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One e-mail correspondent asked why he should care about AIDS in Africa. “What does it have to do with me?” he asked. “I deeply believe that we are one world,” I responded, “and all humankind are connected.” He replied instantly with a further question, which haunts me still. “Where did you get that idea?” he asked.

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What did we learn?

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1 • What is the question?

It is apparent that the question “What did we learn?” can be understood either individually or collectively. Taken in the first way, it amounts to the question: what did each of us learn? What “we” learned is then constituted by the set of propositions believed by participants after the conference that either differed from those that they had held before or (perhaps just as likely) had never thought about before. In this sense, of course, “we” may have learned not merely different things but even inconsistent things, if there were at least two participants whose views changed in conflicting ways.

It might at least be hoped that (on the assumption that such a measure makes sense) our overall positions on the topic were closer together at the end of the conference than at the beginning. But, even though we may all have conscientiously attended to the arguments put forward, there is still no guarantee that any such process of convergence took place. As Ian Shapiro, especially, has argued, the notion that “deliberative democracy” can somehow be counted on to create consensus — or even a movement towards it — is naive: in some circumstances, the participants may simply come to realise the depth of their disagreement with one another and become more entrenched in their initial positions.

¹ Barry and Raworth (2002: 64), quoting Donald M. Berwick (2002: 214-8).

Here is an example of the process that, incidentally, bears on some of the issues that arose in the conference. What used to be called the Marriage Guidance Council in Britain has been re-labelled “Relate”, and is neutral between the outcomes of staying together or splitting up: its job, as it now conceives it, is to ensure that the parties understand the consequences of either path and thus reach an informed and reflective decision. The decision, again, may be a different one for each of the parties, though I believe that counsellors would regard this as an unsatisfactory outcome.

I have no information about the answers to any of these individual-level questions (nor does anybody else), so let me move on to the collective interpretation of the question. This can be interpreted to mean: what (if anything) did we all learn? Unfortunately, the information required to answer this is equally elusive. It is possible that there is some proposition that everybody believed at the end that they had either thought differently about before or had had no opinion on. But I have to say that this seems to me highly improbable. I shall therefore confine myself to the more modest task of writing about what I learned, while hoping that these lessons will resonate with the experience of many of the other participants.

In the case of most conferences, such a hope would be wildly optimistic, but there are reasons for thinking that this one may have been an exception. Consider the problems posed in the title of the conference: “Cultural Diversity versus Solidarity. Is There a Tension? How Must it be Resolved?” Now add the gloss provided in the more extended statement of the topics. This makes it clear that “solidarity” is here assumed to be associated with redistributive economic policies and the maintenance of strong welfare states. In effect, “solidarity” is the kind of bond among citizens that, in the conflict between “politics and markets”, will help to ensure that “politics” will be an effective counterweight to the inequities generated by “markets”. Not accidentally, I am sure, those invited to the conference were united (as far as I could tell) in the belief that, to the extent that cultural diversity might have regressive consequences, we should naturally move on to asking how the tension could be resolved in one particular way: one that will enable welfare states and redistributive policies to be maintained where they are strong and improved where they are weak.

It is worth drawing attention to the existence of this consensus because an equally possible approach would be to say: “Cultural diversity undermines redistribution and a strong welfare state. Good! How can we set things up so as to undermine them even better?” Responses of this kind are not hypothetical. In the nineteenth century, Lord Acton argued in favour of the maintenance of multi-

national empires such as the Austro-Hungarian precisely on the liberal (anti-statist) ground that their governments would be incapable of doing much because of the divisions (religious, political, linguistic and so on) among their subjects. Nation states, in contrast, brought with them the danger of making possible the kind of solidarity that opened up the potential for their actually doing things.

