

Fighting unitedly against poverty, hunger and injustice in South Asia

PROCEEDINGS OF THE 3RD GENERAL ASSEMBLY OF SAAPE



South Asia Alliance for Poverty Eradication (SAAPE)

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8-9 August 2009

Kathmandu, Nepal



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Proceedings of the 3rd General Assembly of South Asia Alliance for Poverty Eradication (SAAPE)

Published by:

South Asia Alliance for Poverty Eradication (SAAPE)

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Publication date:

December 2009

Printed at:

Sthapit Offset Press

Tahachal, Kathmandu

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FOREWORD

SAAPE is an active alliance of civil societies in South Asia region. Since its official establishment in 2001, it has had undertaken serious discourse on the politics of poverty and marginalisation of the majority by a handful elites. Despite age-old rich cultural, political and geographic landscapes of the region that have been nourishing the world renowned human civilisations on earth, a vast majority of the people are continuously subjected to pauperisation, structural discrimination and denial of their fundamental rights. Neither the predominant political processes nor the development paradigms have succeeded to address the problems of the marginal groups of people –the women, dalit, indigenous nationalities, differently able, sexual and religious minority groups, workers and peasants. Prolonged failures by the existing governance systems for effective and just delivery of the goods and services to the satisfaction of the aforementioned groups of people often resonate in different forms and manifestation of discontent at all levels, including up to the level of civil unrest. These frustrations take up various forms of struggles and get converted into social movements. SAAPE is trying to play a catalytic role of coordinating and consolidating these struggles and social movements to fight against the mammoth problem of poverty, denial and discrimination, and put forward people's sustainable alternatives.

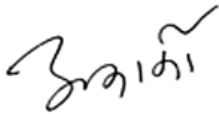
In this context, the SAAPE initiative has already passed glorious eight years of its establishment and has just concluded its 3rd GA in August 2009. Nearly 100 delegates from all the countries of South Asia gathered in Kathmandu had discussed and debated various issues of their concern and provided political guidance to SAAPE. This report is the unanalysed synthesis of their deliberations.

All the delegates, staff members and other actors who contributed in different ways for the successful conclusion of the 3rd GA are highly appreciated. Special thank goes to Sarba Raj Khadka and Rachita Sharma who successfully managed the entire proceedings of the GA. Mr. Khadka is also accredited for editing this report. Similarly, Padma Khatiwada and Balchandra Mishra who took notes and drafted the report are duly acknowledged. We hope this report would be a useful media for disseminating the struggles and prospects of SAAPE, and lay down strong foundation for deepening and widening this initiative. The

views expressed in this report in whatsoever forms do not necessarily represent those of SAAPE's funding partners and the secretariat host. Any typo errors and mis(interpretation) are the sole responsibility of the secretariat. Candid opinions and concrete suggestions from the esteemed readers are always welcome.

The whole or part of the report or any information contained in this report could be used for non-commercial purposes with due acknowledgement. The SAAPE secretariat always requests for a copy of such publications for our own purpose.

Thank you,

A handwritten signature in black ink, appearing to read 'Arjun Karki', with a stylized flourish at the end.

Arjun Karki, PhD

Coordinator

ACRONYMS

ACC	Advocacy and Campaign Coordinator
ADB	Asian Development Bank
ANPFa	All Nepal Peasants' Federation
ANWA	All Nepal Women's Association
APMDD	Asia Pacific Movement on Debt and Development
ARENA	Asian Regional Exchange for New Alternatives
BNDP	Bhutan National Democratic Party
BNPS	Bangladesh Nari Progati Sangha
CEDAW	Convention on the Elimination of All Forms of Discrimination against Women
CPN	Communist Party of Nepal
CSO	Civil Society Organisation
CTFO	Country Thematic Focal Organisation
EC	European Commission
EEPA	Europe External Policy Advisors
EP	European Parliament
EU	European Union
EURODAD	European Network on Debt and Development
Eurostep	European Solidarity towards Equal Participation of People
GA	General Assembly
GDP	Gross Domestic Product
HIVOS	Humanist Institute for Cooperation with Developing Countries
ICCO	Interchurch Organisation for Development Co-operation
ICT	Information and Communication Technology
IFI	International Financial Institution
IMF	International Monetary Fund

KDF	Korea Democracy Foundation
LDC	Least Developed Country
MDGs	Millennium Development Goals
MONLAR	Movement for National Land and Agricultural Reform
NGO	Non Government Organisation
NOVIB	Netherlands Organisation for International Development Cooperation
NPC	National Planning Commission
PILLER	Pakistan Institute of Labour, Education and Research
PJD	Peace, Justice and Demilitarisation
RRN	Rural Reconstruction Nepal
RTFO	Regional Thematic Focal Organisation
SAAPE	South Asia Alliance for Poverty Eradication
SAARC	South Asian Association for Regional Cooperation
SAFTA	South Asian Free Trade Agreement
SDO	Sanayee Development Organisation
USA	United States of America
WB	World Bank
WSF	World Social Forum
WTO	World Trade Organisation
UNCTAD	United Nations Conference on Trade and Development
FDI	Foreign Direct Investment
ODA	Official Development Assistance
UNICEF	United Nations Children's Fund

1. BACKGROUND

1.1 Brief History of SAAPE

South Asia Alliance for Poverty Eradication (SAAPE) was established in the wake of the historic gathering of various civil society groups in Manesar, India in 2000. This gathering was attended by civil society actors from South Asia and like-minded organisations from Europe, who came together to talk about poverty in the region and possible ways to combat it. This gathering came up with the comprehensive document which is well known as Manesar declaration of 2000. In order to work towards eradicating poverty, it was felt that civil society organisations (CSOs) and individual activists have to unite in a politically sensitive advocacy platform that also closely cooperates with friendly organisations in Europe and elsewhere. After completing all necessary preparations and formalities, SAAPE emerged as a formal South Asian umbrella organisation, especially focused on the diverse aspects of poverty eradication under the discourse of politics of poverty, in 2001. The Rural Reconstruction Nepal (RRN) in Kathmandu facilitates and hosts SAAPE's regional secretariat. The alliance envisages expanding its network in the region, while the concerns of its members in the form of advocacy and lobby are taken up in Europe mainly by its partners based in Brussels and other parts of Europe.

Building an all-time well-functioning and politically sensitive alliance as large as SAAPE, on a broad theme like poverty, has not been an easy task for the SAAPE members and its well wishers. The interests from different members representing various CSO constituencies and activists were overwhelming, and the alliance expanded quickly from 23 members in 2001 to 100 by mid 2005 and more than 175 in 2008. To accommodate the different views of different types of organisations in a dynamic network like SAAPE, a decision was made to maintain a "loose" structure, bounded by a set of minimum common principles (MCP). Membership of as many CBOs and people's movements as possible has been aimed at, as to make SAAPE a real grassroots "movement" rather than an exclusive "talking club" at high up.

Obviously, a large and loose network structure expended over a relatively larger geographical region has its own disadvantages. Advocacy activities have always been a delicate balancing between accommodating the needs of the people and interests of all members

pursuing an efficient and effective lobbying and advocacy mechanism. Another complicated issue is the “ownership” of actions: especially in the early days of SAAPE’s development, it was not always easy to figure out which activities were genuinely regional and which ones were mainly actions initiated by the individual or country based members of SAAPE in their respective areas of work.

The highest decision-making body in SAAPE is the General Assembly that meets every 3 years. In the intermediate years, there are the annual general meetings (AGM’s) of SAAPE’s representatives: the Core Committee (CC), the Regional Thematic Focal Organisations (RTFOs), the Coordinator and Secretariat staff and other elected representatives by different themes from as many countries of the region as possible. To facilitate implementation by the thematic groups and maintain a constant flow of communication between the country groups and the Regional Thematic Focal Organisations (RTFOs), and the secretariat, SAAPE has introduced the position of Advocacy and Campaign Coordinators (ACCs) based in all the RTFOs. This mechanism is the result of many years of experience on the way of searching the effective programme operating system. It ensures a good matrix of themes which means a manageable coordination, discouraging the development of a secretariat-centred network. From working on a rather long list of issues, in 2005 SAAPE decided to focus on the following five themes: Food Sovereignty, Livelihood and Employment; Labour Rights; Just and Democratic Governance; Peace, Justice and Demilitarisation; and Gender. Each of these themes is coordinated by the respective RTFO.

The RTFOs are responsible to implement thematic programme activities, whereas the Core Committee provides political leadership to the entire initiative in between the GA and AGM and the Regional Secretariat facilitates implementation of the GA, AGM and CC decisions, coordinates with other partners and the thematic groups and maintains general and financial administration of SAAPE.

1.2 Mission, Objectives, Activities and Issues of Discussion

SAAPE’s mission is to intervene on the issues of poverty and exclusion thereby contributing for eradicating poverty and injustices, rejecting the neo-liberal development models and striving for sustainable alternatives that are pro-poor people of South Asia.

SAAPE's overall objective is to have pro-poor and inclusive policies for eradicating poverty and establishing peace in the South Asia region. This is further explained under its two specific objectives:

To protect and promote fundamental rights of poor and excluded to food, employment, governance and justice in the region; and

To strengthen and expand civil society initiatives for improving access of poor and excluded to decision making processes.

SAAPE's activities mainly anchor around two core pillars: issue based research for advocacy, campaign and lobby and capacity building of its members. Activities of SAAPE include: developing a resource base for promoting alternatives; arranging public platforms such as the People's SAARC, parallel to the official SAARC conferences providing platforms for different struggles to come together to consolidate and re-energise their campaigns; facilitating the participation of members in the different advocacy, lobby and campaign works; organizing information campaigns and rallies; and facilitating lobby activities as well as capacity development workshops and seminars. Furthermore, SAAPE also publishes the Poverty and Vulnerability Report of the region every three years as well as bulletins, posters, issue based papers and other advocacy and awareness materials.

Throughout these years, SAAPE has constantly tried to make organisational improvements for a better coordination of its activities, members and partners. In the region it has been recognised as a significant initiative to voice civil society concerns on the political issues of poverty and vulnerability. It has been able to mobilize CSOs and activists in significant numbers on common concerns not only within the region but beyond. For example, SAAPE has been able to advance its lobby work with the European Union and other bi-lateral partners by way of its continued representation based in Brussels.

1.3 About the Third General Assembly

The 3rd General Assembly and 2009 Annual General Meeting of SAAPE was held on 8-9 August 2009 in Kathmandu, Nepal. The theme of this event was "*Global Financial Crisis and Implications in South Asia*".

The GA, which is held after every three years, was attended by SAAPE delegates from South Asian countries that are involved in the issues of poverty and exclusion of different forms. They mainly represented peasant organisations, women's organisations, NGOs, trade unions,

grassroots social movements, CBOS, independent academics, journalists, litterateurs, and human rights defenders and peace advocates. Representatives from European NGOs and invited members from other organisations were also the participants of this event.

In every GA as well as AGM, SAAPE has a tradition of organising a public talk programme on contemporary political and socio-economic issues that has direct impacts in the situation of poverty in South Asia, with a focus on the country which hosts the event. The members of different political parties, bureaucracy, civil society organisations as well as the public take this opportunity as a forum to discuss, debate and develop general knowledge on the selected discourse. The GA/AGM has a tradition of bringing out a declaration which is a directive for the SAAPE and its members to continue their movements against poverty in South Asia in the days ahead. These activities were very much respected in this GA as well.

Why “Global Financial Crisis and Implications in South Asia” was selected as the theme of Third GA?

The world today is at a turning point and faces multiple systemic crises, and South Asia is not insulated from it. The global financial crisis that is threatening to spill into a great depression poses a major awkward question on neo-liberalism and casino-financed capital system. The truth is that this is not merely a financial crisis but, more fundamentally, a crisis of the capitalist system itself. At the centre of the crisis are contradictions which are inherent to the capitalist accumulation process. The bloated growth of the financial sector is in fact capitalism’s attempt to postpone the effect of these contradictions, whereas the financial crash is the reassertion of their centrality.

This crisis started in the United States of America with the sub-prime mortgages, but the entire global economic system has been caught in it. There are several causes – the explosions of debt and speculation, financialisation of capitalism; the total “free market” with its self regulatory virtue; weakening production and investment, stagnant wages, burgeoning unemployment, rapidly growing class- inequalities, spiralling global economic instability, and spreading militarism and imperialism.

At the centre of this crisis is the latest phase of capitalism, “monopoly-finance capital,” that has generated a giant casino economy which promotes enormously exorbitant, exploitative, and corrupt practices as well as violence abroad-all geared to finding and protecting profitable ways to invest the corporate capital surplus.

The impact of the crisis on the real economy is extensive – effects are being felt in reduced demand, production and employment. Decline in exports are growing progressively worse. Uncertainty about the length and depth of the recession is still a serious concern.

According to the UNCTAD Report (2009?); the crisis has triggered a slowdown in global economic growth that is manifesting itself in a demand-driven fall in international trade exacerbated by the deficit of credit and trade finance; falling commodity prices; declining remittances; contracting foreign direct investment (FDI); and the potential of declining official development assistance (ODA). These effects have been superimposed onto the ongoing global food crisis, volatile energy prices and climate change challenges.

The greatest immediate impact of this crisis will be suffered in the countries of the South especially in South Asia. In recent years, economists, columnists and political leaders have propagated the notion that Southern economies have ‘decoupled’ from the developed world, and would continue to grow even as the latter stalled. The decoupling theory has now been buried. In those Southern countries which have undergone relatively greater industrial development, the fall in exports, as well as the fall in domestic demand (due to falling capital inflows), are leading to large-scale retrenchments. Even further, the vast Third World peasantry are being ravaged by a crash in agricultural commodity prices (as demand shrinks, and as speculators pull out their investments in order to make up for losses in other financial markets).

Links to the global economy now mean that the crisis is spreading inexorably to poorer nations, especially least developed countries such as Nepal, Bangladesh, Maldives, etc. Least developed countries are particularly vulnerable to the crisis, since most have high rates of unemployment, limited social safety-nets and high levels of foreign debts.

