ABSTRACT
Critics of the concept of human development argue that it has for the most part been easily absorbed into neo-liberalizing frameworks that neglect national, material development and that fail to prioritize the poor and insecure. While those criticisms have some force, more attention needs to be paid to the opportunities for resistance afforded by the fact that neo-liberalization is permeated by self-undermining contradictions and must articulate in hybrid and diverse fashion with existing social forces. When Iraq’s human development report, national development plan and poverty reduction strategy are examined, we can see in them elements of resistance to neo-liberalization and evidence of the assertion of development – national and human, material and non-material – as a right. However, in assessing poverty in Iraq as ‘very shallow’, Iraq’s poverty reduction team demonstrated that resistance to neo-liberalization and the neglect of the poor will require struggles with Iraqi as well as global actors.

KEYWORDS
variegated neo-liberalization
human development
resistance
human rights
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Neo-liberalization as a process of commodification and marketization has become a powerful force in global politics. It is also producing resistance in the form of opposition at varying levels of awareness and organization.
The discourse of human development and practices related to it has emerged as a site of struggle in advancing and opposing neo-liberalization. By examining the case of post-occupation Iraq, we can draw conclusions about the resistance in that particular place, which is valuable in itself. However, a full understanding of resistance in Iraq also requires reflection on the global level because what is happening in Iraq is part of a global process. Equally, the case of Iraq contains important lessons for those around the world who want to resist neo-liberalization and its consequences. Neo-liberalization is not an unstoppable systemic juggernaut. Nor is it a coherent and integrated plan being implemented by a tight-knit global capitalist ruling class. Instead, it is playing out with much contingency, improvisation and indeterminacy that leaves space for resistance. Furthermore, the phrase ‘variegated neo-liberalization’ (Brenner, Peck, Theodore 2010a,b; Peck 2010) rather than the more familiar term ‘neo-liberalism’ is deployed. Although the phrase is regrettably polysyllabic, it helps to underline the argument that the space for resistance is inherent in the way that neo-liberalization is intrinsically incomplete, contradictory, hybrid, diverse and unstable.

The argument in this article develops in the following steps. First, explanation is provided of the meaning and value of the phrase ‘variegated neo-liberalization’. Second, three critiques of the idea of human development are assessed and rejected. It is not necessarily associated with the abandonment of material development, with neo-liberalization or with the rejection of the claim that development is a right. Human development and the related notion of human security can be framed as matters of rights linked to an understanding of the structure of global politics. This structure includes the unequal distribution of material resources that obstructs the achievement of human development and security. Third, the article argues that realization of the human right to development requires material redistribution as a necessary but not sufficient measure. This section of the article discusses taxation as an instrument of redistribution. Using the example of the United Kingdom, it shows that class bias in taxation means that inequalities such as child poverty will persist even in a wealthy but deeply neo-liberalized country. Fourth, recent Iraqi official documents on national development, human development and poverty reduction are reviewed. This section of the article shows that they contain significant evidence of resistance to neo-liberalization and contain defence of the right to development. Fifth, two obstacles to the realization of the human right of development in Iraq are discussed: the official measure of poverty and the poor performance of the state in spending the money Iraq has available. This section relates these issues to the revolts across Iraq and much of the mainly Arab world against poverty and inequality and notes the possibility of connections to the global, dispersed Occupy movement. Finally, the conclusion focuses on the politics of resisting neo-liberalization and advancing a global, equal right to development.

**VARIEGATED NEO-LIBERALIZATION**

The notion of variegated neo-liberalization (Brenner, Peck, Theodore 2010a,b; Peck 2010) has been adopted in this article for its value in highlighting five intrinsic characteristics of the project to advance commodification and marketization (turning goods and services into items to be bought and sold in competition with others in conditions where forces of
supply and demand operate). First, neo-liberalization is incomplete and will remain so because only in thought experiments can there be a world of fully free self-correcting markets that will not require regulation and a system of governance. Second, neo-liberalization is contradictory in that efforts to extend markets involve market-undermining interventions and regulations. Third, neo-liberalization is hybrid in that commodification and marketization must take place in conjunction with a wider social context. Fourth, neo-liberalization is diverse because the contexts within which commodification and marketization take place are diverse and because the process reshapes both the social context and neo-liberalization. Fifth, neo-liberalization is unstable because crises of commodification, marketization and regulation are produced as the contradictions play themselves out in a restless and impossible search for completeness and resolution through articulation with diverse social forces. In this article, when the term ‘neo-liberalism’ is used, it is meant as a synonym for ‘neo-liberalization’, and when ‘neo-liberalization’ is used, it is meant as shorthand for ‘variegated neo-liberalization’. This approach rejects the notion that neo-liberalization is producing simple convergence: instead it argues that neo-liberalization is producing local variegation – multiple, morphing, hybrid forms that are mutually constituted and evolving – even as it produces convergence on the global rules of the competitive game. It sees neo-liberalization as a process and not an outcome. As it can never achieve completion, there will always be space for resistance, be it reactionary or progressive. Equally, even where it has massive problems and setbacks, it “fails forward” (Peck 2010: 6) – its failures produce renewed attempts at neo-liberal restructuring (Cammack 2009). Some are retrenched and longer-term, as in the responses to the failure of the crash neo-liberalization programme under the Coalition Provisional Authority in Iraq in 2003–04 (Abboud 2008; Docena 2007; Herring 2008; Herring and Rangwala 2005, 2006, ch. 5). Others are accelerated, as in many aspects of responses to the global financial crisis since 2007 such as attacks on pension rights and pandering to ‘the markets’.