It will illustrate my theme nicely to point out that John Stuart Mill, in exactly the same period, bought into the same empirical premises as did Acton, but drew the opposite implication in his *Representative Government*: that states should, as far as possible, have their boundaries determined in accordance with “the principle of nationality”. This is not surprising, because Mill had been for some time strongly committed (as is shown in *The Principles of Political Economy* and the *Autobiography*) to strongly redistributivist state intervention in market outcomes. He was also becoming increasingly sympathetic to socialism, to the extent that, by the end of his life, he appears to have accepted socialist principles while dissenting (correctly, in my view) from the most prominent of the current programmes designed to implement these principles. If the Francqui Foundation was the material patron of the conference, maybe we should hail Mill as its patron saint. However, after seeing in the last century and a half what the politics of nationalism can achieve in the way of bloodshed and repression, we have to follow Mill’s own attitude to socialism: endorse the ends while questioning the means.

In relation to the practical politics of his time (towards which our own time has been regressing in most countries for a number of years), Mill was a visionary: to ask about the conditions for vigorous state intervention in the economy was already to have taken two steps beyond anything widely contemplated in mainstream politics. Of course, it was taken for granted that the state could intervene in its citizens’ lives, often with very grave consequences for them. The ruin of Oscar Wilde illustrated just one aspect of that kind of intrusion, and in most countries freedom of speech and religion were severely restricted. The ultimate power exercised over its citizens by the state was, it need hardly be said, to take away their liberties and perhaps also their lives by conscripting them into the armed forces. But the redistribution of income and wealth were nowhere on the agenda. As far as the welfare state was concerned, we might count social insurance in Germany as a start, but we must recall that it was introduced by Bismarck with the precise intention of dishing the socialists — and was reasonably successful. Even then, it should always be borne in mind that, unless it has an egalitarian tilt deliberately built into it, a system of social insurance *à la* Bismarck has no tendency to compress the differences between the average income of each class. All

it does is spread risk within each class and (especially) to shift the flow of income over the usual worker's lifetime so as to support the raising of children and provide a retirement income.

2 • How to do nothing

Even this degree of state intervention was too much for liberals, defined in the standard European way as enemies of the state (except, of course, when it does useful things like protecting property and enforcing contracts) and enthusiasts for the market, including the inequalities that it inevitably generates. They preferred at most the Poor Law model of minimal assistance given under the most degrading conditions that could be devised. After the Second World War ended, their fears rose to the level of panic, beautifully expressed in F.A. Hayek's *The Road to Serfdom*. Although those who thought like Hayek maintained that liberty was their highest priority, this was a lie. The record shows that libertarian moves on homosexuality, prostitution, censorship and abortion have tended to be supported most strongly and effectively by elements of the left. The only liberty that interested these people was the absence of state intervention in markets. But how to make this happen? That was the problem that gnawed at them.

The most straightforward answer was, of course, somehow to get a judicially-enforceable constitution enacted that would build laissez-faire in, thus taking all the important decisions on social and economic policy out of the hands of democratically accountable bodies.. (A number of the so-called Mont Pelerin group, including Hayek, liked this idea.) An alternative would be a constitutionally-determined set of decision rules that would effectively prevent the enactment of any measures changing the status quo to the disadvantage of the most privileged. *The Calculus of Consent*, by James Buchanan and Gordon Tullock, is the *locus classicus* for this, and was taken seriously for a while despite the fact that (as I pointed out in *Political Argument*) its institutional recommendations were so transparently predetermined by its initial assumptions that there was no point in interposing a lot of pseudo-technical stuff between the premises and the conclusions.

The United States Constitution combines both of these state-crippling strategies, and was clearly the inspiration for post-war proposals for gutting the powers of governments: thus, the rights of property are protected in a number of ways, and there are so many veto points that significant action requires the same party to control the Presidency and both Houses of Congress. Even then, only a Supreme

Court with a majority predisposed in favour of the measures passed will avert a final, and unchallengeable, veto. The most notorious example of a Supreme Court veto of an entire government programme occurred when a conservative bench appointed by previous administrations struck down most of the key elements in Franklin Delano Roosevelt's New Deal, and persisted even after he won a second term by a crushing majority and was backed by solid Democratic majorities in both Houses of Congress.