The deepening recession resulting in declining purchasing power of people in the US and Europe and other parts of the world has already made its adverse impacts on the exporting sectors such as sea-food, agricultural products and garments. Due to cancelled or deferred export orders the textile industry that employs some 35 million, the largest after agriculture, has hugely laid off temporary workers. Commodity exporting countries that gained from higher prices now face lower incomes as those prices plummet. Meanwhile, investment in

developing countries, the backbone of their economic growth, has dropped as a result of problems in the global credit market and the liquidity crisis.

In this context, three areas are of special concern here. One is the inevitable decline in the terms-of-trade for primary commodities that occurs in a recession, which pushes cash-crop growing peasants into even greater distress. The other is the loss of food security over much of the Third World that is inevitably occurring.

Third is the global recession that is reducing job opportunities from abroad and remittances from repatriates working in richer countries are under pressure facing weakening of job opportunities. India is said to be the biggest recipient of remittance earnings from overseas workers. Having received 30 billion US dollars this year alone, it now faces crisis in remittance that are threatening revenue accounts, the large part of foreign exchange.

In Asia and the Pacific, the International Labour Organisation has projected that as many as 27 million more people could become unemployed this year. One hundred and forty million others that are in the region's developing economies could be forced into extreme poverty. The numbers are staggering and without doubt, every one will be affected by this crisis.

According to UNICEF's South Asia Regional Office Report on the impact of the economic crisis on women and children in South Asia, the growth in the number of people suffering from chronic hunger in the region has increased by about 100 million – the highest levels of hunger recorded in 40 years.

The Report cites that more than 1.18 billion people, or three quarters of the population, in eight countries of South Asia subsist on less than US\$2 a day and that 100 million more people in the region are going hungry compared to two years ago, and it cites that the worst affected areas are Nepal, Bangladesh and Pakistan.

The severity of the crisis is borne by the working people especially at the lower end of the socio-economy scale, worsening the working and living condition of millions and deepening economic and social inequalities. The crisis thus has a gender dimension to it and affects women more than their male counterparts. One reason is that the women workers are concentrated in labour-intensive export industries that feed into the global supply chains. In contrast, male workers tend

to be distributed across a wider range of economic sectors. Women are also concentrated in the lower levels of these global supply chains, in casual, temporary, sub-contracted and informal employment, where work is insecure, wages are low, working conditions are poor, and workers are least likely to be protected by conventional social insurance systems. It follows that shrinking global demand for clothes, textiles and electronics (as well as for related business services like hotels and restaurants) means that women are in the forefront to lose their jobs.

The world economy has been run undemocratically since 1945, with the major global institutions dominated by the victors of World War II. That is not how it was originally meant to be. The existing finance institutions were born out of crises and now represent entrenched interests of some power players. It will be difficult to reform or replace them until a serious, sustained crisis makes change inescapable. The financial meltdown could be one such crisis that facilitates an overhaul of the Breton Woods institutions at a time when Southern countries have emerged as the world's main debtor countries. Until a new world order emerges, we will continue to live in a dysfunctional world with an outdated set of rules. Only revamped institutions and new rules can deal with the root causes of the present crises, not just the symptoms.

This period of churning and decline of US hegemony, on the other hand, is offering greater opportunities for the advancement of people's struggles and forces fighting for an alternative social order both in the advanced capitalist countries and even more within the Third World. This crisis brings home to the people of the world the irrationality and barbarism of capitalism. The emergence of militant anti-state upsurges in Greece, the general strike of French workers, the demonstrations in Iceland culminating in the downfall of the government, the captivation of a factory in Chicago by the workers, and demonstrations by workers in Russia and China are harbingers of impending new social movements.

The present global crisis poses several challenges to SAAPE. Therefore, the first and primary task is to de-construct the ideological propaganda that "there is no alternative" to neo-liberal economic globalism that has itself become the ruling ideology of the dominant class and their allies, and the intelligentsia, to "make believe" that globalisation is beneficial in the long-run and that it has come to "stay". And second is to develop an ideological and political alternative which can take South Asia forward to a new era of prosperity, of a qualitatively more humane, egalitarian, secular, democratic and ecological balanced society that is

just and sustainable. After all, any economic order is a human construct, a social creation governed by social relations. Dynamics of human behaviour and the social process is far too complex to be determined by any given economic theory and the present is pregnant with several new possibilities for the future.

2. PROCEEDINGS: OPENING SESSION

2.1 Sharing on GA Theme

The Opening Session of SAAPE's 3rd General Assembly was chaired by Arjun Karki, SAAPE Coordinator. Moderating the session, Mr. Karki gave a brief highlight of the Manesar (India) initiative of 2000 for the need of forging a regional CSO alliance to work on the issues of poverty and inequality challenging the contemporary development paradigm. Giving brief introduction to the delegates of the General Assembly, Mr Karki shed light on the uniqueness of SAAPE and its membership constituencies including strong representation of peasant movements, trade union movements, women rights movements and human rights movements in the region. This has been further illuminated by the membership from academia, researchers, artists and writers of South Asia.

Highlighting the working modality of SAAPE, Mr Karki stressed on how SAAPE intervenes in the issues of poverty along the five thematic groups – **Food Sovereignty, Livelihood and Employment; Gender Justice; Democratic and Just Governance; Labour; and Peace, Justice and Demilitarisation.** Giving the logic behind choosing the main theme of the discussion on the opening session of this General Assembly which is the largest policy making body of SAAPE, Mr. Karki said that the problems of global economic crisis have been the creation of the north (developed countries) and its implications have been in South Asia, which are hardly discussed so far from regional perspective. Giving further context of the theme of the GA, *Global Economic Crisis and Its Implications in South Asia*, Mr Karki said that in one way or the other, all the thematic groups of the SAAPE have been affected by the global economic crisis hence it needs to be discussed at the highest political body.

In the meantime, Mr. Karki introduced the Guest Speaker of the opening session Dr. Yuba Raj Khatiwada, Vice-Chairperson of National Planning Commission (NPC), Nepal and the two key note speakers – Professor Ram Bapat who has a profound experience on the diverse issues of global financial crisis further deepening the poverty in South Asia region, and Dr. Shobha Raghuram, Social Scientist and founder member of SAAPE. He also introduced, among the delegates and speakers in the

opening session, Mr. Simon Stocker, Eurostep representative from Belgium who shared their regional/country experiences on global economic crisis and impacts in South Asia. The speakers mainly highlighted how the global economic crisis has affected the lives of the people living in South Asia and what kind of strategies SAAPE may need to adapt in the days to come. The key note speakers suggested that the civil society actors of the region must insist on the conscience, morality, local economies and involve in public questioning of neo-liberal market oriented model of development so as to challenge the minority capitalists so that they cannot enter into the realm of the masses including peasants, trade unions, human rights defenders and others.

The Guest Speaker Dr. Khatiwada opined **three main areas of impacts of global economic crisis** in the South Asia – **food crisis, fuel crisis and financial crisis**. He further said that it is equally important to address the problem of climate crisis which has caused mainly droughts and floods damaging lives and properties of the South Asian people. Responding to the main theme of the discussion, Dr. Khatiwada said that it is inherent in the capitalist economic system, and built in and stabilised under capitalism. Capitalist mode of market-led development is prone to failure because we do not have always rational consumers and the market does not function perfectly at all the times. Saying that this failure's first reflection is on the financial sector, Dr. Khatiwada gave a brief review of the historical development of economic crisis, that such crises had occurred in the world every sixty years, starting from the 18th century.

Dr. Khatiwada expressed the belief that the neo-liberalism has yet not failed completely but just has given a jolt. Therefore, as he said, we cannot develop an alternative economic system without proper understanding of the entire gamut. Opining that we are not in a position to give a smooth transition from the capitalist system to a more socialist system of the economy, Dr. Khatiwada highlighted that our economic, social, and political institutions have to be ready to accept this transition.

Professor Ram Bapat showed major distinction between the two core terms– **political economy and economics** and explained the historical relationship of economics that dealt with the relations of power and the property. To him, political economy, on the other hand, has always taken into considerations the class-based urban economy and the role of the state. Professor Bapat, relating the international political economy with the current crisis said that the global economic crisis

initiated in the **hegemonic Atlantic world in August 2007**, and the roots of it which go back to 1970s through the early 1980s when the **boom of the industrial economy** of the United States of America and the United Kingdom entered into the long-term decline in comparison with the quantity economies of China, Japan and European Union. In such a situation, the American industry adopted a state by state approach of a two-fold policy: first they term to protectionist devices in the sphere of external trade policy and the second they reduced the share of their own labour in national income. As a result, wages and salaries of the majority of the Americans went down. Production of goods and services were also reduced in these hegemonic regions. Therefore, after 1980s, corporate America began to deploy new risk management that agrees and also known as new economy– financial engineering, innovative investment banking, creating national accounting practices and so on.

Professor Bapat indicated that the thoughtless unlimited **supplies of credit cards, car debts, housing loans** and others followed masking the failing income of the majority. In order to hide this reality and show the high rate of increase in GDP to fulfil the needs of the people among the Americans, they opened the door with China by importing cheap goods from there. They discouraged the value of the labour and industrial goods and launched the global campaign on the prosperity of the Americans. It worked somehow well for the Americans from 1995 to 2008 but this new policy had no ground on which to sustain it. The current global financial crisis is a political crisis and its root cause is systemic in character- the stagnation of production and investment, an essential character of capitalism.

Stressing that the current crisis is a crime in nature just like a war-crime, Professor Bapat finally put a question as who will pay for the global crisis. In his opinion, **the gainer of the crisis is the American military industrial sector, political supremacy, the hi-tech sectors and the bankers** and the **loser are the American people and the third world countries**. Turning to the East Asia's booming Economy, Professor Bapat shed light on the newer power relation led by China as credit giver with Washington government who is in a position to receiving goods through Chinese state owned industries, banks with enhanced credibility.

Dr. Shobha Raghuram, the other keynote speaker, highlighting the issues of economic recession, with specific focus on market fundamentalism, stressed the issues of irresponsible growth and consumption, regulating self interest and foundational transformation.

Economic recession is a foundational political crisis in which market-oriented reforms have led to a cyclical readjustment of injustice with the poor subsidising the bail-outs. When states subsidise markets, the logic of privatisation and liberalisation is further perpetuated instead of being revised fundamentally. The development-oriented policies, formulated by national governments to reduce income-gaps between classes of citizens, have been in 'recession' during the last two decades. The current economic recession provides us with a fundamental argument to force a return to accountable states, which regulate market-regimes and place people and their citizenship rights at the centre stage of the agenda of democratic governance.

Dr. Raghuram said the economic recession has posed many threats, most of all plunging pro-poor development into a severe crisis. Combating economic recession and market fundamentalism is a daunting task. Poverty, globalisation, social transformation, structural change, equality, ethics, social protections are some of the major issues under debate and within transformative politics.

Talking about **irresponsible growth and consumption**, Dr. Raghuram said that the world, dragged and driven into recession by the financial fall-out of the US subprime lending crisis, remains in the grip of economic gloom. Governments everywhere are returning to the fundamental questions of short- and long- term solutions to the rampant and predictable self-interested manoeuvres of the markets. Millions have been rendered homeless and jobless; they have been barred from access to all kinds of social security, and been deprived, overnight, of their rights of citizenship. Those who have lived in poverty in developing countries have seen a further lowering of survival possibilities.

Dr Raghuram, highlighting few lines on recession and market fundamentalism, said critics of capitalism have averred that its collapse signifies a structural flaw in the system, requiring a complete overhauling of the capitalist enterprise, of private profiteering, and the illicit squandering of public funds. The problems of endemic poverty and the waves of globalisation requiring poor countries to 'adjust', to 'reform', to 'open-up' are part of the internal dynamics of capitalism and it needed the recession for western governments to return to state-led development responsibilities. A fundamental re-examination of the politics of privatisation is being undertaken. Consistently, critical economic historians like Amiya Bagchi in his work "Perilous Passage: Mankind and the Global Ascendancy of Capital" had critiqued the

disastrous results of human development in capitalism. His work has looked at the twin passages of capital in the financial sectors as well as human development itself.

Mr. Simon Stocker, representative of the SAAPE partners in Europe, remembered the relationship with SAAPE almost 10 years ago in a personal basis mainly to have an impact in the EU to play a positive role in South Asia. Saying that this collaboration is still valid for the people of South Asia who are suffering from different kinds of injustices, Mr. Stocker felt the continued need of lobbying with the European Union on the genuine issues of South Asian people such as food sovereignty.

Observing the impacts of global economic crisis, Mr. Stocker said the neo-liberal economic model has failed to deliver for the majority of the people. Saying that European Union is itself built upon the neo-liberal model, Mr. Stocker shed light on the common market which has been successful tool for the European Union for attaining the economic development at the cost of further pauperisation in the South. Mr. Stocker also felt the need of the new sustainable alternatives taking the opportunity of the global financial crisis and expressed the confidence that by building alliances all over the world, we can be successful in getting the alternatives to the neo-liberal model. Highlighting some of the challenges, Mr. Stocker finally said that inviting China, South Africa, Brazil and India to the top level is because of the feeling among the European Union and the USA as the competitors to them. He said, by inviting them, the EU and the USA are trying to stop for seeking a new model of neo-liberalism and we have to fight against it.

2.2 Sharing of Country Situations

The opening session of the GA also included sharing of the country delegates mainly on the impacts of the global economic crisis in their own countries. The country delegates from Afghanistan, Bangladesh, Bhutan, India, Maldives, Pakistan and Sri Lanka highlighted the SAAPE activities in their own countries and the obstacles faced by the impacts of the global economic crisis.

