a large number of normative issues, such as poverty, empowerment, equity, security, and social justice, have surfaced repeatedly. The revolution of an organized civil society and the urgent need to address the normative aspects of development has rapidly eroded the consensus over the traditional polarities most public policy makers have. Past instruments are no longer effective in resolving current problems. Top-down approaches to empowerment, equity, and social justice are inadequate and of little value in many societies. Thus, an organized and representative civil society is essential to address these normative issues in development. Addressing the collective challenges globalization has brought must be done through organizational and institutional arrangements that represent the reality and views of the collective. Markets certainly do not address these challenges, so the main question is the role that governments play.

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From a micro/sectoral perspective, governments have been shown to be less efficient than civil society when it comes to reaching the ultimate beneficiaries of development, particularly the poor. The transaction costs are often high and the social benefits rather limited. In addition, many governments have not been able to ensure sustainability of those benefits. Thus, the different organizations of civil society have created a tremendous comparative advantage to act and create political and institutional spaces at the local level. These advantages will continue to be present in development programs and policies as long as they do not adopt the vices of governments and old institutional structures.

Then, what should the role of governments be? One could easily see their effectiveness in wholesaling different aspects of development, as they create an environment characterized by national and local institutions and as they put together policy packages that will most effectively attain the agreed societal goals and objectives. In the end, the interaction between civil society and governments must be mutually enriching.



### Part IV FOREIGN POLICY MAKING

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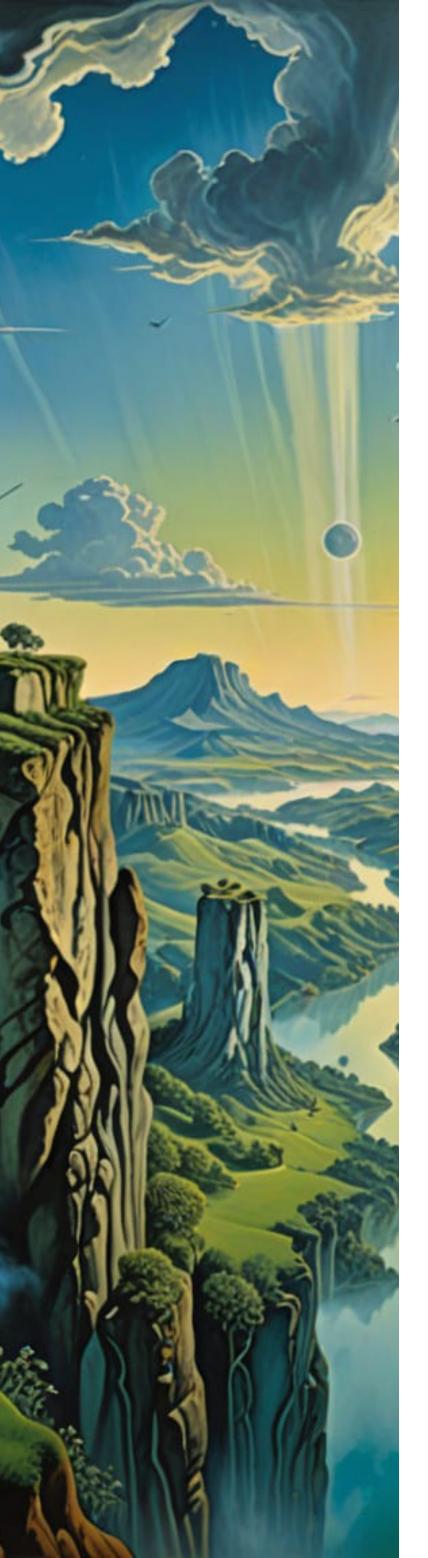
Civil society also plays a very special role in foreign policy making. Foreign policy is no longer about defining physical frontiers of countries or keeping people away through military actions, despite the fact that these two aspects may be important for some countries. The point here is that foreign policy today is not only about "taking care of my country or my society;" it is also about "taking care of our global village, our global society." Thus, trouble anywhere in the world is instantly reported and has immediate implications for everyone else. Knowing that one country has discovered the cure for HIV/AIDS will be of interest to everyone, not just to those who suffer from the terrible disease. By the same token, knowing that your neighbor, or anyone else for that matter, possesses nuclear capability becomes of interest to everyone. Finally, the destruction of our environment anywhere in the world is of interest to all nations.

Civil society has played a pivotal role in bringing forward the voices and the interests of those who live in poverty.

Foreign policy has become the niche for a serious discussion about our collective future. Many U.N. conferences and meetings have taken place during the last three decades, touching on a large number of very important issues and collective concerns.