The trouble with post-war Europe was that there were no signs of enthusiasm for either of these strategies in the countries whose politics were most alarming, from the liberal point of view, in that they had a strong welfare state and progressive taxation. The more subtle anti-statists therefore threw their weight behind a contemporary reworking of Acton's ideal of a multinational empire hamstrung by diversity. In as far as the original six countries making up the European Common Market shared an "overlapping consensus" between Social Democrats and Christian Democrats, collective intervention remained something of a danger. But expansion took care of this problem. Letting in the United Kingdom was especially destructive, highlighting the wisdom of de Gaulle's earlier veto. Adding the entrants from Central Europe will complete the job of destruction, since their governments tend to have crude pro-market ideas as a reaction to communism and they do not have well-developed welfare states. Further, any conception of a United States of Europe with a common foreign policy will be even more of a chimera than it was already: we need only recall the support of these countries' governments (though not their populations) for the Bush/Blair invasion of Iraq without legal authority.

The rationale of the European experiment could be easily enough expressed. Thus, at Roy Jenkins's funeral service in Westminster Abbey, "one reading ... was an extract from the memoirs of Jean Monnet, architect of the European Union, full of visions of future unity: 'Like our provinces in the past, our nations today must learn to live under common rules and institutions freely arrived at. The sovereign nations of the past can no longer solve the problems of the present: they cannot ensure their own progress or control their own future.'² In fact, states have never controlled their environment sufficiently to be able to solve all their problems by themselves. But it obviously does not follow from this that the EU, in its present or any foreseeable future manifestation, will solve more problems than states could have solved by themselves in free co-operation with others. In fact, my contention is that it could do so only as the result of a total institutional transformation that is politically impossible.

² Toynbee (2003: 27).

The worst thing about the EU has been that it banned most of the increasingly sophisticated policy instruments by which individual states had controlled their economies since 1918, but left their replacement to a decision process that was (and is) heavily stacked against equivalent EU-wide intervention. One obvious way in which this failure to act occurred arose from the requirement of either unanimity or a super-majority for a decision among increasingly diverse states. This automatically inhibited “politics” from challenging “markets” successfully. But an equally important factor has been that, in the permanent struggle between capital and labour, capital was incomparably better equipped to get its way in the opaque and labyrinthine processes of decision-making in Brussels. Even where companies were not already multinational or at least bi-national (e.g. the British/German car industry), the number of key actors needed to gain the inside track on any given issue is quite small, and collaboration is easy. In contrast, trade unions remain rooted in their own countries and have, not surprisingly, proved ineffective at playing the insider game in Brussels. Thus, the victory of “markets” over “politics” was overdetermined. In the light of this experience, British economic liberals, such as Samuel Brittan, strongly advocated accession to the EEC (as it then was), precisely on the ground that it would render government of the United Kingdom essentially impotent while at the same time there was no chance of the European government agreeing to create anything remotely equivalent to the powers handed over. The Euro, of course, finishes the job by eliminating the policy instruments left: devaluation, discretion in fiscal policy and control over the interest rate. As Albert Edwards, an economist with Dresdner Kleinwort Wasserstein put it: “Perhaps the most ludicrous [thing] was giving central banks their independence ... Having the unelected striving for the ridiculous was always likely to end in disaster, and so it is proving.”³

Let me illustrate the point by mentioning the work of two economists. One is Anthony Crosland’s *The Future of Socialism*. Leaving aside the confidence among the British Expeditionary Force in August 1914 that the war would be “all over by Christmas” (and perhaps the Bush administration’s prediction that the war against Iraq would have been “won” — whatever that meant — in a few days), surely a strong contender for the most ludicrously optimistic prediction made in the twentieth century must have been Crosland’s contention in 1956, when the book was published, that, on the basis of the experience of the post-war period, it was certain that the gains made — the welfare state, the power of the unions, high marginal tax rates and so on — could never be rolled back. Yet this experience covered only six years of Labour government and five of “one nation” Toryism. (Evelyn Waugh complained that the Conservatives had not