Neo-liberalization does not exist for itself: it is constitutive of but also an instrument of the protection and expansion of capital accumulation by particular fractions of the ruling class (Harvey 2005). It is characterized by an ideology of individuals pursuing their interests in markets extended to as many aspects of the social as possible as the highest principle of rational and just social organization. As an approach to globalization, it favours the unfettered operation of these ideas across borders. The state, global governance and human subjectivity are all to be remade to best serve this ideology and the interests that promote it and are constituted by it. It is an ideology in that it is a set of ideas that serves as symbolic justification and persuasion and as a source of programmatic action. However, it will be unhesitatingly set aside when it conflicts with the interests of a particular ruling class fraction. The discipline of the market is set aside for banks deemed ‘too big to fail’. The same can be said of other tropes of neo-liberalism – competition, flexibility, individual responsibility, trade liberalization, abolition of subsidies, deregulation, low taxes, capital mobility, privatization, low inflation and a small state. They will be ditched or pursued selectively wherever necessary in the service of ruling class interests, including the conduct of rivalries between ruling class segments and stabilization of class compromises with the ruled. Neo-liberalization
and related class inequalities are implicated in a global politics that results in unequal ability to realize ostensibly universal human rights, as the article now discusses.

**FREEDOM, HUMAN DEVELOPMENT AND HUMAN RIGHTS**

A frequently-used measure of the North–South divide is income. This is valuable considering its importance as a means of accessing many other vital resources: food, health care and so on. It is also relatively quantifiable and is an accessible measure of inequality. However, Amartya Sen (1995) has argued that inequality should not be related solely or necessarily even primarily to income. That is because income is not always the main reason for limitations to a person’s freedom, defined as the practical capability and opportunity to exercise reasoned agency (Sen 1999). This goes to the core of what it means to be human, to feel fulfilled in human existence and to exercise universal human rights. A person may have a relatively low income because of a preference for free time over material consumption. This is a different position from someone who has no opportunity to secure an increased income (Sen 1995: 4). Furthermore, it is possible to achieve significant improvements in valued aspects of human freedoms such as education, health and human rights with limited increases or even reductions in income (UNDP 2010). A focus on freedom is different from a focus on outcome, as the latter obscures whether or not it is a product of choice. A person’s ability to exercise freedoms involves two things: opportunity and capability to take that opportunity. Opportunity and capability combine to form real or practical freedom. In this sense, Sen argues, development is the process of increasing freedom. For Sen (1999: 38), freedom overall is facilitated by five mutually reinforcing instrumental freedoms, namely, political freedoms, economic opportunities (access to economic resources to produce, consume and exchange), social opportunities (access to education, health care and the social institutions related to participation), transparency guarantees (open, reliable access to information) and protective security (social insurance). There are many possible ways of categorizing instrumental freedoms and the argument in this article does not rely upon accepting Sen’s particular five categories. Instead, the article adopts Sen’s definition of freedom as practical opportunity and capability to exercise reasoned agency, and emphasizes that income is something that in part constitutes or contributes to it.

Sen’s ideas have been central to the adoption and promotion by the United Nations (UN) of the idea of human development (e.g. UNDP 2010). Drawing on Sen’s work, in this article the global North–South divide refers to inequalities of freedom or, as a synonym, human development. The global North and global South refer to a rough overview of the spatial distribution of that inequality. In the global North, a larger proportion of humanity has a relatively high degree of freedom defined as opportunities and the capabilities to make use of them. This is not the same thing as saying that those in the global North are fully free: there are significant aspects of unfreedom in the global North, such as major problems with transparency and inequality in relation to taxation (discussed below). Equally, this is not to say that those in the global South are simply unfree. Furthermore, central to this approach is rejection of the position that the needs of the North are different from those of the South in some essential way. Humanity is diverse, but that means diverse in the North as well as the South, and differing levels of capacity mean that the same context of opportunity is not in itself equality. The instrumental political,
economic, social, informational and insurance freedoms are ones that in principle should be available to all equally in terms of opportunity and capability. Diversity in the freedoms valued and in how they are exercised are to be expected, whereas an implicit a priori assumption of differing and lesser needs, desires and entitlements of the South should be rejected.

The idea of development as freedom and its specific application in the practices of human development have been critiqued in a number of ways. However, as argued below, these critiques are not persuasive because the contradictory and variegated nature of neo-liberalization means that the idea of human development can be a valuable resource for resistance.

The first criticism is that human development is associated with neo-liberalizing attacks on national material development, welfare and redistribution. For example, according to Pupavac (2010: 707), ‘Development and security strategies have abandoned earlier goals of securing populations through comprehensive national development and welfare regimes. […] [C]ontemporary state-building does not affirm […] employment and welfare guarantees or the redistributive state.’ Pupavac is right to be looking for evidence of these trends. However, the work of Sen and human development thinking do not fall neatly into that category. In the first UN Human Development Report (HDR) in 1990, income was a central consideration, as was the importance of redistribution of income, welfare spending by the state and addressing the exploitative structure of the world economy in which debt servicing meant a huge flow of money from the South to the North (UNDP 1990, 1–5). Its references to the need for food and health subsidies where Northern social security schemes were lacking can be criticized for not having a clear statement that such subsidies should be regarded as only a stopgap on the way to comprehensive social security. Nevertheless, the three main areas of human development identified in the first HDR were health, education and ‘access to resources needed for a decent standard of living’, with further emphasis on ‘political freedom, guaranteed human rights and personal self-respect’ (UNDP 1990: 1). The twentieth anniversary HDR takes a similarly balanced rather than predominantly non-material approach. It mentions income 438 times and states,