2.2.1 Afghanistan

Mr. Raz Mohammad Dalili of SDO presented an overview of the geopolitical and socio-economic situation of Afghanistan which was reported quite different from rest of other countries of South Asia. Almost 100% of the development activities in Afghanistan are being run by the outsiders' fund and about 60% of the government's

expenditure is also supported by outsiders (bilateral and multilateral donors). The so-called military forces of NATO (a composite force of more than 40 countries) are using the Afghan land as their battle practice field which includes also an unfair competition between the west and the east. The indiscriminate killings of the civilians have been the main strategies of the military forces rather bringing peace in the country. During six months of 2009, 1,013 civilians have been killed there, which is 24 % more than entire period of 2008. Systemic corruption and culture of impunity are other sectors of aberration. The drug mafia, political mafia and other criminal mind-set people are increasing day by day to further exacerbate the already pathetic situation of Afghanistan. For the forthcoming election for the president, 40 candidates are contesting, growing unfair practice of competition among the candidates. As a result, intolerance and a culture of violence have increased among the people, which necessitate further security of the civilians.

Afghanistan is facing both direct and indirect impacts of the global economic crisis. More than 60% of people are believed to live under the poverty line; however, some economists claim it to be more than 80%. Since people have no option, they are joining anti-government movements. Almost 90% of people in Afghanistan can have hardly 10% of the productive resources and the remaining 90% or so is captured by the 10% of rich people who are the so-called mafias of economy, politics and warlords. This shows the dichotomy between the rich and poor in Afghanistan.

2.2.2 Bangladesh

Ms. Rokeya Kabir of BNPS presented the case of Bangladesh supporting all the commonalities regarding the effects of global economic crisis in South Asia. She informed the plenary that the privatisation of the national industries started in Bangladesh after militarisation in 1975. Like in other many South Asian countries, by the influence of the World Bank, IMF, and other financial institutions, essential services like water, communication, road, and so on have been privatised. As a result of this, Bangladesh is lacking efficient public sectors to guarantee people's basic needs.

Governments of South Asia including Bangladesh neglected the value of the labour of the workers in the national companies and industries and privatised everything, which is linked to the emergence of the present crisis. The main effect of the global economic crisis in

Bangladesh has been the decreasing number of migrant workers to jobs abroad due to which revenue collection from this source has slowed down and unemployment has increased sharply.

Another area of the effect of the financial crisis is the price hike in the essential goods like rice, salt, pulse and vegetables. Prices of some of the goods have been more than double during last five-six years, and the common people who live without any support of the government are spending lives with hardship under shortage and scarcity of the basic goods and services. Like in other countries of South Asia, armed extremist groups in Bangladesh are also rising by catching the sentiments of the poor people who lack the essential services and easily fall prey of the 'false assurance' from such groups.

2.2.3 Bhutan

Dr. DNS Dhakal of BNDP presented the protracted Bhutanese refugees' situation by thanking the key note speakers and the country delegates for their solidarity on the marginalised people like Bhutanese refugees who have been stateless since nearly two decades back. Dr Dhakal further expressed the confidence that this GA would be able to devise policies and strategies for the concerted intervention on the issues of Bhutanese refugees.

Inside Bhutan, the direct impact of the economic crisis is less visible than for outsider Bhutanese who have to suffer as stateless, landless and jobless. Indian ruling elites are going to fulfil the demands of some 800 thousands megawatts of hydro power in the future by tapping the water resource of the Himalayan range. The only sources to fulfil these huge demands for them are the glaciers of the Himalayas which will have to fulfil the demand of not only the electricity but also the drinkable water. Until and unless we create consensus of the people of the Himalaya regions of South Asia, with a strong political will we cannot fulfil the growing demands of the people of this region mainly related to poverty issues. For this, people living in the Himalayas ranging from Jambu and Kashmir to Arunachal Pradesh should get subsidy for the proper utilisation of natural resources so as to provide sustainable water to the whole of South Asia.

SAAPE needs to raise this issue as an alternative for the justice to the people of South Asia including Bhutanese refugees, he shared. Despite the democratic constitution being introduced in Bhutan it is not going to give any positive change for the Bhutanese because the party in power is the puppet of the king and can do nothing on the issues of the Bhutanese people, including the refugees.

2.2.4 India

Prof. Babu Mathew of ActionAid India presented the case of India highlighting mainly the hegemonic mind-set of the Indian elites and its effect on the neighbouring countries and the people. He asked a question to all the delegates, 'Why should we all discuss this global economic crisis?' Time has come for all the SAAPE delegates to enter into the new horizon of the politics, that is, new organisational principle for SAAPE. It is necessary for SAAPE to understand and make a perspective in the changed situation.

India, which is happy with the ruling elites in South Asia, has sabotaged Nepal's democracy and put its vested interest in Sri Lanka's war. It is India which has to do with the spoiling nature of people to people friendship with Pakistan. These all are the outcomes of the militarisation and neo-liberal economy in South Asia led by the 'big brother' – India as influenced by the American regime. Even the European Union may be happy with the new India that has emerged as a hegemonic power in the south.

India's role in G20 is dubious which has been co-opted in the context of the deeper economic crisis. India is responsible for bailing out the economic crisis which has played role on behalf of the developed world in the forums like WTO, lagging down all other countries of South Asia. As a new strategy, SAAPE should keep in mind the changing role of India, which is responsible for the current crisis mainly after the structural adjustment programmes to balance the so-called crisis in 1991 as per the advice from the IMF and the World Bank.

The ideology of the neo-liberalism has collapsed. There is no longer the possibility of privatisation in India when city banks and general motors have been nationalised. However, India may play a role for the further privatisation as per the advice from the American regime.

In India, the greater is the economic growth, the greater the exclusion, and greater the number of people in poverty. Therefore, an urgent need has been to proceed from a dynamic nature of intervention and the SAAPE needs to mobilise the social groups of the people who have been excluded in various ways by the ruling class in South Asia. We should cautiously mobilise the Dalits, Aadibasi Janjatis (tribes), Muslims, the informal sectors including fishers' folks, small peasants, refugees, IDPs, and so on so as to ensure that the movement is not for fragmentation but for unity of the socially excluded groups for forming a political block of the excluded. Forming an alliance of the different

political block is never possible without including these social groups. Equally important for the SAAPE is to sharpen itself as the critique of the dogmatic socialism which actually could not survive without giving proper recognition to the social groups.

We should watch India very carefully in the context of the climate change, which has power to influence with its neighbour, particularly on land and water resources. It is the right time for the delegates from European world, especially to watch carefully how the countries of South Asia are giving priorities to the excluded and marginalised groups. We should consolidate the issues beyond economics as well such as the issues of rights, dignity, identity, human security, land, common property, and access to natural resources. Organising social groups, alliance building and working with them is the newer strategy that SAAPE needs to think of seriously during this GA.

2.2.5 Pakistan

Mr. Karamt Ali of PILER presented the in-built crisis of recession in South Asia which started from decolonisation period. Pakistan has so many peculiarities due to the heavily indebted, highly militarised and internally extremely fragmented polices and programmes. Pakistan is divided socially and politically mainly due to the every new move of the imperialist forces being launched as their mission. As a result, over 80 % of the people of Pakistan, like many other countries in South Asia, live under 2 dollars a day. In some of the countries like Nepal, social protection system has been introduced by distributing allowances to the old aged and other vulnerable people. But in Pakistan, this has been merely a dream for the people. The global economic crisis has penetrated Pakistan's economy further by increased indebted which has actually taken place in 2008. Pakistan has contracted almost 10 million dollars loan from the IMF, which is in view of requiring 13 millions more dollars to address the exacerbating situation of Pakistan. Together with this, the Americans have already been imposing the Pakistan government to abide by the conditions made by the IMF in contracting such a huge amount of loan.

Almost 95 % workers in Pakistan live without any kind of social protection. Even the labour law has been passed by the parliament recently and brought into effect without consulting the civil society people. Furthermore, a condition has been in place that this law will be valid only for two and a half years. It has many rules and regulations which restrict the social and economic protection of the workers. This is

one of the examples of the imposition of the IMF put forth as condition to contract the loan. In the same way, the loan of the militarisation has been also tremendously increased in Pakistan in the name of 'war on terror'. The Pakistani army has been failed to secure the land captured by the Taliban forces. Out of 116 million population of Pakistan, almost 20 million are out of the control of the government of Pakistan, as a result of religious fanatics. Mr Ali related these all facts as being the result of the neo-liberal economic polices that all the South Asian governments are following no matter whether they have been elected by the people or not and thus are surrendering to the imperialists.

2.2.6 Sri Lanka

Mr. Sarath Fernando of MONLAR stressing on the need of some radical thinking to move forward the movement for poverty eradication in South Asia, highlighted the present situation of Sri Lanka. Sri Lankan government is imposing one country, one king, one nation, and so on. Like in Pakistan and other countries of South Asia, Sri Lanka has also revived for an agreement with the IMF which is purely based on a 'Mahendra (current President) Chintan' that is not the election or policy declaration things but asking the IMF to have some 1.9 billion dollars for the approaches other than people's security. To this contrary, the IMF has agreed to give 2.3 billions. Although, the IMF is kept quite for this huge amount agreement, the government says 'no conditionality' for this. In the context of 'peace celebration for months' in Sri Lanka, the people are expecting some reduction in military expenditure, but the IMF money is being used for the huge recruitment in the military, so as to present the government's position that 'there are not minorities in Sri Lanka'.

Urging people to stop alcohol, smoking and so on to uphold 'tourism' in Sri Lanka, the government is trying to make a fake slogan of promoting tourism which is meaningless when the government ignores the conflict and its root causes. The ethnic conflict still survives in Sri Lanka, despite the government's repeated slogan of 'peace loving Sri Lanka people' based on a one family ruling system.

In the context of exploitative nature of capitalism which thinks it as a 'progress', the recovery of human dignity and human creativity can be together by the process of that ability of the nature to regenerate itself. SAAPE people need to advocate the ideas of recovery and regenerating the things from the nature in a comprehensive manner. Setting excluded people's agenda and taking up them by SAAPE is the best strategy for resolving these crises.

2.2.7 Maldives

Mr. Saleem Ibrahim of HAD Maldives Presented the case of Maldives. Maldives has several islands and so the economy is also heavily dependent on island based tourism. The country has still more potentialities for tourism industries but falls shortage to fit into the global economy. The main reasons for this, among others, are the lack of natural resources and so the structural development of the Maldives is very difficult.

Despite these difficulties, during last two decades, Maldives has achieved remarkable progress in terms of economic and social development. Yet, some areas of intervention include mainly the sustainable development approach of the outer island communities. Globalisation has impacted the country in the smooth progress of the economy.

(NB: Nepal's country sharing was deferred to the special session on Nepal that follows)

2.2.8 Intervention from the Floor

Major interventions from the floor were made on the causes of the current crisis such as over accumulation of capital, market fundamentalism, failure of the neo-liberal economic model which is not based on the traditional historical cycle, but the realistic crisis of the whole structure of the capitalism. Professor Kamal Mitra Chenoy from India, Mr. Farooq Tariq from Pakistan and Mr. Rezaul Karim Chowdhury from Bangladesh took part in those discussions.

Other country delegates speaking from the floor were the following:

Mr. Abdul Khaliq, Pakistan,
 Dr. Wazedul Islam Khan, Bangladesh
 Dr. Netra Timsina, Nepal
 Mr. Prem Dangal, Nepal
 Mr. Balaram Banskota, Nepal
 Ms. Rantnarajah Nalini, Sri Lanka
 Ms. Uma Chowdhury, Bangladesh
 Ms. Zakia Jowher, India
 Ms. Ramvathy, India
 Mr. Sharif Kafi, Bangladesh
 Mr. Khalid Mahmood, Pakistan
 Mr. NP Samy, India

Major suggestions given by them during the discussion are:

- Main idea of resolving the current crisis is seeking for the new sustainable alternative. The delegates said a market means equality between sellers and buyers and the market controlled by the multinational companies cannot be a free market. Without regulating the capitalist economy and building social blocks, we cannot move for collectivism.
- There is no alternative to current model of capitalism but collapse if we create an environment in the globe where majority assert their dignified rights.
- There is a need of collective campaign for the new sustainable alternatives by devising more progressive, democratic, inclusive, practical and doable tools.
- Collapse of the current neo-liberal model of exploitation will not revive if we collectively make stronger movement around the globe.
- We should think seriously about the sovereign rights of the South Asians for the access to and control over the political power and productive resources. For this we need to understand the Tactics of the capitalism and destroy them in our favour.
- Serious discussion is needed whether we can change the things or not. We should not surrender to neo-liberalism. Only freedom of speech is not the spirit of democracy, it is much more than this. Economic, social and cultural rights of the people are equally important as the civil and political rights, so we should work for the sustainable alternatives in these sectors.
- We confirm in this house that the SAAPE issues for intervention are not imposed by the donors because we are not in favour of donor driven agenda and any conditionality attached to it.
- Linkages of the issues raised by SAAPE with the grassroots movements like indigenous tribes, fisher folks, human rights defenders, women, small peasants and so on are the main issues we need to address in the events such as this GA.
- We should not accept the projects funded by the donors which really cannot bring changes to our society.

3. PROCEEDINGS: BUSINESS SESSIONS

3.1 SAAPE's Progress: A Critical Review (2006-2009)

The Secretariat and the five thematic groups made their presentations on the overall issues they have indulged in, obstacles faced and the strategic actions needed to overcome these problems.

3.1.1 Presentation by the Secretariat

Mr Sarba Raj Khadka on behalf of the Secretariat presented the overall activities of SAAPE carried out in the past. He first presented among the floor the growing problems in South Asia after 2006 GA of the SAAPE.

3.1.2 Overall Problems

Major problems which are directly affecting the lives of the poor people in South Asia are price hikes in the food items, scarcity of food in many places of South Asian countries, supply of low quality food items due to mainly adulteration and the unnecessary price hikes on them, and so on. Other some crucial problems are related to the job markets due to which number of unemployed people is increasing, falling the victims of the global economic and financial crisis. As a result, the remittances as well as exports have been slowed down during this period. Deepening expansion of poverty and vulnerability are the bitter facts that we, SAAPE people are directly observing.