³ Quoted in Elliot (2003: 21).

put the clock back even one minute since 1951, and was broadly correct.) Crosland's prediction was beginning to look imprudent by the time of the revised edition of 1963. Despite this, he added a defiant footnote to his original text declaring that nothing had shaken his conviction that there were, as he put it, "irreversible trends" of the kind he had promised before.⁴ This book is now a historical curiosity in as far as its core argument — that capitalism can be brought under complete control by the state — depended on governments having the capacity (and the will) to deploy all the exchange controls and trade restrictions left over from the 1930s, as well as commanding a battery of domestic economic instruments left over from the Second World War. Crosland was perhaps lucky to have died shortly before Margaret Thatcher proved that all of the things he asserted could never happen again (high unemployment rates, sharply limited progressivity in income tax rates, taking on the unions, etc.) could be made to happen very quickly and still result in re-election. In the long run, however, his prediction was doomed anyway because almost all of the policy instruments upon which it depended would now be ruled out by the WTO or the EU, and the remaining ones would be wiped out by the Euro.

Almost thirty years after *The Future of Socialism*, in 1995, James Meade wrote a short book entitled *Full Employment Regained?* Summing up, he listed no fewer than twenty-one "control variables" that a state would have to have at its disposal to achieve non-inflationary full employment (defined as 2-3%) combined with distributional equity.⁵ In the present context, however, just one "conclusion from this general discussion" will suffice: "namely that monetary and fiscal policies must be planned and operated as a single whole by a single financial authority. To make a Central Bank an independent agency with the basic duty of preventing excessive inflation of the price level (or preferably of money GDP), while the governmental budgetary authority has the separate duty of determining rates of tax and governmental expenditures and thus the budget balance, is to invite disaster."⁶ He was talking about a single country, but a common exchange rate plus the growth and stability pact ("stupid", in Romano Prodi's words) has not just invited disaster: disaster has accepted the invitation, as Mr Edwards pointed out.

Having spent four-fifths of this book "deal[ing] exclusively with the problems of a closed economy", Meade devotes the last chapter to "external relations." This is almost entirely devoted to the need for the EU to "harmonize" (not his word) with his proposals for Britain. And even then he fails to mention that full employment can never be attained in one country unless the composition of the population that is the object of the goal is fixed. Thus, free mobility of

4. Crosland (1956: 22).

5. Meade (1995: 85-6).

6. Meade (1995: 75).

labour would undermine any single country's efforts to maintain full employment, since the economy would pull in the unemployed from the rest of the EU. Even if the entire EU adopted policies that maintained full employment everywhere simultaneously, the richer countries within it would be faced with insoluble problems. For this would make a move from the poorer countries to the richer ones far more attractive than it is now, with a guarantee of immediate employment instead of, as now, the risk of being at the back of the queue for jobs because of limited language skills or educational qualifications.

Altogether then, the prediction made by the economic liberals has been borne out, not only in terms of past experience but also future possibilities. In one way or another, the EU prevents individual governments from doing what needs to be done and arranges matters so that it will not do these things instead. Even without Britain's role as the Trojan Horse for the Americanization of labour relations, the unemployment induced by the Euro — specially in Germany — will itself be enough to undermine the protection of labour. Hence, it is scarcely surprising to find Gerhard Schröder talking about the need for more "labour flexibility" and for reducing the burden of social insurance contributions on employers. Blaspheming in the presence of the Ark of the Covenant, "Stephen S. Roach the chief economist at [the merchant bank] Morgan Stanley", said at a meeting convened by the European Central Bank at the beginning of June 2003, that "the ... Bank was ill-equipped to defuse [the] threat [of downwardly-spiralling prices in Germany] because, in its determination to formulate a one-size-fits-all monetary policy, it focused too much on the higher inflation rates in smaller, faster-growing Euro countries. As a result, its bench-mark [interest] rate of 2.5 percent is too high for Germany, the union's biggest economy... What would be worse? ... Higher inflation in Ireland, Spain and Greece, or deflation in Germany?"⁷ If you have to choose, no doubt you have to accept that preventing the collapse of the German economy is more important than holding down inflation in these minor countries. But why should you have to choose? Only because of the existence of the Euro: without it, each central bank could set an interest rate appropriate to its own country's conditions. The relative economic success of Britain since the creation of the Euro is not — as we all know very well — the result of the efficiency of the British economy. (In fact, it has been shown to be almost uniquely inefficient among developed countries in its deployment of labour.) It is simply the result of Britain's not being in the Euro, and therefore able to set economic policies (including a big budget deficit) to suit its own economic conditions.