> it is almost universally accepted that a country’s success or an individual’s well-being cannot be measured by money alone. Income is of course crucial: without resources, any progress is difficult. Yet we must also gauge whether people can lead long and healthy lives, whether they have the opportunity to be educated and whether they are free to use their knowledge and talents to shape their own destinies. (UNDP 2010: iv)

On policy the report says, ‘Because growth, even when sustained, has not automatically ushered in strong gains for broader aspects of human development, policies must be designed to advance income and other objectives together’. The report advocates exploration of the ‘overlaps and the potential synergies’ of ‘policies that advance economic growth and the nonincome aspects of human development’ (UNDP 2010: 103). While Pupavac’s criticisms for the most part do not apply to the material examined here, it may be that various development practices, including specific applications of human development, involve the abandonment of material development. Certainly, any approach to human development in Iraq or elsewhere that excludes or marginalizes its material dimension should be rejected.
The second criticism of human development discourse is that it tends to frame the human in an individualist, decontextualized way that serves neo-liberalizing globalization. Similar criticisms have been made of the notion of human security (Chandler 2008a, 2008b; Christie 2010). The centrality of the concept of choice in human development discourse could suggest neo-liberal market individualism in which almost everything is to be bought and sold. Jacqueline Ismael, Tareq Ismael and Raymond William Baker (2004) critiqued the early HDRs along these lines and contrasted them with the Arab HDRs (e.g. UNDP 2002). These were written by Arab intellectuals who gave the reports Arab historical and cultural content. The first Arab HDR emphasized material development; the economic and social rights contained enshrined in the Universal Declaration of Human Rights; the potential value of Arab regional integration to make globalization work for the region; the tendency of individualism, competition and selfishness to undermine commitment to the common good in the development process; and the need for political freedom as a good in itself and as means of achieving the other goods indicated (UNDP 2002: 23, Box 1.7). This shows that the concept of human development can offer opportunities for resistance to neo-liberalization. Approached in this way, freedom does not have to be seen as purely individualistic; people are also, and seek to be, part of collectivities, and aspects of their freedom acquire much of their meaning and are much more achievable in collective context. It is an approach that values the individual and the collective, not just one or the other.

Further comparison of the latest overall HDR (UNDP 2010) and the latest Arab HDR (UNDP 2009) is instructive. In the 2010 HDR, the concept of neo-liberalism is not mentioned but the market is, 55 times, often in terms of criticisms such as there being no such thing as a self-regulating market or reference to the ‘abuse of market power by powerful capitalist groups’ (UNDP 2010: 55). It says, ‘Human development focuses on individual and group empowerment’ (UNDP 2010: 18) but collective or group disadvantages other than those relating to age and gender are discussed only briefly (UNDP 2010: 21, 67, 75–76, 115). There is no mention of occupation or military intervention, while data on Israel are presented in tables without any discussion of Israel in the text. Hence, although it does not push a clearly neo-liberalizing agenda – which is significant – it contains a tendency towards depoliticization and decontextualization. In the 2009 Arab HDR, income is mentioned 342 times, which indicates its centrality. Although the term ‘neo-liberal’ is not used, markets are referred to 44 times, with criticism of deregulation and liberalization as resulting in soaring food prices, rising health care costs disadvantaging groups on lower incomes, small producers struggling, concentration of ownership of prime land and water resources, and production aimed at the consumption patterns of the rich rather than the poor (UNDP 2009: 135, 158, 141, 200). The report contains frequent discussions of trying to find a balance between markets and state intervention. It notes that the current trend towards market-driven approaches and improvements in investment climate is not likely to address the region’s unemployment problems because growth in the region tends to be oil based (UNDP 2009: 199). There are numerous and critical references to Israel (63 occurrences) and there is a whole chapter on occupation and military intervention, with overwhelmingly critical references to military intervention (59 occurrences) and occupation (106 occurrences) at various places throughout the document. There are dozens of references to group or collective human development, identity, struggles, memory and related ideas.
Overall, in comparison with the general HDR, the Arab HDR is more critical of market-dominated political economy, is much more willing to put politics (including global politics) centre stage and relates human development much more to identity, culture and the collective as well as to the individual.

The third criticism of human development is that it de-emphasizes human rights by positing them at a high level of abstraction, using them merely as ‘rhetorical repackaging’ and treating them solely as a demand by the North for action by the South (Uvin 2004: 27–28, 34–36, 123–27). In contrast, a rights-based approach would treat development as a matter of entitlement and not charity; require the funding of programmes necessary to meet those entitlements; be based on specific entitlements identified through participation by Southern as well as Northern actors; and require the North to change its own practices that violate the human right to development (Uvin 2004). Development should be treated as a human right in this way because framing it as an entitlement puts the issue of the resources and the redistribution necessary to realize that human right on the agenda in a more forceful way. From the start, the HDRs have represented development, including a decent standard of living, as a human right and the latest HDR endorses that and mentions human rights 64 times (UNDP 2010: 2). However, only one small subsection of the report is dedicated to them. The 2009 Arab HDR is qualitatively different in putting human rights centre stage (with 227 occurrences), treating human rights as integral to development and requiring the North to change its practices. It states that the ‘seven building blocks of Arab human security’ are environmental sustainability; ‘guarantees of essential rights, freedoms and opportunities’; improvement of the situation of vulnerable women, children and refugees; knowledge-based, equitable and diversified economies; sufficiency for all in essential food commodities; health for all as a human right; and an end to human rights violations and violations of sovereignty by regional and global powers through occupation and military intervention (UNDP 2009: 15–16). In this analysis, human security is about dealing with threats to rights and capabilities whereas human development is about expanding those rights and capabilities (2009: 20–21). What this shows is that the ideas of human development and human security can be rearticulated as matters of rights linked to an understanding of the unequal distribution of material resources that obstructs their achievement.