3.1.3 Issues of Political Governance

Amid these problems, in some areas, some silver linings is also observed. Nepal's Popular Movement, 2006 became successful and Nepal has been declared a Federal Democratic Republican country. Despite frequent hiccups, Nepal is currently undergoing writing new Constitution through the Constituent Assembly which has a general mandate to ensure inclusion, participation and devolution of power and authority to federal structures to be decided then. The current CA has already represented a case model of inclusion in terms of caste/ethnicity, sex, geographical region and religion.

As a consequence of continued struggles of the people, parliamentary elections and formation of democratically elected governments was possible in Pakistan and Bangladesh. The 30 year long regime of

Maumoon Abdul Gayoom changed in Maldives by ballots, with greater hopes for prosperity of the Maldivian people. There has been some symbolic indication that the Bhutanese ruling elites talk of participatory democracy, though of limited scale. It is partly due to a continuous pressure from the democratic societies both inside and abroad.

These are very few positive remarks to be made on the 'political governance' in the region. However, there are more and more growing dark sides of the region as well. The continuity of the slogan of 'war on terror' has intensified the conflicts in the region. Afghanistan and Pakistan are in the forefronts to be the victims. In Sri Lanka, 'war on terror' is growing and ethnic genocide has escalated violence inducing grave violation of human rights. Although some thoughts of democratic practices have been discussed in Bhutan, yet there are no systems identified to materialise this. The situation of Bhutanese refugees has remained as it was before or even aggravated by the third country resettlement plan, as some opine.

The region has been going increasingly vulnerable due to neo-liberal dictatorship and violent conflicts in many parts. There is an immense influence of neo-liberal economic policies in the region under the direction of international financial institutions and World Trade Organisation. Increasing privatisation of basic services and corporate land grabbing in the name of industrialisation and infrastructure development has eroded the people's sovereignty, and shrinking of democratic spaces in the region. Denial of fundamental human rights and growing culture of impunity has been a common culture in the region.

In the mean time, we have looming ecological catastrophe in the region. There are erratic patterns of precipitation as a consequence of global warming resulting into climate change. There has been freak precipitation with irregular seasons causing floods, droughts, cyclones, and other natural calamities. There has been increased range of submergence of larger coastal areas in Bangladesh and Maldives. There is shifting and shrinkage of Himalayan glaciers endangering supply of fresh water and shifting river courses. There has been increase of large masses of environmental refugees and their issues have not been addressed properly.

3.1.4 SAAPE's Mission and Intervention

SAAPE has been standing as a regional alliance to strategies and take political actions against poverty, exclusion and denial of fundamental

human rights. The Network has made interventions for effective changes in the political, social and economic arena so as to strengthen and support national and regional level initiatives through solidarity and collective campaign actions. SAAPE has further advocated for sustainable alternatives to eradicate poverty and to empower the vulnerable and the marginalised people.

3.1.5 SAAPE's Contributions

Core contributions of SAAPE in the past are reflected in the presentations by the respective thematic groups that SAAPE is engaged in. Development of a coordinated regional position and strategy in the thematic areas of work is the remarkable contribution in this regard followed by advancement of thoughts towards social transformation in the region. Monitoring the national governments' performances particularly in the field of eradicating poverty and sustainable development is another contribution. Resistance to anti-poor policies—economic, social, political or environmental – has taken a pivotal role.

SAAPE has equally contributed to the process of developing and promoting sustainable alternative policies and practices. It has played a vital role in strengthening peoples' movements across the region and contributed to the trans-border solidarities and alliances between peoples' movements through exchanging experiences, ideas and strategies beyond the regional boundaries.

3.1.6 Activities Undertaken

The major activities undertaken or coordinated by the SAAPE Secretariat during this period are the following:

- Facilitation for coordination and programme implementation for SAAPE groups;
- Creation and maintenance of E-mail groups;
- Press releases and press statements;
- Website design, development, hosting and maintenance;
- Maintaining and sharing database, communication and information;
- Solidarity and demonstrations;
- Core Committee meetings;

- National workshop on Peace Education in School Curricula co-organised by Kathmandu University;
- International day for poverty eradication and world food day;
- Publication and dissemination of 'Poverty in South Asia 2006: Civil Society Concerns';
- Publication and distribution of SAAPE newsletters;
- Briefing paper/advocacy tool against G8 countries and IFIs anti-people and anti-climate policies and debt domination. The papers were on a) Bangladesh: climate disaster to debt disaster and b) World Bank: corporocracy to carborocracy. Jointly with Equity BD Bangladesh, JS APMDD and LDC Watch;
- People's SAARC 2007 and 2008 co-organised by SAAPE and other Nepali and Sri Lankan civil society alliances, respectively;
- Conference on 'Looking beyond Kathmandu – Challenges and Opportunities for Peace-Building from Below' in collaboration with ICCO, Kerk in Actie and Plan Netherlands in cooperation with EEPA, Crisis Management Initiative and Hivos;
- Jointly organised South and West Asia advisory group consultation on civil society and aid effectiveness, Kathmandu, Nepal;
- Participated at the programme on 'Debt Crisis' organised by UNDP, New York, US
- Radio talk programme on SAAPE issues by the SAAPE delegates to CA election observation;
- Participated at the CSO Parallel Forum on Aid Effectiveness, Accra, Ghana;
- Co-organised 'Regional Conference on Democracy, Development and Peace in Asia' with LDC Watch, Asian Regional Exchange for New Alternatives –ARENA, and Korea Democratic Foundation – KDF, Kathmandu, Nepal;
- Participated at the South Asian CSO Consultation on Aid Effectiveness and Implementing the AAA, Bangalore, India
- Participated at the Conference on 'Reclaiming Public Services' organised by Asia Pacific Research Network (APRN) & IBON South Asia.

3.1.7 Challenges to SAAPE

The Secretariat explained the following as the major challenges to SAAPE to meet its objective and fulfil the mission:

- 'Hegemonic' state characteristics by the 'bourgeoisie' under the aegis of ever expanding imperialism;
- Intra and inter group conflicts that divide people across the region – race, ethnicity, caste, religion, language, etc;
- Chauvinism, majoritarianism, fundamentalism – all exclusionary policies & politics;
- Social insensitivity and general irresponsibility of the new middle-class;
- Increased expulsion from traditional livelihoods resources without opening up of opportunities in the modern sector;
- Non-industrial origin of capital in South Asia. Crony-bureaucratic-usurious capital, etc;
- Huge deficiencies in democracy and governance. e.g. national chauvinism, majoritarianism, cultural nationalism, etc; and
- The failure of multi-sectoral movements to be sustained on a regular basis.

3.2 Thematic Presentations

The thematic presentations by the five groups included major campaigns launched between the period of 2nd and 3rd GAs, including achievements, challenges and lessons learnt.

3.2.1 Food Sovereignty, Livelihood and Employment

Mr. Prem Dangal on behalf of the thematic group presented the major activities carried out during the period. The main focus of the group was advocacy, campaign and lobbying work with the government, peasants and others for ensuring food security and food sovereignty. They have organised workshops, conferences and public hearings on discussion or debates mainly on the issues of the peasants. They have also conducted some research works, networking activities for alliance building and so on.

Regarding increment of membership, they have a total of around 100 members so far, including 15 from Nepal, 25 from India, 15 from Bangladesh, 10 from Pakistan. Major contributions of the group are in upholding people's movements, peasants' movements such as on the issues of food sovereignty, water, and other natural resources.

Sharing activities with the farmers is one of the major works that this group has successfully conducted. A farmers' group from Nepal visited Bangladesh on 5 -10 January 2008 and shared their issues with Bangladeshi partners. The Nepal group also received a delegation of farmers from Bangladesh, India and Pakistan on 6 July 2008 as well. The farmers' experience sharing visits became very fruitful to the farmers themselves.

Workshop on 'Genetic Engineering' was organised in Kathmandu (31st July-1st August, 2007). Researchers, senior scientists, environmentalists, and the governmental officials working in this area were the participants in this workshop. The workshop created an opportunity for all the participants on the issues of genetic engineering. The proceedings of the workshop is published and distributed. The Group also conducted a talk programme on 'Right to Food Sovereignty' following the workshop. The findings of the next research work on 'Impact of Genetic Modified Crops on Health, and Environment' conducted by the country group have been circulated. Other some more research works conducted by them are on the contract farming, peasants' land relationship, and so on.

The group has conducted several research works including Impacts of Climate Change on Food Security under Market Mechanism: Focusing Dalit and Fisher-Folks of Nepal, South Asia Free Trade Agreement and its Impact in Agriculture Sector of SAARC Countries, Impact of Trade Liberalization Policies on Pakistan's Economy, Bilateral Trade Agreements Policy and Perspectives, Peasants' Land Relation: Venues for Improvement, Impact of Neo-liberalization on Agrarian reforms-A Case study in Singur and NandiGram. The report has been published and widely disseminated.

The thematic group has conducted a number of activities in 2008. They include:

- South Asia Regional Conference on Food Sovereignty, Agrarian Reform and Peasants' Rights, Nepal (8- 9 July 2008);

- South Asia Regional Workshop on Sustainable Agriculture and Food Sovereignty, Bangladesh (23 -25 September 2008);
- South Asia Regional Level Training Workshop on the Implementation and Promotion on Voluntary Guidelines on Right to Food, India (7 -8 January 2009);
- Trainers Training on Food Sovereignty, Nepal (10 - 11 July 2008); and
- South Asia Women Peasant's Conference on Right to Land, Empowerment and Liberation, Nepal (20 -21 January 2009).

Some other activities of the group are 'Day of Action on Food Crisis' organised in different countries of the region. They did it as a form of rally, discussion, debate and demonstration. Likewise, a team of delegates representing different movements made a hearing on European Parliament on the food facility. There was a discussion in European Parliament on providing 1 billion dollars to address the food crisis in developing countries who wanted to spend this amount in purchasing fertiliser and seeds. The delegates made a strong opposition to that. Their demand was to spend this amount in regulating the infrastructures. The delegates also visited the respective embassies and put forward their concerns.

The group has been able to link their movements with the broader alliances like Asian Peasants' Coalition and International Peasants' Movement. Peasants' movement conference was also organised in Kathmandu including delegates from South Asia.

The group has been continually involved in establishing right to food sovereignty in the constitutions of South Asian countries. As a result, food sovereignty right is ensured in the interim constitution of Nepal. Sri Lankan groups are seriously lobbying on this issue. Coordinating and mobilisation of Expanding membership involved in the issues of water, food, climate change has been one of the major challenges for the group.

The food sovereignty, livelihood and employment thematic group has come up with the following strategic objectives and action agenda for a period of three years.

Strategic objective 1:

The strategic objective of SAAPE in relation to **food sovereignty, livelihood and employment** should be for promoting food sovereignty by aiming to end feudal culture in agricultural production and employment relationship which is prevailing in almost all parts of the region. It necessitates bolstering the peasants' movement in South Asia by strengthening the marginal peasants and agricultural workers. The movements for land entitlements and land reform as well as the wider agricultural reforms for improving the peasantry need to be supported/facilitated by SAAPE.

Expected Results

- Legal recognition of right to food/legislation to protect and promote people's right to food, including addressing the issues of food sovereignty are implemented/strengthened,
- Peasants as well as the other stakeholders realized and implemented the concept of ecological agriculture
- Increased level of awareness on the importance of biodiversity resources for ecological agriculture
- Critical level of awareness raised among the peasants and other stakeholders on the issues of corporate farming and its negative consequences
- Policies and legislations in place for increased access to and control over land by women, landless people and the small peasants

Action agenda

Advocacy, Campaigns, Lobbying

- i) Right to food – As a continuation of the previous campaign activities, the campaigns for the next three years would also focus on the right to food, including right to safe food and incorporation of food sovereignty in the legal documents (e.g., constitutions, acts, regulations, etc) of the South Asian countries.
- ii) Ecological agriculture- Another important campaign identified is the campaign on ecological farming and supporting the peasants groups on their struggles to sustainable agriculture. This will encourage peasants for organic farming with no pesticides and no use of genetically modified organisms (GMOs).

- iii) Corporate farming - SAAPE will continue its movement against corporate farming.
- iv) Women's right to land - An integral aspect of these campaigns, advocacy and lobbying activities will be for protecting and promoting women's rights to land, and launching a movement against deprivation of peasants' land right

Strategic objective 2:

To fight against pervasive rural unemployment/underemployment

Expected results

Policies and practices in place to implement minimum support price of the major agricultural products and minimum wage rates of agricultural workers

Action agenda

Advocacy, Campaigns, Lobbying

i) Minimum support price -In most countries of South Asia, there is a lack of pricing and getting minimum support prices for agricultural wages and agricultural commodities. To pressurize the concerned authorities for resolving the above issues, both rural and urban focused campaign, advocacy and lobby activities will be implemented.

Strategic objective 3:

To generate, document and share information on the issues of right to food, employment and livelihood at all levels

Expected Results

-Produced research based reports periodically

-Information disseminated to a wider mass of the people within and beyond the region

Action agenda

- Research and studies
- Publication of relevant information in print and digital media (use both English and local languages)

- Create and maintain listserv and dgroups
- Talk programmes, mass meetings, seminars, workshops, rallies

Strategic objective 4:

To strengthen the food sovereignty, livelihood and employment groups of SAAPE and build/strengthen alliances with peasants and other right-holders movement

Expected results

Established regular functional linkage of SAAPE with South Asian peasants' movements

Action agenda

- Organize joint solidarity events, e.g., demonstrations, rallies, seminars
- Organise exposure and information sharing/learning visits

3.2.2 Gender Thematic Group

Mr. Faisal Bin Majid, ACC of Gender Thematic Group, presented the major activities carried out by this group. After the 2nd GA of the SAAPE, the group organised a planning meeting in New Delhi. Similarly, a regional workshop was organised on 31 July 2007. Afterwards, only Nepal could organise an activity on law and violence against women in Kathmandu. The rest of the activities were conducted by the coordination of the Bangladesh Nari Progati Sangh. The BNPS in Bangladesh conducted some programmes on Gender Budgeting in the case of Bangladesh. They also advocated for the political empowerment for women in Bangladesh.