⁷ Landler (2003: W1 and 7, W7).

3 • Is language the problem?

Quite a lot of the discussion at the conference involved the EU and its relation to the problems posed for us by Philippe Van Parijs. Could it ever become a true federation with majority vote decisions taken by a popularly elected legislature? Or would it be more realistic to think that it can never be, in the remotely foreseeable future, the kind of solidaristic entity hypothesized as necessary to sustain progressive policies? Those who took the second view appeared to be in the majority among those who wrote or spoke on the issue at the conference. At any rate, it seemed to me that they had by far the better of the argument.

How far are these problems “cultural”? Here we come up against the fundamental vagueness of the word, which makes the question posed to the conferees more obscure the more one contemplates it. Culture and institutions are inextricably intertwined: the institutions express a culture, which in turn legitimates and sustains them. It is in this context that we can describe the “cultures” of states — at any rate states that constructed nations to fill their territories — in Oakeshottian terms as a long-established habit of doing things together. What is involved in “doing things together” is, of course, the crux of the matter. Can common institutions (many in the form of rules preventing states from doing things) of the kind that the EU generates create the kind of “habit” that could give rise to solidarity? Not if Oakeshott was right in saying that a gradually evolving common discourse is a necessary element in a genuine common citizenship. But the anti-solidarists seemed to me to focus too exclusively on language differences, as if they were the major reason for the absence of a common Europe-focused discourse. This seems to me far too reductionist and simplistic.

Consider the cases of the United Kingdom and Ireland. These have a common language (with insignificant exceptions in both) and, indeed, an intertwined — if troubled — history, which continues to be significant to this day, especially as a result of their common stake in the future of Northern Ireland. Despite all this, the Irish media are as distinct from the British media in their sense of news values as are the media of any other two countries. Imagine that all the media within the EU operated in English. I should be quite surprised if this resulted in a big rise in the number of people who read a foreign newspaper regularly. After all, if there were a large appetite for foreign newspapers, British (and Irish) newspapers should already be enjoying huge sales on the continent of Europe, since I imagine that everybody who would be inclined to read a foreign newspaper in the first place has the linguistic capacity to read one in English. My expe-

rience of the difficulty of getting hold of a copy of an English newspaper (and even then only a very poor selection of them outside large cities) suggests to me that this is not happening now. Why, then, should we expect a complete transformation if the newspapers of more countries were in English?

One participant responded to the point that at present the EU is given little attention in anybody's newspapers by suggesting that this would change if there were a European parliament making real laws that affected everybody in the EU. You bet it would! But as a solution this seems to be to suffer from the same defect as the legendary economist's solution to the problem of opening a can that had washed up on the shore of the desert island: "Let us assume that we have a can-opener". The difficulty is, in other words: how would you get from here to a point at which most people within country X would accept as legitimate a parliamentary majority and a government based on this majority pursuing policies and made up of parties opposed to those supported by the great majority of people in country X? I can illustrate the scale of the problem by observing that much of the pressure for Scottish devolution arose from the fact that, during all the time the Conservatives were in power at Westminster (1979-97), Scotland never returned more than a small minority of Conservative MPs, and by the end it became a virtually Tory-free zone, with only two MPs left. How would the Swedes feel about a right-wing majority in the European parliament dismantling their distinctive institutions? I expect the omnicompetent majoritarian legislature and (presumably) majority-supported cabinet to come about a good deal more slowly than even the standard European electric plug and the common European colour television system, and I am not holding my breath waiting for them, either.