**INEQUALITY, REDISTRIBUTION AND TAXATION**

Realization of the human right to development requires material redistribution as a necessary but not sufficient measure, and taxation is an indispensable tool of that process. In critiques of the global North–South divide, some scholars have seen the divide as being driven by the protection of mass consumerism in the North and denial of mass consumerism to the South. In this way the South is faced with a permanent emergency of trying and often failing to achieve community-based self-reliance extending no further than minimal basic needs (e.g. Duffield 2010a, 2010b; Pupavac 2010). However, we have to look beyond a Northern consuming mass versus a Southern marginal non-consuming mass and think about what forces pit them against each other. To understand masses we have to think about classes, otherwise redistribution solely means the Northern mass consuming less so that the Southern mass can consume more. Northern mass consumption is driven less by simple individual greed than by sociality, that is, by need for social standing among those around us (Wilkinson and Pickett 2010), and by socialization into neo-liberal subjectivity.
Despite mass consumption, people of the North experience strong senses of dissatisfaction with a substantial part of that consumption. Driving this process on is the logic of capital circulation in the pursuit of capital accumulation, which requires the continuous creation of dissatisfactions to prod people into further consumption. The drive for capital accumulation has exploited and distorted human sociality, and its contemporary neo-liberalizing variant, in tending towards commodification and the primacy of market relations, is a fundamental problem for humanity. The Northern and Southern masses face problems that are different in some ways but are also interconnected. At the first level of approximation, class involves those who own capital and those who sell their labour to the owners of capital. Of course, social reality is more complex than this but the distinction draws attention to a vital part of what is going on. The high-consuming and low-consuming masses are subordinated to those who are accumulating capital. This capitalist ruling class is itself split in many ways so that its fractions act in their own interests rather than capitalism per se. In particular times and places and in relation to particular functions it will take widely varying forms, but it still expresses an underlying process of capital accumulation (Harvey 2005: 31–26, 201–03). One starting point for an alternative is the principle that all of humanity has an equal right to a satisfying and sustainable life. The question then is how the Northern mass and Southern mass can converge on this while understanding that this will still manifest itself in great diversity within as much as between the North and South. A central element of that process is taxation.

Tax matters because it is a crucial tool of redistribution to realize the human right to development, both material and non-material. The UK Department for International Development (DFID) has a chapter on tax in its synthesis of academic research it has funded over the last ten years on governance and fragile states. It states that taxation reform is ‘a profoundly political “state-building” activity’ and that ‘limited taxation capacity is often the deliberate result of elite bargains and political settlements’ (UK DFID 2010: 76, 78). This observation is correct, but the references throughout the chapter to such problems locate them exclusively in the South. In fact, the issue of tax avoidance is a global problem. This issue has come to increased, but by no means sufficient, prominence due to the global financial crisis. Part of the response has been counter-cyclical financial stimulation by the state, but another element has been cuts in state spending. The cuts have sometimes been aimed at deficit reduction but are also the exploitation of a possible opportunity to extend neo-liberalization even where there is no budgetary saving. The cuts have a class character in that they are being combined with tax cuts for, and tax avoidance by, the wealthiest, and the ones who will have to pay the price will be the majority of the population in the North and South. The most vulnerable will pay a particularly heavy price. The most vulnerable not only means the people of the South in the South, but also refers to the people of the South who seek refuge in the North. For example, Refugee and Migrant Justice (RMJ), the largest UK provider of legal support to asylum seekers (including many Iraqis) and vulnerable migrants, went into administration in 2010 due to cash flow problems resulting from changes to the legal aid system aimed at cutting costs, including fixed fees and payment of bills only on case completion (Trilling 2010).