By organising a workshop on the political participation of women in South Asia, on the occasion of the People's SAARC in Sri Lanka in 2008, the Gender Thematic Group has felt strengthened in terms of issues and the activism. This workshop gave them a lot of avenues to work in the field of women in politics in South Asia.

The Gender Thematic Group has also been able to collect the country position papers from Bangladesh, India, Nepal, Pakistan and Sri Lanka on political participation of women in South Asia. Based on them, the Group has also prepared a regional position paper published in June 2008.

A regional conference on political participation of women in South Asia was held in Kathmandu in January 2009. The theme of the conference was 'Breaking the Barriers: Claiming Women's Space in Politics in South Asia'. The conference highlighted that, though many countries in the region have had a woman leader at some point in time, overall women representation in national parliament in South Asian countries is one of the lowest in the world. It is recognized that, the need of women participation in politics is not only for women empowerment, but also to bring a qualitative shift in politics. Women must come into leadership to change this world into a better place where humanity is cherished and dignity of all citizens restored.

The Conference has set up an agenda to lobby for the governments of South Asia to declare the year 2010 as the year for women in politics in South Asia. A memorandum has been already sent to the governments of all eight countries in South Asia as an initiative for this work. The thematic group has published two posters and one calendar during this period. The posters give a message that women's participation in politics is the lowest in South Asia in comparison to other countries of the world. The desk calendar published by the Gender Thematic Group includes the pictures and some details on the women leaders in South Asia.

This thematic group has come up with the following strategic interventions:

Strategic objective:

To challenge the negative consequences of patriarchy and promote gender equality in South Asia

Expected results

- Gender audit report published and disseminated
- Report on budget analysis from the perspective of gender published and disseminated
- Policies in place for increasing at least 33% women's participation in the parliament and/or political party committees in south Asian countries
- At least 2 ministries of five south Asian countries have produced gender disaggregated data and improved policy and increased budgetary allocation for women's development by at least 10% in successive years

- The south Asian governments have produced a realistic timeline plan to implement CEDAW and UN Resolution 1325
- At least 25% leadership positions of the parliament and the political parties are set aside for women
- Gender issues are mainstreamed in the national development agenda of south Asian countries
- Well developed regional campaign and advocacy groups in place to work against discrimination of women and other ill treatments (dowry, honour killings, misbehaving to women in the name of 'witchcraft', etc)

Action agenda

- Conduct a gender audit of all thematic groups of SAAPE and its structure
- Analyse budget of the government from the perspective of gender equality and gender justice
- Undertake campaign, advocacy and lobby works on women's involvement in political processes of South Asian countries. Minimum 33% reservation for women in political party committees is the specific campaign to be continued by the group.
- Lobby for generating gender disaggregated data for promoting gender equality in the development efforts by the government
- Undertake campaigns, advocacy and lobby works for the implementation of couple of UN instruments and resolutions- CEDAW and UN Resolution 1325
- Undertake campaign and advocacy works for increasing women's participation in leadership,
- Increase membership, and form a gender task force for mainstreaming gender issues.
- Undertake advocacy and campaign on the girl children issues. More focus should be on the working women, trade union women and fisherfolk women.

3.2.3 Peace, Justice and Demilitarisation Thematic Group

Mr. Padma Prasad Khatiwada, ACC, made a presentation on behalf of this group. The group members were able to do campaigns on different

issues of peace, justice and militarisation issues through different six workshops in the region.

The first workshop organised in Kathmandu in 2007 on the occasion of the People's SAARC highlighted the issue of peace and demilitarisation in South Asia. The main objective of the workshop was to share the past, present situation of peace and militarism. This workshop provided an opportunity for sharing learnings and experiences on the issues of peace, justice and demilitarisation. It further aimed to educate the participants (Bangladesh, India, Nepal, Pakistan and Sri Lanka) of the South Asia on the existing scenario of peace and demilitarisation in South Asia.

The second workshop on *Nepal: Looking beyond Kathmandu – Challenges and Opportunities for Peace-Building from Below* was in fact a conference held on 20 April 2007 in Brussels, Belgium, to examine how the situation of poorest Nepalese living in the remote rural areas be improved as part of efforts to ensure the peace agreement does not break down and the regained democracy of 2006 April is sustained. This conference was jointly organised by SAAPE (Secretariat), ICCO, Kerk in Actie and Plan Netherlands in cooperation with EIPA, Crisis Management Initiative and Hivos. It was well participated by members from the European Commission (EC), the Council, the European Parliament (EP), various interest groups and I/NGOs as well as three prominent civil society members from the field of human rights in Nepal.

The third Workshop on *Media Strategy* held in Kathmandu on 31 July 2007 aimed to cater the needs of the region by creating an enabling environment such as there is a need for a regional multi- sector, multi - agency strategic partnership structure and highlight the issues, effective coordination, contact and partnership with media. The participants of the workshop were the country groups from Afghanistan, Bangladesh, Bhutan, India, Nepal, Pakistan, and Sri Lanka. The workshop considered the regional perspective building on national learnings and decided to establish strategic coordination and dialogues with media. It further aimed to gather regional level data/trends and monitor/evaluate the impact of civil society and human rights movement on peace, justice and demilitarisation.

The fourth Workshop on *National Security, Ideology, Policies and Practices* which the group organised on the occasion of the People's SAARC 2008 in collaboration with Focus on the Global South, India,

Peace Mumbai, and Sangat. Renowned activists and academics presented and highlighted issues concerning increasing militarisation in South Asia. Some papers were also distributed on the related issues. The paper presenters and key note speakers highlighted mainly the security issues in connection with South Asia by giving examples how the marginalised sector people are being affected from this. Among the speakers were Dr Mathura Prasad Shrestha, Prof. Kamal Chennoy and Kamala Vasin. On behalf of PJD, Mr Padma Prasad Khatiwada presented a paper on the issues of ***peace process in Nepal and the challenges of arms management.***

Conference on *Democracy, Development and Peace in Asia* was organised on 10-12 November 2008 in Kathmandu. The main organisers of the conference were LDC Watch, KDF, ARENA and SAAPE. The group had assisted the core team of SAAPE, mainly the secretariat in organising this conference.

PJD theme organized another workshop on *peace, and reconciliation regarding Bhutan's case* on 16-17 November 2008, Jhapa. Taken the initiative by some active groups of Bhutanese refugees in Eastern Nepal, the PJD thematic group facilitated the workshop on the ground that refugee movement on repatriation has been shadowed due to the so-called third country resettlement programme. The RTFO Governance theme leaders were also present on the occasion. A joint discussion by SAAPE two theme leaders and the persons involved in refugee movement was held and a mapping exercise would be continue in future to identify existing situation of the refugees. In the workshop, the refugee people expressed the reality that many Bhutanese refugees have the perspective that they better keep quiet regarding present scenario of third country resettlement. So there is a danger in future who will demand for right to state. Some are in 'wait and see' situation. Even the leaders of the movement who used to continually plead for right to state seem to be silent now and some of the activists are already in USA now. This workshop collected some 50-60 social workers and youth leaders as participants and discussed intensively on the need of continue the effort to repatriation. One of the major outputs of the workshop is that a team representing various organisations was formed to work for Peace, Justice and De-Militarization.

Creation of the position paper was another set of the activities; the PJD theme could do during this period. The PJD RTFO communicated all the country thematic focal organisations (CTFOs) for the preparation of the country position papers on peace, justice and demilitarisation. Till the

end of 2008, the country position papers from Bangladesh, Bhutan, India, Nepal, Pakistan and Sri Lanka could be prepared by the initiation of the CTFOs. The RTFO reviewed the position papers collected from these countries and based on the prepared a regional position paper on *peace, justice and demilitarisation in South Asia*. The paper is published now.

Campaign for demilitarisation in South Asia was another highlight of the activities. During this period, campaign against militarisation in South Asia became the most influential activity of the PJD thematic group. A poster on reducing the military sector budget was designed by CTFO Pakistan and finalised taking inputs from other CTFOs, SAAPE secretariat and the members of the RTFO (Human Rights Alliance). The poster was published in 2008 and disseminated during People's SAARC 2008 in Colombo. The 2008 SAAPE AGM held on 17 July 2008, Colombo had decided to translate this poster into the local languages of the South Asia. The poster is translated into Urdu by the initiation of Pakistan CTFO.

PJD contribution was note worthy for the two events of the People's SAARC organised in the region – 2007 in Kathmandu and 2008 in Colombo. SAAPE is the main organiser of the People's SAARC.

The PJD has successfully expanded its membership during this period. So far, the group has 42 members in South Asia. Expanding membership is continuing effort of the CTFOs, RTFO and the SAAPE Secretariat. They have been able to establish a good network in Bhutan during this period. Similarly, contacts have been established in Afghanistan and attempt is made to establish contact in Maldives.

Contribution in SAAPE Poverty Report was another major activity. One of the major future activities is *Peace Conference*. To sum up, the PJD group has a huge network of likeminded organisations and persons. Members or member organisations have visionary minds to work for the peace, justice and demilitarisation issues in South Asia. They can perform better activism in their own initiation and in the group. Potentiality of resource mobilisation was another achievement the peace group has seen in future. An added white picture to Mr Khatiwada is that the countries of South Asia are turning to the path of democratisation – Nepal, Pakistan – but these efforts need to be strengthened for the will of the people.

Some of the challenges included the linkages with the grassroots organisations who are always in contacts with the peoples in movements for their rights, liberties and dignities which is not well

visible. How these issues emerge, who, where, and what are the specific needs for the categorical intervention are not we defined. Similarly, Lack of discussions and consultations among the members on a regular basis was another major challenge. Due to a huge network in terms of geographical area, this network has not successfully gathered all the members together and make discussions, debates and consensus on the areas of particular intervention. Mr Khatiwada also pointed out communication problem, identification of strategic advocacy issues based on ground reality of South Asia and fragile political environments in South Asia that they will have tackle in the days to come by SAAPE.

The strategic objective and action agenda of the group for the next three years period are as follows:

Strategic objective:

To promote peace and justice by opposing violent conflicts, militarization and impunity in South Asian countries

Expected results

- Vibrant peace movement
- Reduced military expenditure (at least by 10%) by South Asian countries
- Peace and human rights education incorporated in the academic curricula
- Increased level of awareness on the negative impacts of arms race, nuclearisation and militarization (both at government and group/community levels)
- Regional level peace network in place to promote peace and social harmony in South Asia
- Enhanced capacity of peace workers to deal with the conflict transformation for peace and prosperity

Activities

i) Campaign, Advocacy and Lobbying

- For the control of illicit arms transfers and armed violence, especially raising the issues of cross-border arms supplies.
- For reducing military expenditure and diverting the balance amount to poverty

- For a nuclear free South Asia. It is believed that tensions growing here are due to the enhancement of nuclear capabilities in India and Pakistan, and it needs to people's intervention.
- Raise level of awareness against religious extremism and militancy.
- Against gender-based armed violence both by security forces and by armed groups. Women are victims of sexual harassment or rape at a time of conflict/war and it needs to be condemned
- Advocate for inclusion of peace education in academic curricula of all levels, advocate adopting human rights approach to address the issues of refugees, IDPs and conflict resolution.

ii) Information generation and dissemination

- Organise press conferences at both country and regional levels
- Observe the international peace day, universal human rights day, international refugee day and the Hiroshima day upholding local issues (at country and regional level).
- Letter campaign- writing urgent appeals to South Asian governments as a matter of urgency to stop illicit arms transfers
- Organise symposium on peace issues
- Publish peace posters, peace news bulletins and other IEC materials
- Undertake studies on governments' military expenditures, status and trends of violent conflicts, status of implementation of right to information legislation

3.2.4 Democracy and Just and Governance

Presenting on behalf of the Democracy and Just Governance theme, Dr. Sandeep Pandse highlighted how the global economic crisis has shadowed the group activities. The crisis is also an opportunity for both, the capitalists and the working class. The capitalists can restructure and reallocate their resources mainly to escape from the crisis due to failure. For the working class, it can be an opportunity to get organised for the socialism. Furthermore, they can resist the pressure of the capitalists.

This thematic group has experienced two major impacts of the global economic crisis. First, the capital is entering to a completely commercialised taking over the essential services including health care,

education and employment. These sectors are morally the responsibility of the state. Second, the natural resources such as the land, water and minerals need to be based on the redistributive justice.

The group has developed position papers during this period. The concept of these papers were created and widely discussed in the different parts of the region. These papers were the outputs of the various workshops held in the CTFOs. Based on these papers, an overview paper has also been drafted which was later discussed in the group workshop of the GA.

The campaign against debt is the second major activity of the group. The group organised workshops as a part of the campaign in different parts of the region where the issues of the cancellation of debts imposed by the IFIs were mainly emphasised.

Another activity undertaken by the group was on capacity building of the local representatives. They organised workshops in different villages of India. The group also facilitated a training programme of SAAPE for the then communication officers, held in Kathmandu last January.

As some limitations, the group is lacking continuation of the country consultations, despite being effective for the organised campaign on SAAPE mission. Gender balance in the participation of the workshops and other events was another limitation.