In any case, the dog that didn't bark, even though one might have thought that its tail was constantly being trodden on, was: if the EU cannot become a state in which "markets" are controlled by "politics", what use is it? Of course, going back to state autonomy would sacrifice a certain amount of X-efficiency (the optimal deployment of resources), but I believe that this static gain is nothing in comparison to the losses arising from high unemployment and the drastic reduction in the availability of progressive policy options. The conclusion to be drawn is that, now that France and Germany do not look as if they will ever fight another war (though they might some day join forces against Britain), the original rationale for "Europe" has disappeared and nothing convincing has replaced it. I am mildly hopeful that the ignominious collapse of the Euro — if it happens — will take the whole EU with it. Be that as it may, should not those of us who accept the objectives of redistribution and a strong welfare state be

advocating the abolition of the EU right now? As far as I can see, the only people who could dissent from a positive answer are those who deny that the EU is bound to be an enemy of the kind of solidarity that (we are supposing) is needed to maintain the outcomes that we cherish. I did not hear anybody at the conference make a convincing argument for denying it, and I do not believe that there are any other arguments out there waiting to be made.

4 • Can solidarity be rescued by institutions?

To conclude these reflections, I want to take up two further points. One is methodological. I mentioned a little earlier the conceptual difficulties involved in identifying cultures. (I may say that the practitioners with whom I discussed these problems are fully aware of them, but I remain unconvinced of their solubility.) The first is: how do we know how many distinctive cultural groups there are in a society? As Eliana La Ferrara (2004) points out in her elegant paper, we have to question “the degree to which heterogeneity can be considered as an *exogenous* attribute of a society, as opposed to a variable that becomes more or less salient depending on economic conditions”⁸. I would only add that economic conditions are only one factor and that many others may often be more important. Thus, a group whose members are subject to discrimination will almost certainly develop an “identity”, which may be totally artificial except in as far as it comprises the collection of those discriminated against according to an arbitrary set of criteria used by the dominant group(s) in the society. We shall therefore find a high correlation between “group identity” and discrimination, but the cause is the discrimination.

A more starkly Hobbesian version is provided by the case of a village in which people with some difference that they recognize but make nothing of (e.g. religion or phenotype) have lived together in peace for generations. One day a handful of youths armed with machine guns get out of the back of a truck and shoot as many of one group as they can. (This does, of course, normally require one villager who wants this result, probably because of events occurring elsewhere, and is prepared to finger members of the “wrong” group.) This immediately produces a “war of all against all”, or more precisely between the groups. They will now, of course, regard their identity on the relevant dimension as a matter of life and death. But, again, the separate identities are the product of violence, not its cause.

⁸. La Ferrara (2004).

How do we count “cultural groups”? Again, I can see no method that is not circular. Are Baptists a cultural group in Britain today? I doubt if anybody would say so. But when they formed the core of the radical wing of the Liberal Party after its victory in 1906 — and especially when it was pushing through the disestablishment of the Church of Wales at their behest — perhaps they were. Are Roman Catholics and Protestants different groups in Northern Ireland? Yes, because religion is a marker for an ethnic conflict that goes back to the settlement of (mostly) Scots in the seventeenth century, who in the process drove the indigenous inhabitants off the land with a good deal of bloodshed and who have stayed on top ever since. (Religious discrimination is outlawed in Northern Ireland but not in the rest of the UK precisely because it is there effectively a form of the ethnic discrimination banned everywhere.) Obviously, to conclude from this that diverse “cultures” lead to political conflict, including conflict at the level of violence, would be obtuse. But how else is one to decide what is to count as a “culture”?