Estimates vary of the exact size of the gap globally between the amount of tax actually paid and the amount that would be paid if measures were taken in relation to tax avoidance (legal measures to not pay tax as required by the
letter and spirit of the law), tax evasion (illegal measures), non-collection of tax and a tax on global financial transactions. For the United Kingdom, alone, the amount is well into the billions of pounds (Tax Gap Reporting Team 2009; PCSU no date). The wealthy and powerful are best placed to avoid paying tax that could be redistributed. They can have tax affairs so complex that the tax gatherers will simply propose a lower settlement than their initial demand. For example, Vodafone reached a settlement with the UK government’s tax collection agency Her Majesty’s Revenue and Customs (HMRC), which reduced its 2009 tax bill by up to £6 billion (UK Uncut 2010). Another legal strategy is to channel money through family and tax havens: multi-billionaire Sir Philip Green, who was asked by the United Kingdom’s Conservative–Liberal Democrat Coalition Government in 2010 to advise it on its planned 25 per cent cut in public spending, makes full use of the legal opportunities available to him to reduce his tax bill massively by channeling ownership and dividends via his family, residence in Monaco and company registration in Jersey (UK Uncut 2010). The amount of money involved with tax havens is huge: for example, the Cayman Islands have deposits totalling $1.9 trillion (Shaxson 2011). Yet another strategy is to set losses against tax: Barclays Bank paid only £113 million in corporation tax in the United Kingdom in 2009 by setting against tax its previous year’s losses and yet it had profits of £11.6 billion and a bonus pool of £3.4 billion (BBC News 2011). Meanwhile, 1.6 million children in the United Kingdom live in severe poverty (Save the Children 2011a). Instead of closing the tax gap and redistributing effectively to the poorest, the British government is cutting the rate of corporation tax from 28 to 24 per cent by 2014 and large and medium companies will cease to pay tax on money made by their foreign branches (including via tax havens) if they bring that money to the United Kingdom and the UK tax rate is higher. However, they will still be able to claim against UK tax the funding of their foreign branches (UK HM Treasury no date a; Monbiot 2011). The Liaison Committee tasked with ‘strategic oversight of the development of corporate tax policy’ is exclusively from big business (including BP, GE, Santander, Aviva and Tesco) and the same can be said of all six Working Groups, which are meant to ‘discuss options and proposals in more detail’ (Tesco, Rio Tinto, Vodafone, Shell, Kraft, HSBC, British American Tobacco and so on) (Monbiot 2011; UK HM Treasury no date a, no date b). This illustrates the way that the state and big business overlap at the top to produce class bias in taxation. This bias is similarly evident in the ‘poverty premium’: paying for basic goods and services costs the average low-income family at least £1,280 per year more than wealthier one due to higher charges such as those incurred for not paying by direct debit (Save the Children 2011b). It is also an important counter to the argument that adopting this kind of neo-liberal approach to taxes and capital flows will assist Iraqi human development. It is instead a road to inequality with the result that extensive child poverty can persist even in a rich country with a formal commitment to its eradication. With these issues in mind, we can assess the emerging approach being taken in Iraq to rebuilding.

IRAQ’S HUMAN DEVELOPMENT REPORT, NATIONAL DEVELOPMENT PLAN AND POVERTY REDUCTION STRATEGY

Iraqis tend to see themselves proudly as coming from a society that was the cradle of civilization in its ancient contributions to the development of writing, legal systems, libraries, mathematics, astronomy, medicine, technology and
so on. Furthermore, Iraq under Saddam Hussein until the 1980s and 1990s was in many respects an advanced industrial society. However, the mutually reinforcing catastrophes of multiple wars, comprehensive economic sanctions, Saddam Hussein’s hollowing out of the formal state and the creation of a shadow state followed by invasion, occupation, collapse of some parts of the state and dismantling of others, civil war and post-occupation political incoherence have all taken their toll. In this sense, the task for Iraq is not development but ‘re-development’ (Iraq PTCPRP/WB 2011: xxi). The issue here is whether the dominant pattern in this inevitably contradictory and hybrid process is national material development and redistribution or neo-liberalization and its associated inequalities. A comprehensive answer to this question is far beyond the scope of this article. Instead, the intention here is to examine recent Iraqi official documents on national development, human development and poverty reduction for evidence of the state of affairs in this struggle.

In 2008 Iraq published an HDR (the first Iraqi HDR since 1995) under the auspices not of the UNDP but its own Ministry of Planning and Development Cooperation and Baghdad think tank Bayt al-Hikma in cooperation with the Kurdish Ministry of Planning (Iraq MoPDC/BH 2008). The language used in it is in line with the human development approach of Sen and the UNDP. The concept of human security is used in combination with human development throughout as a means of taking into account the Iraqi population’s high levels of multidimensional insecurity. Income is treated as an indispensable element of progress and is mentioned 115 times. In considering freedom from want, the report starts with living standards measured as GDP per capita, household income and percentage of household income spent on primary goods and services. It quotes Article 30 of the 2005 Iraqi Constitution (Iraq MoPDC/BH 2008: 42):

> The state guarantees to the individual and the family – especially children and women – social and health security and the basic requirements for leading a free and dignified life. The state also ensures for the above a suitable income and appropriate housing.

Hence the Iraqi HDR contains a clear commitment in principle to the material dimension of well-being and to the responsibility of the state in guaranteeing it. The report endorses a transition to an open market economy but warns that this transition, combined with democratization, ‘involves enormous institutional and cultural changes that could lead to violence’ (Iraq MoPDC/BH 2008: 63). Iraq’s economic mess is blamed not only on the Saddam Hussein regime but also on the economic sanctions and then policies such as cuts in fuel subsidies that resulted in skyrocketing prices. Also blamed are an oil-dominated economy and a state that nearly doubled in size in terms of employees from around 1 million in 2004 to 1.9 million in 2006. The report notes that official discussion of privatization of Iraq’s public sector companies in 2004 gave way in 2005 to consideration of their reform and rehabilitation, but little has come of this (Iraq MoPDC/BH 2008: 109). Of course, the private sector has always had a significant role in the Iraqi economy and the report argues that reviving it and encouraging economic growth must be pro-poor in relation to incomes and living standards. However, any presumption against the value of state employment and in favour of privatization is a hallmark of neo-liberalization (Mahdi 2008; Owen 2007). The report treats human security as a matter of rights: it identifies three factors favouring human security – secure basic rights, secure socio-economic rights and good
governance (Iraq MoPDC/BH 2008: 19). It argues for treating human development as an ‘evolving concept’ and proposes that this evolution includes reflection on the widening wealth gaps between countries; reconsidering the notion that the concept of good governance will redress bias towards ‘market ideology’; and challenging the view that the state is incapable of overcoming corruption or lack of development (Iraq MoPDC/BH 2008: 11). Overall, there is a commitment to neo-liberalization in terms of creating an open market economy. However, the Iraqi HDR ticks many positive thematic boxes which contradict a purely neo-liberalizing discourse. They point to the inevitability of hybridity between neo-liberal marketization and commodification on the one hand and existing, evolving social systems on the other. Those themes include income as central, state-guaranteed welfare, human security as a right, including external forces in understanding Iraq’s economic problems and framing the issues in relation to global inequalities.