The following is the strategic intervention intended by this group for a period of next three years:

Strategic objective:

To strengthen democracy and improve governance for addressing the issues of poverty and exclusion in South Asian countries

Expected results

- Established and strengthened democracy watch group and experience sharing system on the issues of democracy and just governance in South Asia
- Adopted South Asian Charter on Democracy and Governance by relevant CSO networks
- Institutionalised democratic and good governance practices in south Asian societies

- Developed capacity of civil society actors to work on the issues of democracy and governance
- Increased level of awareness and understanding among the CSO and other actors on the basic tenets of participatory democracy and good governance and its correlation with poverty at all levels (local, national, regional and international)
- Increased participation of CSO representatives in the policy formulation forums of the south Asian governments
- Increased level of awareness and understanding on the legislations related to right to information

Action agenda

- Organise seminars, conferences, workshops to raise awareness on the issues of participatory and inclusive governance and democracy,
- Undertake research study to generate information and strengthen understanding on the problems and possible solutions to strengthen democratic governance and facilitate devolution of state power to the local levels,
- Organise campaigns, advocacy and lobbying works on negative impacts of debts, IFIs, globalisation and accompanying conditionalities,
- Undertake different activities to facilitate genuine participation/representation of women, dalit and other minority groups in the governance structures,
- Facilitate for the formulation of democratic constitution and adherence to it for running state affairs, ensuring devolution of state power to the grassroots,
- Undertake activities that help raising awareness (e.g., laws strengthening right to information), strengthen regional level CSO network working on democracy and just governance and oppose all forms of fundamentalism that contravene human rights, and extend collaboration and coordination with other like-minded networks and alliances,
- Collect, document, publish and disseminate relevant information for promoting democracy and just governance in South Asian countries,

3.2.5 Labour Thematic Group

Ms. Nimra Wasim from Pakistan on behalf of the labour thematic group shed light on the membership status of the group. The current members of the group are 30 including 4 from India, 3 from Sri Lanka, 2 from Bangladesh, 1 from Nepal and the remaining are from Pakistan.

The Labour Thematic Group has raised the issue of the detained fishermen of Pakistan and India. Arresting each other's fishermen is a common practice by the maritime forces of both India and Pakistan since decades. These helpless fishermen usually have to spend years in each others' prisons on charges of crossing the water zone of their respective country and their only sin is that they venture in deep waters in search of their livelihood. For years they are not produced in any court of the law. Since there is no visible demarcation in the sea water between the two countries, the fishermen of both the countries easily stray into the water zone of the each other's country due to inclement weather.

The labour group conducted a press conference in Karachi, to take up the issue of the detained fishermen of India and Pakistan and advocate for the rights of indigenous people. The delegates from India included Indian Kavita Srivastava, Dr Sandeep Pandse and Jatin Desai while Pakistani spokespersons included Pakistan Fisherfolk Forum chief Mohammad Ali Shah, Iqbal Haider of the Human Rights Commission of Pakistan and Karamat Ali of the PILER. Their demands were:

- Immediate release of all fishermen currently in Indian and Pakistani jails;
- Return of their boats and compensation for seized catch;
- No arrests in future and only warning in case of border crossing; and
- Free movement of fishermen.

The labour group has produced a paper on 'Migration Issues within SAARC' (Second draft, dated May 2009) which deals with the analysis of the protections afforded to migrant workers and failings of the regulation of migration in five countries of South Asia, namely, India, Pakistan, Bangladesh, Nepal and Sri Lanka. The paper mainly deals with the political, social and cultural issues of the migrant workers especially in the cross-border areas of these countries. This paper further examines the international standards regarding labour migration and the policy status in these countries. The paper has been widely circulated among the members of the labour groups and some feedbacks have also been obtained.

The pathetic story of detained fishermen of Pakistan and India

Presently there are 105 Pakistani fishermen detained in India while about 550 Indian fishermen are behind the bars in Pakistani jails. In the past two decades about 18 Pakistani fishermen have died in Indian jails and about 8 Indians suffered the same fate in Pakistan. Besides arresting fishermen, security agencies of the two countries also seized trawlers and fishing boats, which are not returned even when fishermen are released, which causes enormous economic loss to the fishing communities particularly of Gujarat in India and Sindh province in Pakistan. Ironically, arrested fishermen are treated like prisoners of war and treated very inhumanely.

Unfortunately, a little attention is paid towards this issue. The recent death of Bhambania Laka, an Indian fisherman caught by the Maritime Security Agency (MSA) of Pakistan in March 2009 did create some temporary hue and cry but a poor fisherman's death ruined an entire family. Just protest was not a solution to the old problem. Recently 24 Pakistani fishermen of the Kharochan village were caught in India and their families have been devastated and facing starvation due to arrest of their income earning member.

Compilation of a directory of major labour organisation and other CSOs of the region is another major initiative of this group. The specific objective was to produce a single document with consolidated and organized contact information of prominent Indian, Nepalese, Bangladeshi, Pakistani and Srilankan labour organisations, trade unions and civil society organisations (CSOs) engaged in some way in uplifting the core labour rights.

The main source of information has been the internet, individual or network websites/ labour portals and already published secondary sources. So far they have collected details of 120 NGOs. They are classifying these NGOs with respect to their countries. The methodology for finding information worked more or less for the countries with more developed web networks, but, they had a lot of difficulty in finding organizations in Maldives, Bhutan and Afghanistan. Except a few obscure ones they could not find many. The group is hopeful that they would take the GA as an opportunity to discuss with the delegates from Maldives, Bhutan and Afghanistan to fill this gap.

The labour group held a labour conference on November 19- 21 2008 titled as 'Workers as Citizens: Markets and Rights in South Asia'. The total number of delegates attending this conference was 82. Due to the logistic problem, many of the Indian delegates, however, could not join this conference. The highlight of this conference was mainly the future of trade union movement in South Asia, and other issue that have directly impact on the lives of the labourers including social security and peace.

Universalising social security in South Asia is another perspective which the group is advocating for. The group has carried out a comparative research on social security systems in South Asian countries. The first draft is prepared and dissemination of findings through different campaign activities after finalisation and editing. This group has also been working on producing a position paper on labour issues of South Asia. The report has been drafted and is going to be finalised soon.

The Labour Group is also completing a study titled 'Comparative study on garment workers in Bangladesh and Pakistan' being carried out by one of the senior researchers at PILER who has completed her field-trip to Dhaka, Bangladesh. This is a survey research and the first draft has been shared with the secretariat on the basis of 500 forms completed during the field-survey in Karachi Industrial area.

The Labour Group has produced some papers on the issues of Food Sovereignty (2005); Gender and poverty (2006) ; Demilitarization and peace initiatives in South Asia (2005).

Some of the challenges, the group is facing, are such as about the increase in membership. To them, increasing membership just for the sake of it will not provide the seriousness and dedication which is required at this point in driving the South Asian labour movement ahead.

The Labour thematic group has presented the following strategic intervention strategies for the next three years:

Strategic Objective:

To facilitate and/or create enabling environment for enjoying basic human rights by the workers.

Poverty in the countries of South Asia is also attributed to denial of basic rights including right to life & livelihood, right to decent work, right to freedom of association/assembly, right to freedom of movement, right

to access to health, right to free education, , right to adequate standard of housing and so on.

Expected results

- Established/strengthened well-coordinated and connected broader network of South Asian labour movements to work as a common trade union forum for the region
- Enhanced political leverage on labour policies both at the national and regional levels
- Suitable social security schemes in place in South Asian countries
- Increased level of awareness among the workers on their basic rights

Action agenda

i) Campaign, advocacy and lobbying

- for the broader network of South Asian labour movements,
- for providing suitable social security schemes to workers,
- for the right to register contract workers; especially focusing on women as they are most vulnerable in terms of labour contracts and the real wages that they get
- for free movement of labour to all parts of South Asia
- for the rights of home-based workers

ii) Research studies and information dissemination

- Undertake research on budgetary allocation by the South Asian government for social security, By drawing allocations made such as on health, education, employment for the people of the countries, some advocacy and campaign materials will also be developed,
- Review the existing labour laws, ratification status of the international standards on labour and their implementation status by individual countries,
- Undertake research study on the impacts of climate change/crisis and global economic crisis on workers and their livelihoods,
- Undertake comparative study on the minimum wages that the South Asian countries have announced for the workers as well as a review on the living wages instead of minimum wages,

- review on the decent work in line with the ILO Convention on Decent Work as this is one of the urgent needs at the South Asia level
- Organize regional level seminars, workshops, conferences,
- Publish different IEC and campaign/advocacy materials,
- Maintain web pages and e-mail listserv on labour issues,

3.3 Floor Discussions and Suggestions

Some delegates representing the food sovereignty, livelihood and employment thematic group shared the training programme organised in Calcutta on food sovereignty and a comparative study on agrarian issues. One of them asked of not conducting activities regarding employment which is also the part of their agenda.

Commenting the Just and Democratic Governance, one of the delegates raised his concern that transparency, accountability and inclusion are mainly the national issues.

The labour group was suggested to include several follow up activities after preparing the country position papers. They further suggested the group to concentrate more on the informal sector labour workers and increase membership from among the trade union movements. A participant from Pakistan highlighted some more activities conducted by the labour group such as the Karachi Conference.

He suggested the peace group to focus on migration and refugee issues as well.

One of the delegates from Sri Lanka asked all the delegates to be clear on the agenda they are raising. According to him, only one mission of the SAAPE should be to bring the people in the movement so as to make the People's Union in South Asia. The delegate also suggested reframing the thematic groups in this GA if floor mandates.

Another delegate from Nepal asked all the presenters to highlight also the challenges they have faced and what strategic planning we need to make in the days to come to face such challenges.

The floor further suggested all the groups to think of seriously whether they work with the marginalised and excluded groups by setting up their own agenda.

General suggestions mainly related to SAAPE structure were also given by the floor as summarised:

- The criteria for the selection of the core committee members and their contribution need to be further clarified. (NB: this was responded by the SAAPE coordinator explaining the mechanism in place, e.g., one representative from each country selected by the respective country groups, representatives of each of the five RTFO, secretariat representative and an observer member from European CS groups. These criteria were reaffirmed by the GA, and the CC was given the responsibility of making it as inclusive and effective as possible in days to come)
- It is necessary for every member of SAAPE to share about the activities they are carrying on such as the meetings they are attending, the campaigns they are involved in and so on.
- SAAPE's structure needs to clearly define mainly the coordination and communication aspects, especially on country and thematic groups.
- We should recognise ourselves that we have done a good job since 10 years ago SAAPE was born. There is not any single organisation in South Asia which has lived for 10 years with so much of plurality and remained consistent in fighting against poverty.
- In order to make SAAPE's work more effective, we should take care on increasing our membership and participants, especially in the country level.
- Promoting solidarity process is another major area of intervention SAAPE needs to take care in the days to come. It should be able to influence SAARC, country governments, European Union, and others.
- Priority should be focused on the economic, social and cultural rights.

4. DISCUSSIONS AND DECISIONS ON ADMINISTRATIVE, ORGANISATIONAL AND PROGRAMMATIC MATTERS

Based on the issues and concerns in the various plenary and workshop sessions, the delegates discussed pertinent issues relating to administrative, organisational and programme areas and took decisions particularly on the following:

4.1 Grassroots People's Mobilisation

It was unanimously decided that the focus of the SAAPE activities should be mainly the campaigns and advocacy rather than study and research in isolation per say. Conferences, seminar, research and workshop may fail to link the grassroots social, political, economic and cultural movements if they are not appropriately coordinated and linked. Therefore, SAAPE's priority needs to concentrate on campaign activities like people's mobilisation.

4.2 Publications

SAAPE's publications should be made in the local languages as far as possible so that they can be used by the people at the grassroots. Each thematic group needs to identify at least one activity that is directly related to the poor people in South Asia.

The preparation of documents in the centre (secretariat and RTFO level) and translating them into the local languages should be discouraged. Rather, SAAPE should identify issues by working with the grassroots people, prepare documents based on their news and views and then translate them into the documents understandable to all. These documents need to be used for advocacy works rather than for other people to use it as the study materials.

4.3 Rotation and Restructuring of SAAPE

The thematic groups that are the hearts of SAAPE should discuss among themselves how they are going to rotate and who take the responsibility. In this regard, the thematic members of the Gender Group decided to shift its RTFO from Bangladesh (BNPS) to Pakistan

(WWH) to be effective from January 2010. It was agreed that the transition period for shifting the RTFOs should remain till December 2009. The rotation of the thematic group needs to be at least not more than one RTFO in one country.

The delegates unanimously decided that the existing Secretariat of SAAPE based in RRN Office, Kathmandu should be continued in future, too.

4.4 Action Agenda

From August- December 2009, the Secretariat should develop a comprehensive programme with the help of the CC members, the thematic groups and other SAAPE members. The SAAPE Secretariat, in coordination with the thematic groups, should work mainly on what activities SAAPE can really do within next three years (2010-2012), the rotation of the thematic groups, other restructuring issues, budget, etc.

4.5 Programmatic Activities and Outcomes

The thematic groups agreed to set the realistic activities yielding concrete outputs. Their activities should be directed towards achieving their end goals and objectives. SAAPE is also working on publishing the South Asia poverty and vulnerability report (third issue) and it should concentrate on the gender disaggregated data on South Asia's poverty, as far as possible.

The activities of the thematic groups presented in the various sessions are just black and white pictures now. The groups are advised to go back to their countries, discuss among the country groups, develop more ideas and the RTFO should reschedule the activities and submit to the SAAPE secretariat within November 2009.

4.6 Membership and Linkages

Expanding membership means building additional blocks and it should be crosscutting across movements of the thematic groups. Criteria for membership developed by SAAPE may need to be revisited as necessary. Expanding members for formality cannot contribute to SAAPE's movement against poverty. Certain strategies need to be developed for expanding membership within each thematic group. Issues of inclusion are equally important for SAAPE to keep in mind.

How to make linkage with SAARC is another issue SAAPE needs to seriously work out because SAAPE's mandate is to lobby the South

Asian governments and SAARC is the official intergovernmental organisation for this.

4.7 Resource Mobilisation and Coordination

Generating resources from the SAAPE members were also discussed and it was decided that SAAPE will stand more as a facilitator for the grassroots movements.

Inter and intra-thematic group coordination mechanism should be built up in the coming days so that each thematic group owns the issues raised by SAAPE. It will fulfil the gaps appeared currently for the joint movement against poverty in South Asia.

The current structure of SAAPE is developed by the SAAPE members themselves and can be subject to change or modify to suit the present context and issues. SAAPE will not accept any donor imposing conditionality.

SAAPE will create an environment so that the poor themselves represent in these types of assemblies and thus the meaning of linking our movements with the grassroots can be materialised.