This neatly brings me to my final point. Let me return to the last of the three questions put to us. Suppose (forgetting for this purpose the problem of measurement), we take as given the “cultural diversity” of some society. If this is high, what might nevertheless be done to prevent it from eroding public support for redistribution and universal high-level public provision? Despite its crucial importance, I found no contributions that offered more than off-the-cuff thoughts about this. As a result, I have to confess that the only things I took away concerning this question were a couple of new examples supporting answers I had previously reached. One is this: public policies that treat the groups differently *qua* groups in the distribution of goods (land, housing, income and so on) are bad because they set one group against each other. Thus, in his contribution, Jeremy Seekings (2004) refers to “a public welfare system focused on generous and wide-ranging social assistance (including, especially, non-contributory old age pensions), in South Africa.” As became clear in the discussion, these benefits are genuinely universal. The result is that, although the state does recognize a number of cultures (in the genuine anthropological sense) and allows them to enforce obnoxious systems of personal laws, the fact that everybody is entitled to the same pension prevents these cultural difference factors from spilling over into distributive ones.

A somewhat parallel example is provided by the universal and (more or less) equal care provided by the National Health Service in Britain. Although private insurance does exist, it treats only “optional” surgery — which may be very important to the quality of life — but steers clear of competing with the NHS in treating major

diseases. When the Chancellor of the Exchequer recently raised the rate of social insurance by one per cent to fund improvements, a majority of those surveyed responded that he had contravened the spirit if not the letter of the government's pledge not to raise taxes, and a majority also responded that they were in favour. As far as I can tell, there was no one whining about the likelihood of the Muslim population, with their higher birth rate, getting too much. The sense of common fate overwhelmed any potentially competing socially divisive thoughts.

An equally illuminating example — this time of how not to do it — is provided by the wave of race riots in northern towns in England in 2000. The worst took place in Oldham, and the official report commissioned by the government concluded that one contributory cause was the policy adopted by the local council in Oldham of allocating housing to Muslims as a group, with the result that a Muslim and a white citizen in identical circumstances in the relevant respects (housing quality, family size, income etc.) would not be given equal consideration for public housing. At a meeting between the Home Secretary, civic leaders and the police, it was agreed that this policy must be scrapped. As a local MP put it; “it is important that money which has previously been targeted, and which had produced a strong perception of unfairness ... goes borough wide.” (Vasager 2001: 5). In future, as a Home Office spokesman said, “funding would be directed “on the basis of need” rather than towards geographical areas [given almost total residential segregation a code for ethnic communities] of the town”. (Vasager 2001).

A tragically larger scale conflict was in large part triggered in Sri Lanka by the more common phenomenon of “insufferable majority discrimination, such as the use of foreign aid exclusively to help Sinhalese not only prosper but displace Tamils.”⁹ At the same time, however, as was pointed out at the conference, “good task design” can induce cooperation among groups to achieve collective ends (La Ferrara 2004). A striking example, in that it also comes from Sri Lanka, was one project to revitalize a decaying and inefficient irrigation system, which induced cooperative behaviour and solidaristic attitudes to the degree that, as civil order progressively collapsed, the Sinhalese would warn the Tamils of planned attacks by thugs, and the Tamils subsequently reciprocated by warning their Sinhalese neighbours of impending attacks by the Tamil Tigers. Of course, eventually the fighting became so intense that the Tamils had to flee for their lives. The important lesson to be learned is not that no pocket of solidarity can withstand full-scale civil war, which is obvious, but that it can withstand enormously adverse forces once established.¹⁰

⁹. Herring (2001: 140-74).

¹⁰. Uphoff (2001: 113-39).

The final conclusion on which I would lay most emphasis is, then, that we either learned or should have learned that the third question needs a lot of systematic thought and research. We should be prepared, though, for the result to be that there are severe limits on the capacity of social science to predict outcomes. As the author of the study I have just cited puts it: “the ethnic effects of foreign assistance are quite contingent and contextual, generally consistent with the dynamics studied under the rubric of chaos theory . . . or complexity theory.” (Uphoff 2001). And there does not seem to be any reason for thinking that this conclusion does not apply generally to the questions put to us by our host.

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