The Iraqi Ministry of Planning produces an annual *National Development Plan* (Iraq MoP 2010). In one sense, the very existence of such a thing suggests resistance to neo-liberalization but simultaneously it can be a means of promoting neo-liberalization. The document argues that a five-year plan allows for a more strategic approach than planning year by year. It stresses that the plan is new in terms of the sophistication of its methods (including using reliable data and in-depth long-term analysis in aggregate, sectoral and spatial terms), taking into account Iraq’s political and economic instability, building in a participatory approach to its preparation, proposing decentralized administration of the plan, treating the domestic and foreign private sector as a partner expected to provide nearly half of the investment contained in the plan and taking into account many factors not considered in the past such as environmental sustainability (Iraq MoP 2010: 6–7). The model envisaged is a diversified and competitive economy with the private sector central to wealth and job creation and the public sector dealing with market failures, distributing income fairly and promoting the progress of vulnerable groups. The more specific goals in the plan are economic growth, job creation, economic diversification, investment by the domestic and foreign private sectors, poverty reduction, more even spatial development, sustainable development that balances economic, social and environmental considerations and a greater role for local government. The plan sets out its objectives for each sector and means of achieving them in separate chapters on the population and labour force, the overall economy, the financial and monetary sector, agricultural and water resources, industry and energy, infrastructure, public services, the social status of the vulnerable, spatial development and environmental sustainability, the private sector and good governance. Encouragement of the private sector is to include improving the climate for investment, public–private partnerships and privatization. The Iraqi Human Development Committee was one of the nine committees that drafted the report, which draws on the national HDR discussed above. The national development plan does not use the concept of human security but it contains numerous references to aspects of security, including food, environmental and social security as well as security from violence. It is clear, then, that the idea of a national development strategy with the economy at its core has not been abandoned and its specific form has been improved with respect to participation, welfare, the environment and diversification of the economy away from reliance on oil. There are signs in the plan of a neo-liberalizing orientation but there is also much in the way of national material development, redistribution and welfare.
Iraq adopted a national strategy for poverty reduction in 2009 (Iraq HCPRP 2009). Although the document does not mention the concept of human development explicitly, its approach almost exactly copies its framework. It defines poverty alleviation as ensuring that the poor have higher incomes from work, improved health, more and better education, an improved living environment, effective social protection and less inequality between women and men. The national strategy is overseen by a High Committee for Poverty Reduction Policies (HCPRP), which is linked to the national Ministry of Planning and Development Cooperation and the Kurdish Ministry of Planning. The HCPRP is composed exclusively of Iraqi politicians, civil servants and academics. This suggests a significant degree of Iraqi ownership, even if it is supported by the World Bank and consults with international as well as domestic Iraqi bodies. When one turns to substance, its primary but not exclusive focus is on income. Hence it is not an exercise in romanticizing low levels of consumption, insisting on self-reliance or substituting non-material freedoms for material ones. It takes a strategic approach with a clear sense of priorities linked to the national development plan. The goal is to cut the number in poverty by 30 per cent from seven million to five million in 2014 (US SIGIR 2011: 88). In all areas there are identified activities, implementing authorities (ministries, main institutions and relevant institutions), types of funding, indicators, methods to verify outcomes and nature of publications of those outcomes linked to an overall process of implementation, monitoring and evaluation. Its strategies are focused on income-generating opportunities through employment; empowerment of the poor defined as awareness of and ability to exercise their economic, social and political rights; capacity building of the poor to make it easier for them to find work; and an effective social safety net that includes private sector and civil society participation. While these commitments contain elements of resistance to neoliberalization, they also have the potential to be neoliberalizing in being part of the World Bank’s project in cooperation with Iraqi capital to create a productive labour force that will not challenge the class dominance of capital over labour (Cammack 2002). Furthermore, there are major obstacles in the way of realizing commitments of any kind to Iraq’s poor, as the article now explains.

‘IRAQI POVERTY IS VERY SHALLOW’, THE DAY OF RAGE AND THE OCCUPY MOVEMENT

The assessment of the Iraq HDR in 2008 was blunt: there is ‘no cushion for the poor’ and ‘little or no provision for pro-poor growth’ (Iraq MoPDC/BH 2008: 45–46). The Public Distribution System (PDS) of food and basic goods reaches almost all of the population and provides most of the average minimum intake of calories needed. The Social Protection Net (SPN) was introduced late in 2005 at the same time that the state subsidy on fuel ended, and a system of cash payments intended for the poor was built into the national budget as of 2006. Around 99 per cent of the Iraqi population receive some form of government subsidy and the cost of those resource transfers amounted to 8.8 per cent of GDP in 2008 (US SIGIR 2011: 1). The main groups funded, totalling around one million people, have been the unemployed; the disabled; those incapacitated by age or illness; orphaned children; divorced or widowed women; married male university students; families of those in prison, in custody or missing; and incapacitated heads of household (Iraq MoPDC/BH 2008: 30). The Iraqi Permanent Technical Committee for Poverty Reduction Policy (PTCPRP) took the lead role in a major analysis
published in conjunction with the World Bank (Iraq PTCPRP/WB 2011). Their analysis points out that the targeting of the SPN at the groups indicated above are poor predictors of poverty. Its calculation is that less than 10 per cent of those below the poverty line are reached and about two-thirds of those who are awarded the SPN are not below the poverty line (Iraq PTCPRP/WB 2011: 76). While better targeting may increase the system’s effectiveness, the short-term issue is whether the income of the poorest will be increased to at least match the rises that result from the phasing out of price controls, subsidies and rations of food and other necessities through the PDS.