5. SPECIAL SESSION ON NEPAL'S ON-GOING DEMOCRATISATION PROCESS

As per the suggestions of the delegates, the SAAPE Secretariat arranged a special session on *Nepal's Democratic Process* on the evening of 9 August 2009. Moderated by Mr Arjun Karki, senior political party leaders including Chandra Prasad (CP) Gajurel, Unified Communist Party of Nepal (Maoist), Dr. Ram Saran Mahat, Nepali Congress and Pradip Gnyawali, CPN UML were the speakers in this special session.

Professor Babu Mathew, the adviser of SAAPE welcomed all three senior leaders of Nepal on behalf of the SAAPE and expressed the civil society's concern from whole South Asia on Nepal's democracy and new constitution making process. Indicating the historical election of constituent assembly, which has included the excluded and marginalised communities, Professor Mathew raised a major question as how to translate this inspiration to other neighbouring countries so that Nepal's role model for democratic exercise could be flourished throughout the region. Professor Mathew put forth his view on behalf of SAAPE that the delegates are curious to hear from the leaders themselves on the present political development in Nepal, especially how both the peace building and constitution making processes are going on hand in hand.

Taking part in the discussion, CP Gajurel from UCPN (Maoist) said that democracy is a catch-word for all those who believe on it but the intention in its application is different. Citing some of the advocates for democracy, he said even the active monarch in Nepal was ruling the country in the name of democracy. As Nepal is in a transitional phase after the collapse of monarchy, Mr Gajurel highlighted the major need of the country - uniting two armies and building a national army. Putting forth the reality that the political parties are divided in different views to analyse the present political situation and sharing his party's analysis on the present dilemma, Mr. Gajurel said it is a transitional phase to step-up for revolutionary path and his party is in favour of Peoples' Federal National Republic.

Another speaker Dr. Ram Saran Mahat from Nepali Congress accepted the transitional reality of Nepal and stressed that the entire republic rulings are not good for democracy. Putting forth how his party set back from its stance on the constitutional monarchy, Dr Mahat said, in other

countries the ceremonial monarchy has an important role for economic prosperity and strong democracy of the country but Nepal's ex-monarchy (Gynandra) became more ambitious by sidelining the parties' views, thoughts and expressions, and as a result the monarch had to surrender to the people.

Saying, the first phase political transition has ended in Nepal, Dr. Mahat highlighted the need of a cautious management to enter into the federal system. Disagreeing with the line of the UCPN (Maoist) which has invited conflict in the name of federal system by giving slogans of caste-based state, Dr Mahat expressed the reality of not a single caste or language as majority population in different parts/regions of Nepal. Therefore, ethnic model of federalism would not be possible. Putting the party's view on the federal system, Dr. Mahat stressed on the need of identifying viable natural resources, to set the basis of the federal system. Journey of peace process is not an easy road but a bumpy road, and we are the ones to travel this among differences and diversities, he said.

The next speaker, Pradip Gnywali from CPN (UML) highlighted the significant achievements of the peace process in the last three years. Expressing the unfortunate deadlock in peace process since last one year, Mr. Gnywali was worried about the intention of the lingering peace process by some forces. Saying that we are derailed from the peace process after the CA Election, he highlighted the party's effort for bringing back all on the right track of peace process which was almost derailed in the past peace process.

He put forth some major challenges of the country that are originated from the tendency of deep political polarisation and lack of working together, different interpretations on unification or rehabilitation of ex-Maoist combatants, growing violence and impunity especially in the Tarai region, failure of the political parties to address the expectations and feelings of the people.

Intervention from the Floor

The major interventions made from the floor included suggestions to the Nepali political leaders to come out of the party stance and give lights to the darkening democracy in Nepal. Some of them said that in Nepal's majority voters seem in favour of the communist parties, although being divided into many '*Ghataks or groups*'. One of the delegates suggested that in Nepal there is no need of so many army which is only the root cause of destabilisation. They suggested Nepal to challenge the neo-liberal forces for the durable peace process in Nepal.

ANNEXES

Annex 1:

SAAPE 3rd General Assembly Declaration

We the citizens of South Asia, representatives of civil societies from Afghanistan, Bangladesh, Bhutan, India, the Maldives, Nepal, Pakistan and Sri Lanka, met in the Third General Assembly of the South Asia Alliance for Poverty Eradication in Kathmandu from 8 to 9 August 2009. This Declaration represents the collective will of the members present to work against neo-liberalism. We embrace sustainable development for the definitive eradication of poverty and the betterment of the lives of all people in the region, particularly those living in poverty and without rights, those suffering injustice and the effects of conflict and discrimination.

We call on all governments of the region, and the international community as a whole to unreservedly ensure the universal right of all to life, shelter, social security and livelihood. All the hard won rights must be preserved and built upon. We demand that all governments of the region recognize the global failure of the neo-liberal model to bring equitable development to all. The global economic crisis is symptomatic of the broader failures of commoditisation of the world's resources and exploitation of nature.

While we recognise the threat of climate change the solution does not lie in either displacing people from the forest and land, or in international carbon trade. The International Financial Institutions have accentuated land grab and displacement of forest and rural communities, loss of traditional livelihoods and a sharp increase in hunger and farmer suicides. We demand a reversal of neo-liberal economic policies and the restoration of public management and ownership. The restructuring of South Asian economies has led to the loss of millions of jobs and rampant poverty and intensification of poverty in both urban and rural communities. Elitist growth-led economic strategies have reduced possibilities for overall livelihood concerns in economic policy.

Neo-liberal policies have led to an attack on democratic struggles including the use of anti-terror laws against people's movements. The states cannot claim impunity since these are in violation of international

human rights law. In view of the crushing debt burden there must be cancellation of debt by the IFIs and Northern lenders. South Asian governments must not borrow any more funds from the IFIs.

Therefore, we commit here to redoubling our efforts as a united South Asian community to act in solidarity with people's movements in the region- Dalits, indigenous peoples, labour (including migrant workers), fisher folk, women, peasants, refugees, minorities, displaced peoples, and all other excluded peoples. The access of youth to secure futures must be ensured. Travel within South Asia should be visa free. Our solidarity extends to people and movements worldwide.

We demand governments to recognise and support the emerging diverse development alternatives initiated by communities that have successfully incorporated principles of gender justice, ecological sustainability and participatory democracy. Adequate resources must be allocated to implement these alternatives on a national and regional scale. The state must respect, protect and fulfil the basic legal, social and economic rights of all citizens, including food sovereignty. This will require increased prioritisation of financial resources to this end.

The people of South Asia are witness to the increased militarism and militarisation in the region, and the heightened arms race and trade, while poverty and destitution, civilian deaths, and insecurity are on the rise. There is a need for a collective action by South Asian states to combat extremism and to significantly reduce military expenditures. South Asia should be declared a nuclear- weapons free zone. Security in the region can only be achieved by just and sustainable social and economic development. All disputes between South Asian countries should be resolved by transparent negotiations. The people of South Asia deserve clean and people- friendly governments.

We resolve to struggle against all forces that create poverty, conflict and violence. Our governments must fulfil their constitutional obligations to secure peace and social justice.

9 August 2009

Annex 2:

Dr. Shobha Raghuram's Inaugural Remarks**South Asia**

The number of people afflicted by poverty and human deprivation is overwhelmingly large in South Asia - a region already marked by high internal migration, military conflicts and the attendant loss of life, and critical issues of livelihood and human rights. Illiteracy rates in South Asia are two-and-a-half times these rates in the rest of the developing world: the adult-literacy rate in South Asia is 48 per cent, the lowest in any region of the world. The proportion of malnourished children is three times as high and access to health-care facilities is one and half times as low as global averages for these figures of deprivation and destitution. Women in South Asia endure one-third of the world's maternal deaths. In South Asia we still do not have a Gender-related Development Index (GDI) value for the countries of Afghanistan, Bhutan and Maldives. If Maldives had a GDI value, going by the indicators, it will certainly be higher than India and closer to Sri Lanka's. Yet, it must also be said that without exception, many of these countries provide enormous evidence of rising violence against women, despite economic growth and increasing economic opportunities for women. Gender related discrimination and violence cut across countries and jumps the barriers of caste and class. The life expectancy for women in South Asia ranges between 46.7 years in Afghanistan to 77 years in Sri Lanka. These figures do not reveal the critical evidence in countries like India of escalating female foeticide and infanticide. In political representation, despite the right to vote having been received long ago, women at ministerial level in governments remain critically low, Maldives being highest at 11.8 per cent.

SAAPE has highlighted the need for accelerating investments in education and health for pre-empting or mitigating social and economic vulnerability. The role of the state and the responsibility of national governments for social-sector issues have undergone several changes during the last decade when the structural reforms in the economy were initiated. In several South-Asian countries there is an increasing trend towards privatisation and towards the attitude that the independent sector should take over the state's responsibilities in protecting the poor (via safety nets) and in providing services.

Equitable development and the role of the state in the reduction of social vulnerability will remain a major issue here in South Asia with a population of 1.51 billion, a history of more than two-thousand years, with long periods of colonial rule. **Despite the attention that public policy has given to issues of equality and equity, empirical data and the narratives of people living in poverty indicate that the prognosis for the situation of the poor in this region is shockingly dismal: 22.2 per cent of the global population lives in South Asia; almost 31.7 per cent, i.e., about 433 million people, live in abject poverty.**

The focus of development needs to be brought back to the broader social and economic environment and the issues of persistent poverty, the varying standards for equity, access to and control of resources, and the biased representations of interests that inhere in unequal societies. After nearly 60 years of independence almost all the countries in the South-Asian region have recorded an alarming decline in the sex ratio; and women face growing overt forms of social violence in both public and private domains. This is an issue that needs to be central not only for the development sector but also for all work addressed to altering a socially crippling order, in which subordination and inequality are accepted norms.

The introduction of the reform policies in the early 1980s encouraged, in most countries, a significant retreat of the state from its traditional welfare role of the protection and promotion of the interests of the poor. The growth of the economy has not been matched by the implementation of reforms in the social services led by redistributive justice. The diversion of national interests from the welfare of citizens to growth-led progress or export-led economic patterns has increased the vulnerability of large masses of the rural poor. The absence of land reforms, during a large part of the post-independence period, and the withdrawal of state subsidies to small farmers, as part of the Bretton Woods' conditionalities, has contributed to the poor situation of the livelihoods of the rural populations. The exploitation of resources, most often with the agreement of the State, has led to further impoverishment of the rural poor, with debilitating consequences for women and children, who are often left behind in female-headed households.

South Asia is witness to the distortion of traditional food securities, decline in agricultural output, rural unemployment, and the ultimate indignity of the rural poor, neglected in these countries' efforts to

progress. For one reason or another Governments have not been able to stimulate the non-farm-sector employment, which is a major requirement for maintaining equity in the growth patterns of economies and, consequently, in the livelihoods of people.

The Recession

The economic recession has posed many threats, most of all plunging pro-poor development into a severe crisis. Combating economic recession and market fundamentalism is a daunting task. Poverty, globalisation, social transformation, structural change, equality, ethics, social protections are some of the major issues under debate and within transformative politics.

The economic recession is a foundational political crisis in which market-oriented reforms have led to a cyclical readjustment of injustice with the poor subsidising the bail-outs. When states subsidise markets, the logic of privatisation and liberalisation is further perpetuated instead of being revised fundamentally. I state that development-oriented policies, formulated by national governments to reduce income-gaps between classes of citizens, have been in 'recession' during the last two decades. The current economic recession provides us with a fundamental argument to force a return to accountable states, which regulate market-regimes and place people and their citizenship rights at the centre stage of the agenda of democratic governance.

Irresponsible Growth and Consumption

The world, dragged and driven into recession by the financial fall-out of the US sub prime crisis, remains in the grip of economic gloom. Governments everywhere are returning to the fundamental questions of short- and long- term solutions to the rampant and predictable self-interested manoeuvres of the markets. Thousands have been rendered homeless or jobless; they have been barred from access to all kinds of social security, and been deprived, overnight, of their rights of citizenship. Those who have lived in poverty in developing countries have seen a further lowering of survival possibilities. A recent multilateral report states,

“The impact could set back the global fight against poverty ... analysis suggests that the crisis will result in 53 million more people living in extreme poverty (below \$1.25 a day) in 2009, or 65 million more if the \$2 a day measure is used; 200,000-400,000 more infants will die every year and many poor children will lose the opportunity to attend school!”

The failure of market discipline, the intentional violation of rules and regulations by financial institutions, and the insufficient legal action against errant, but powerful, corporate heads for their reckless financial manoeuvres have left people dispirited and angry with the system and with the ability of elected governments to govern justly. A journalist has termed the wave of suicides due to sudden loss of livelihoods as 'econocide'. Meanwhile, in the United States market fundamentalism has made unbelievable advances. In his critique of the American commoditised cultures, Giroux, author of 'Against the Terror of Neoliberalism: Beyond the Politics of Greed' (2008) writes that pre-teens and teenagers,

who are attractive to corporations because they are big spenders, exert a powerful influence on parental spending, offering up a market totaling over \$670 billion a year...The electronic mall culture alone is supposed to expand by 2011 to a customer base of 200 million young people worldwide.

Chris Hedges, a Pulitzer prize-winning reporter, author of Collateral Damage: America's War against Iraqi Civilians has just written a book, Empire of Illusion: the End of Literacy and the Triumph of Spectacle. He states "I looked at the array of mechanisms used to divert us from confronting the economic, political and moral collapse around us. We have shifted from a culture of production to a culture of consumption. We have been sold a system of casino capitalism, with its complicated and unregulated deals of turning debt into magical assets, to create fictional wealth for us and vast wealth for our elite. We have internalized the awful ethic of corporatism — one built around the cult of the self and consumption as an inner compulsion — to believe that living is about our own advancement and our own happiness at the expense of others. Corporations, behind the smoke screen, have ruthlessly dismantled and destroyed our manufacturing base and impoverished our working class."