One witnesses the debates about the collective future daily on the floor

of the UN and, to a large extent, at The World Bank, where many of these problems are debated from different angles. Some global consensus is emerging, like the need to address the Millennium Development Goals. What is most interesting to observe is the major role that civil society plays at the global level, especially regarding issues such as the environment and ecology, human security, gender equality, population and demography, social dimensions of globalization, discrimination and ethnicity, and human rights. Civil society has played a pivotal role in bringing forward the voices and the interests of those who live in poverty. Therefore, civil society plays crucial roles in two important extremes of the public-policy-making spectrum (PPMS): local and global (for completeness, one may also add the regional). And, given the porosity that has been created by globalization, we can see today how the local has become part of the global (e.g., on human security, human rights) and how the global has become part of the local (e.g., migration, the right to development).



# Part V THE NEED FOR A PARADIGMATIC SHIFT

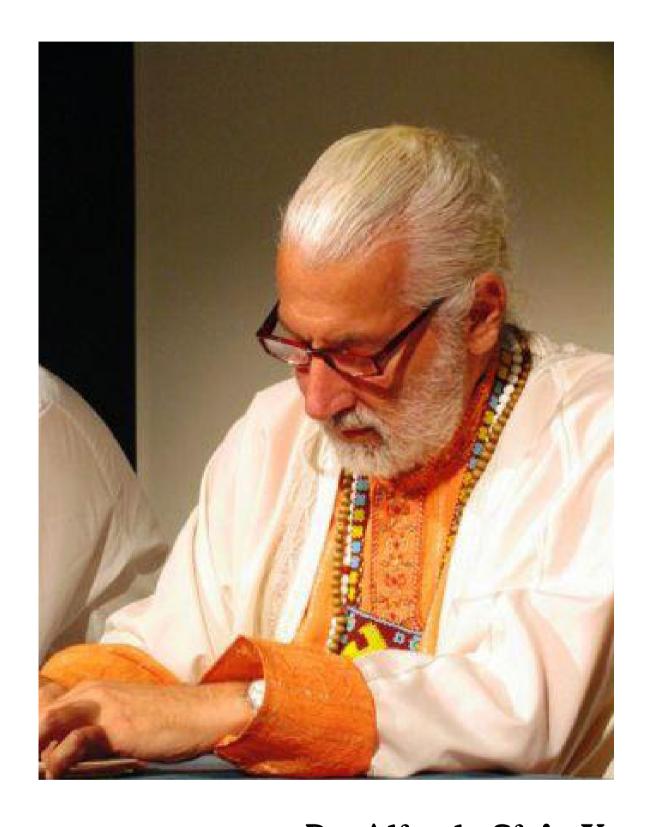
For governments and civil society to act effectively in addressing the great challenges facing humanity and to reshape the state of foreign policy making, it is essential to shift, once again, the development paradigm. Without such a shift, many dimensions of what is occurring in foreign policy will be lost. To propose a paradigm shift in a world that moves rapidly in favor of all forms of fundamentalisms may be seen as an oxymoronic proposition. As we shift towards a new paradigm, foreign policy will have to change accordingly. This change demands significant shifts in the role of civil society. One area of great debate is civil society's representativeness at the global level, particularly by those leaders or organizations that do not truly represent the leadership or interests of local communities. This gap in representation may be the result of inadequate financial resources to operate simultaneously at the local and global level. Local and indigenous NGOs and other civil society organizations are often handicapped by resources and thus, unable to participate in the formulation of national and global foreign policy. In addition, these groups may be constrained by the lack of indigenous capacity; therefore, it is essential to implement major capacity enhancement programs everywhere. Clearly, a shift in paradigm must also be accompanied by a major change in the existing development architecture at the global level. While many changes have been proposed to date, these are either not comprehensive enough or significantly ignore the fundamental forces at play that have kept

the present system in power. More specifically, many of the claims that have been made—with particular emphasis on drastic changes, such as democratization in governance of international development institutions—do not hold true in relation to their principles and predicted outcomes. For example, it is not self-evident that the democratization of development institutions, understood as a one-country-one-vote system, will result in allocating more capital resources to developing countries or changing very significantly the composition of its allocations. Certainly, the questions of global governance deserve a much more comprehensive discussion than this paper devotes to them. The issues of global governance must be discussed at the open and within the context of the present system of decision making.



## Part VI CONCLUSION

Though inadequacies of the system are known, there is still no panacea for attaining consensual solutions. However, whatever option one chooses to adopt, this should not ignore the potential role of civil society. A critical path and a road map of concrete steps must be drawn, and it is essential to find the political will to implement them. Without political will and political leadership, nothing will materialize. Finally, the shift in paradigm demands a major revolution in values. One cannot create conditions for a new world without values that become the inner catalysts of that new world. In this regard, the tendency is to focus on the humanistic values of the collective society. These are the most important values that must be supported. Materialism is only one side of human reality. Our non-material existence also requires nourishment and care. Spiritual values are, and will become, essential for a consistent and humanistic paradigm shift. These are the values of individual and collective identity, of quality and orientation of development, and of shaping our human destiny.



------Dr. Alfredo Sfeir-Younis
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