There is a deeper problem than targeting, and that is the official definition of what it means to be non-poor. About 22.9 per cent of the population are below the official poverty line. Because most people below the poverty line are close to it, the Iraqi PTCPRP states that ‘Iraqi poverty is very shallow’ (Iraq PTCPRP/WB 2011: 21). Raising all Iraqis to the poverty line would cost a mere $1.3 billion per year in income, or about 9 per cent of its 2009 budget surplus on the most conservative of assumptions (US GAO 2010). Of course, actually bringing about that income change would cost more than $1.3 billion (Iraq PTCPRP/WB 2011: 9, 17), but the surplus is so vast that additional costs could be covered with ease. Officially, an Iraqi ceases to be poor if household spending allows for just enough spending on food to purchase the minimum necessary energy intake and just enough for basic non-food needs (housing, education, health). This is calculated as ID 76,896 per person per month (Iraq PTCPRP/WB 2011: 11–13), equivalent to about US$ 66 per month per person at an exchange rate of 1170 ID to 1 US$ (US SIGIR 2011: 81). While the same amount of money has a great deal more purchasing power in Iraq than in the United States, it is a travesty to call someone in Iraq with this income ‘non-poor’. The notion of what basic needs are must be extremely basic considering the fact that there are huge problems with housing, education and health, as the national development plan itself indicates (Iraq MoP 2010: 114–26). It is probable that the World Bank’s international staff would think themselves poor if they lived in those conditions, and it is unfortunate that Iraqis have been part of devising this definition of non-poor for their fellow citizens. Furthermore, the report states that while 77.1 per cent are above the poverty line, most are only a little above it. The report notes that this means that the vast majority of ‘non-poor’ Iraqis are very vulnerable to personal and macro shocks (Iraq PTCPRP/WB 2011: 9, 20). Taking these points into account would suggest that Iraqi poverty is deep and human insecurity the norm, with about 80 per cent or more of the population poor as measured by being close to either side of the official poverty line (Iraq PTCPRP/WB 2011: 21, figure 3.4).

The official definition of poverty symbolizes a position on two crucial and interdependent questions. The first is whether Iraq is already for the most part free of poverty. The current poverty reduction strategy says yes, but the strategy defines most of Iraq’s poverty out of existence. It fails to connect sufficiently to the profound insecurity faced by most Iraqis. The second is whether Iraqis should accept without discussion or reflection drastically lower levels of human security and development than would be acceptable to most of the population of the North. The current poverty reduction strategy naturalizes this position and implicitly answers ‘yes’. This global inequality is entrenched through the involvement of Iraqi officials in its production and reproduction. Even though it will play out in diverse ways, all human beings have a right to an equal level of human security and development. Global inequality in this must be named as the first step to redressing it.
Progress in tackling the deep poverty and insecurity in Iraq will depend on these and other struggles, dynamics and uncertainties (Merza 2007). Two important factors in addition to those already discussed are elite political incoherence and mass political protest in Iraq itself. The priorities set out in earlier versions of the national development plan were not reflected in the federal or regional budgets from 2006 to 2008 (Misconi 2008: 275). It is unclear whether the latest plan is reflected in the 2011 budget, which was passed months late (Visser 2011b). Even if the plan’s priorities had been written into the budget, it does not mean that anything will happen, for two reasons. First, the Iraqi government has failed every year since 2004 to carry out all of its spending plans. In 2007 it managed to spend only 28 per cent of its budget, though this was better than its spend of 23 per cent in 2005 and 19 per cent in 2006. In the oil sector, spending was almost zero (0.03 per cent) in 2007 and was 4 per cent in 2005 and 5 per cent in 2006 (US GAO 2008: 46; see also Misconi 2008). Iraq’s capital budget execution went up from around 50 per cent in 2009 to around 70 per cent in 2010, which suggests some progress but the figures must be regarded as rough estimates (WB ITF 2010: 2). The actual implementation has been even lower than the official spend, not only due to insecurity but also due to lack of administrative capacity in the Iraqi state, political deadlock, lack of skills and supplies among Iraqi contractors and suppliers, and the overall weak state of Iraq’s economy (Misconi 2008: 274). Iraq had a cumulative budget surplus of $52.1 billion at the end of 2009. With $40.3 billion in outstanding advances, the net surplus was $11.8 billion (US GAO 2010). It is unlikely that the figures for outstanding advances actually mean that the funds really are committed and will be disbursed for those purposes, as the outstanding advances total has increased every year since 2004 (US GAO 2010: 11). The 2011 budget repeats past practice of every year since 2004 of projecting a budget deficit for the coming year (Visser 2011b) despite there being a budget surplus in every preceding year. So, the good news is that Iraq has money to spend. The bad news is that it fails to spend much of it, or to spend it effectively.

Political incoherence at the national level is a key factor in this poor performance. After parliamentary elections in March 2010, it took until December 2010 to secure parliamentary approval of the formation of a new government by Prime Minister Nouri al-Maliki. In February 2011 the filling of ministerial positions was still not complete (Visser 2011a). In January 2011, the US Embassy regarded dissatisfaction with lack of evidence of improvement in basic services (water, sewerage, electricity and so on) as the main threat to Iraq’s stability in almost every province, with corruption and conditions of prisoners also being major potential flashpoints (quoted in US SIGIR 2011: 59–60). In a stunning set of popular protests beginning in early 2011 that have become known as the Arab Spring, the authoritarian rulers President Hosni Mubarak of Egypt and President Zine al-Abidine Ben Ali of Tunisia were forced out of power. Their successors have come under continuing popular pressure for real reform and the regime of Libyan dictator Col. Muammar Gaddafi fell in October 2011 due to the combined weight of an uprising and North Atlantic Treaty Organization (NATO) air strikes. Inspired by these events, major popular protests against unemployment, poverty, poor public services, corruption, patronage and authoritarianism also began in Morocco, Algeria, Tunisia, Libya, Egypt, Jordan, Yemen, Bahrain, Iran and Iraq. Protests have taken place in many Iraqi cities from the Kurdish cities of Irbil and Suleymaniya all the way down to Basra. They have included an Iraqi national ‘Day of Rage’, stifled in part by a security lockdown. In Iraq
many thousands have demonstrated, some government buildings have been burned and dozens of protesters have been shot dead while the authorities have routinely and with impunity violated human rights (HRW 2011). The connections between these events and the Occupy Wall Street movement that emerged in the summer of 2011 and proliferated in many countries across the world from September 2011 onwards as the Occupy movement have been quite limited thus far (Rogers 2011). For obvious reasons, the word ‘occupy’ has different and more negative connotations among most Iraqis and Arabs. Nevertheless, there is much shared ground, including resistance to neo-liberalization as a global phenomenon with inevitably diverse local forms.

**CONCLUSION: ADVANCING A GLOBAL, EQUAL RIGHT TO DEVELOPMENT**

Critics of the concept of human development argue that it has for the most part been easily absorbed into neo-liberalizing frameworks that neglect national, material development and that fail to prioritize the poor and insecure. While those criticisms have some force, more attention needs to be paid to the opportunities for resistance afforded by the fact that neo-liberalization is permeated by self-undermining contradictions and must articulate in hybrid and diverse fashion with existing social forces. The idea of human development is not exclusively associated with the abandonment of material development, with neo-liberalization or with the rejection of the claim that development is a right. There is evidence of resistance to human development as a substitute for national development, non-material development as a substitute for material development, and human security in opposition to national security. Instead, they are framed as complementary; The 2009 Arab HDR says, ‘human security and state security are two sides of the same coin’ (UNDP 2009: vi). It treats human security as the primary concern but also argues that the security of individuals requires ‘a strong, accountable and well-governed state’ to deal with internal and external threats to human security (UNDP 2009: 24). It also says, ‘While the primary responsibility to provide for human security lies with the Arab state, […] the policies of international powers have not been helpful. Foreign interventions and occupations have had devastating impacts’ (UNDP 2009: vi). This resistance to depoliticized and neo-liberalizing discourses on development can be contrasted with the Iraqi poverty reduction team’s representation of Iraqi poverty as shallow. Hence the struggle is not simply an Iraqi one against top-down global governance impositions: Iraqi agency feeds back to the global and is part of a process of contestation.

Framing human development and human security as matters of rights needs to be linked to an understanding of the contradictory, hybrid and diverse nature of neo-liberalization and its relationships to inequalities. While non-material development can provide things that material development cannot, there is no substitute for a sufficiently high level of material development. At the global level, material development has not been abandoned completely, as can be seen in the major new report by the UN Environmental Programme on the green economy (UNEP 2011). Realization of the human right to development requires material redistribution as a necessary but not sufficient measure, and taxation has a vital role to play in the global North as well as the global South. As the example of the United Kingdom shows, class bias in taxation means that inequalities such as child poverty will persist even in countries that are wealthy but extensively neo-liberalized. The prospects for development – national
and human, material and non-material - would be improved greatly by the
global adoption of the measures advocated by the Tax Justice Network (TJN
no date): transparent, simple and progressive taxation; tax self-sufficiency as a
better route than aid to development; international cooperation on tax, regula-
tion and crime; a managed restructuring leading to the shutting down of tax
havens and offshore finance; and the promotion of tax compliance, responsibil-
ity and accountability. It will be a tough struggle of exposure, campaigning and
coalition building within and across states to overcome inevitable ruling class
opposition to tax justice and recognition of a global equal right to development.
Recent Iraqi official documents show signs of resistance to neo-liberalization
and show at least some commitment to development as a right. However,
the official definition of poverty in these documents is part of the problem in
massively understating the depth of poverty in Iraq. The political incoherence at
the top of the Iraqi political system is a further barrier to progress. Nevertheless,
the revolts across Iraq and much of the mainly Arab world against poverty and
inequality and their potential connections to Occupy movement show that the
struggle against neo-liberalization continues and evolves. Understanding that
neo-liberalization is inherently incomplete, unstable, contradictory, hybrid and
diverse provides reason to think that the potential for resistance to it within and
beyond Iraq is also inherent.

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