The largest users of internet porn are between the ages of 12 and 17. And porn producers know their market is increasingly underage. According to the Internet Filter Review, worldwide porn revenues topped \$97 billion in 2006. That's more than the revenues of the leading technology companies combined: Microsoft, Google, Amazon, eBay, Yahoo!, Apple, Netflix and EarthLink. Annual sales in the United States are estimated at \$ 10 billion or higher. Porn is very lucrative to some of the nation's largest corporations. General Motors, for example, owns Direct TV, which distributes over forty million streams of porn into

American homes every month. AT&T and GM rake in approximately 80 percent of all porn dollars spent by consumers.

Contrast this with the fate of 'other' children: UNICEF has stated in one of its reports that 25,000 children die each day because of poverty-related causes- 'they die quietly in some of the poorest villages on earth, far removed from the scrutiny and the conscience of the world'.² Of the 2.2 billion children in the world every second child, i.e., 1.1 billion children in all, are effectively under the poverty line - a world of unacceptable morality. Children world-wide become part of the virulent system that reproduces, inter-generationally, market fundamentalism: conspicuous consumption by some and inhuman exploitation and devastation for the majority. The culture of gross consumption and the violence of poverty did not happen overnight. The future of humanity indeed appears tragic, embedded in a worldview that has turned on itself.

I suggest that the long term solution to the present recession needs a decision on the political ethics which can effectively combat the logic of the present political economy which is to 'produce what you do not consume and consume what you do not produce'. The growing movement of public goods into private ownership needs to be reversed to be able to direct a national strategy of economic growth to meet the needs of the poor entirely from national internal resources. Large domestic markets insulated from trade shocks are necessary for protection of the citizens. Serious domestic political and institutional problems add to the tough times ahead in South Asia.

Recession and Market Fundamentalism: A cyclical readjustment of injustice

Critics of capitalism have averred that its collapse signifies a structural flaw in the system, requiring a complete overhauling of the capitalist enterprise, of private profiteering, and the illicit squandering of public funds. The problems of endemic poverty and the waves of globalisation requiring poor countries to 'adjust', to 'reform', to 'open-up' are part of the internal dynamics of capitalism and it needed the recession for western governments to return to state-led development responsibilities. A fundamental re-examination of the politics of privatisation is being undertaken. Consistently, critical economic historians like Amiya Bagchi in his work e.g., "Perilous Passage: Mankind and the Global Ascendancy of Capital" had critiqued the disastrous results of human development in capitalism. His work has looked at the

twin passages of capitals in both the financial sectors as well as human development itself.

Capitalism has been racked by speculative crises... from the moment of its birth...But as any student of history knows, you never step into the same stream twice. Capitalism in particular has been... a super-chameleon, transforming not only its colour but also its apparent structural relations every few decades.

Critical economists suggest that the large subsidies provided by the State, to corporations and banks, will also assist them to capture global markets. Developing countries will not be in a position to compete with the volume or the range of financial instruments being used. Even Soros, speculator and now philanthropist has been forced to state,

“Every time the credit expansion ran into trouble the financial authorities intervened, injecting liquidity and finding other ways to stimulate the economy...The system was so successful that people came to believe in ... the magic of the marketplace and which I call market fundamentalism. Fundamentalists believe that markets tend towards equilibrium and the common interest is best served by allowing participants to pursue their self-interest... Globalisation allowed the US to suck up the savings of the rest of the world and consume more than it produced.(Soros, 2008)

Rightly, it was the intervention of the authorities that prevented financial markets from breaking down, not the markets themselves.

To provide a view to the corruption behind the recession and the bail-outs: Nine of the financial firms that were among the largest recipients of US federal bailout money paid about 5,000 of their traders and bankers bonuses of more than \$1 million apiece for 2008. At Morgan Stanley, for example, compensation last year was more than seven times as large as the bank's profit. In 2004 and 2005, when the stock markets were doing well, Morgan Stanley spent only **two times** its profits on compensation. At Goldman, just 200 people collectively were paid nearly \$1 billion in total, and at Morgan Stanley, \$577 million was shared by 101 people.

A second view into the recession that is not a recession for some: It is called high-frequency trading — and it is suddenly one of the most talked-about and mysterious forces in the markets.

Powerful computers, some housed right next to the machines that drive marketplaces like the New York Stock Exchange, enable high-frequency

traders to transmit millions of orders at lightning speed and, their detractors contend, reap billions at everyone else's expense. These systems are so fast they can outsmart or outrun other investors, humans and computers alike. Nearly everyone on Wall Street is wondering how hedge funds and large banks like Goldman Sachs are making so much money so soon after the financial system nearly collapsed. High-frequency trading is one answer.

In 1998, the Securities and Exchange Commission authorized electronic exchanges to compete with marketplaces like the New York Stock Exchange. The intent was to open markets to anyone with a desktop computer and a fresh idea. But as new marketplaces have emerged, PCs have been unable to compete with Wall Street's computers. Powerful algorithms — “algos,” in industry parlance — execute millions of orders a second and scan dozens of public and private marketplaces simultaneously. They can spot trends, changing orders and strategies within milliseconds.

High-frequency traders often confound other investors by issuing and then cancelling orders almost simultaneously. And their computers can essentially bully slower investors into giving up profits — and then disappear before anyone even knows they were there.

If not for the Reserve Bank of India and strong democratic social forces which critiqued any blind adherence by the government to progress, defined only by 'growth', India would not have been able to cope with the present recession. However, given the magnitude of the country's responsibilities to its millions of the poor, the recession can only accentuate the need for a serious political review of what is at stake for citizens, who remain with little agency to drive the economic policies of their government. Baxi noted for his work in comparative constitutionalism, and rights in corporate governance and business conduct noted the negations of free market on human rights,

Even so, the emergent forms of business ethics discourse richly suggests that trade and commerce 'formations', 'systems' and practices ought at least to remain a 'moral free zone'. The endeavour towards a wholesale mediation of free-market fundamentalism via coequal human rights...contemporary human rights values, standards and norms raises imponderable issues... (Baxi, 2005).

Democracy and citizenship include social equality and economic justice as important pillars for development. Markets are a part of this system of rights, not apart from it. The present crisis cannot be met with

reactive solutions alone such as bail-outs and more development assistance of a unidirectional kind, without the right to information on it well before implementation by the national governments.

Indeed, can a moral-free zone be applied to economic practices? Economic practices are never value- neutral. The grammar of globalisation has been celebrated as it provides the illusion of escaping the 'narrow conditions' of the local. The longer we postpone increasing livelihood opportunities the more acute will be the threats of poverty-related morbidity.

The economic recession rides on the back of an unsustainable model of development. The recession arises from the state's extraordinary faith in the willingness of markets to curtail their growing acquisitive and expanding interests.

Regulating self-interest

Laski, when writing of the rise of European liberalism, said, 'In the whole atmosphere of this speculation, enlightened self-interest is made the key to social construction'; (Laski, 1996: 127) Despite global and national efforts to promote a framework of peace and development during the last half century, there has been a decline in the commitments by nations for the pursuit of ideals that are not determined by narrow self-interest. Development alternatives, which have been mooted, seem to have lean chances of becoming the mainstream. Given the entrenched interests of the elite to ensure the sustainability of the unequal world structural solutions seem remote. The US Senate, which refused funds for the closure of the Guantanamo facility, has just approved \$91 billion for war investments (only 8 percent of this funding is for non-military projects)!

Similarly about development assistance, Sachs notes

The tragedy of inaction is made worse by two basic truths. First, the amounts promised but not delivered for Africa by the rich world — about \$60 billion per year up to 2010, compared with actual aid flows stuck at around \$30 billion — are an insignificant fraction of the trillions of dollars of financial bailouts and stimulus packages adopted by the rich countries in the past four months, (Sachs, 2009).

The interests and protectionism of the rich nations are large obstacles to social justice, in the present bail-out plans for the private sector by governments. Between the \$ 700 billion for bail- out and \$700 billion as

passed by the US Senate for the military -whither development? (Carroll, 2008)

Deregulation of nationalised banks was a goal of privatised systems; today the same regulation is seen to be necessary, serving the cause of the private sector. When the people's estate needs to be utilised for 'reviving' corrupt financial institutions, famous for their market profligacy, we must return to the accountability of governments. The recently concluded meeting of the G-20 nations, (enlarged from the G-7) attempted to bring in the contributions of countries such as Brazil, India, and China...a new financial architecture of mutual responsibility or a risk-spreading exercise? I maintain that unless all 192 member countries are present there will be poor ownership of this global development future, including especially the LDC countries which must not be perceived as countries 'needing' assistance and not autonomous policy contributors in their own right.

Pro-Poor Development Justice

The development agenda which centrally needed the role of state in the protection and the promotion of the poor has been on the decline due to dominant market fundamentalism. Committed agencies have been forced into mergers, or to reduce their support just to sustain themselves. Aid 'conditionality' has often forced reforms which did not get the support of the affected communities. Many donors recognise that the present economic crisis is part of the larger crisis of growing poverty and insufficient donor-government-civil society coordination and coherence. The failure to regulate systems for promoting distributive justice calls for something more than just 'coordination'.

All development initiatives will hold promise and provide a way out of the development impasse only if there is a foundational effort at all levels to politically resolve the crisis and move towards a system that demands governance at all levels, and across all countries. It cannot be framed any longer as a simple transfer of resources to the 'poor' countries...it has to be a self-owned change of conduct and a cooperation based on common purposes and values, just in its intentions and goals.

Foundational transformations

I underscore the need for serious processes and systems to be in place for democracy to work, starting with people and ending with them. Regulations in governance of both the private sector and national

governments, and the international bodies are urgently needed. The larger issue has to do with the equalisation of resources and assets as well as the restoration of full-dignity claims by citizens. So sharp are the interventionist roles of transnational and military interests in the internal domestic policies of many countries that unless and until this is changed I see little possibility of seeing a world governed by social justice.

We have to reject the military option as a form of legitimate discourse in global understandings and mediations. The United Nations and the other multilaterals, in substance and operationally, must rise to the challenges of forcing the world to deal with economic and other crisis in the best traditions of parliamentary democratic politics rather than the use of military. The international instruments for justice and economic trading must be accessible on an equity basis to all countries.

We will impose extraordinary hardships on millions if corrective steps are not taken to arrive at holistic solutions; this will entail a public renunciation of ill-begotten power by all those forces responsible for this dehumanising state of affairs. Centres of power have learnt the art of reinventing not only themselves but also their operations, ensuring self-sustenance and perpetuation of inequalities. Talking about the economic recession and its implications for the poor world over—is this about economic planning and policy or is it about politics? For a long time capitalism has been critiqued from a political economy worldview but during the last two decades so rigorous has been the runaway glamour of advanced capitalism that its myths has glossed over our eyes and minds. As the middle classes expanded across South Asia and the states became more globalised, speaking the languages of the advanced capitalist countries in realities which were vastly different we indulged in various categorical confusions...we shifted the struggle to several semantically controlled disputes. Economic justice is not a set of principles. Redistributive justice is intergenerational, closely directed by the equity principles of justice.

Conclusion:

“The worker does not necessarily gain when the capitalist gains, but he necessarily loses along with him”

“Labour is life, and if life is not exchanged everyday for food it suffers and soon perishes. If human life is to be regarded as a commodity, we are forced to admit slavery.”(p.293)

These lines were penned by Marx in 1844 in the Economic and Philosophic Manuscripts where Marx wrote of the beginnings of capitalism, of alienation, reification, estrangement where human beings through the sale of labour in exploitative conditions lose their essence and their humanity. This was written 165 years ago – Much has changed since then and yet the fundamental contradictions of economic and social bondage remains to haunt millions in South Asia and elsewhere –winning this freedom is crucial if we believe in historical justice, at least in this century.

Annex 3:

Programme Schedule

Global Economic Crisis and Implications *in South Asia*
South Asia Alliance for Poverty Eradication (SAAPE)
3rd General Assembly
08-09 August 2009

RRN Conference Hall, 288 – Gairidhara Marg, Gairidhara, Kathmandu,
Nepal

Opening session

Date: Saturday, 08 Aug 2009

Time	Programme
08:30	Welcome tea/coffee

09:30-12:40

Moderator: Arjun Kumar Karki, Regional Coordinator, SAAPE

09:30-09:40 Welcome and presentation of GA/AGM highlights

09:40-10:00 Keynote on global economic crisis and implications in South Asia

- *Ram Bapat and Shobha Raghuram*

Sharing on regional/country experiences on global economic crisis and impacts in South Asia

10:00-10:10 Karamat Ali, Pakistan

10:10-10:20 Raz Mohammad Dalili, Afghanistan

10:20-10:30 Sarath Fernando, Sri Lanka

10:30-10:40 Rokeya Kabir, Bangladesh

10:40-10:50 Saleem Ibrahim, Maldives

10:50-11:00 DNS Dhakal, Bhutan

11:00-11:10 Babu Mathew, India

11:10-11:20 Simon Stocker, Europe

11:20-11:30 Sharing from the Guest Speaker Dr. Yubaraj Khatriwada, Nepal

11:30-12:30 Open discussion

12:30-12:40 Concluding with Vote of Thanks by the Session Chair

12:40-14:00 Lunch

14:00-16:00 **Session 1 –Thematic Reports**

Moderator: Farooq Tariq

Presentations:

14:00-14:15 Food sovereignty, livelihood and employment

14:15-14:30 Gender

14:30-14:45 Just and democratic governance

14:45-15:00 Labour rights

15:00-15:15 Peace, justice and demilitarization

15:30-16:00 Floor discussion

16:00-16:15 Tea/coffee

16:15-18:00 **Session 2 – Thematic Workshops**

Theme wise workshops to review, revise and plan

- Gender
- Food sovereignty, livelihood and employment
- Just and democratic governance
- Labour rights
- Peace, justice and demilitarization

(Each workshop group will select a moderator and a rapporteur to systematize the workshop proceedings)

19:00 Meeting of declaration drafting committee*

Day 2 09 August 2009

09:30-11:00 **Session 3 – Thematic Plenary**

Presentation of the workshop report to the plenary (major highlights only)

Moderators: Rukmini Rao+ Mohiuddin Ahmad

- Gender
- Food sovereignty, livelihood and employment
- Just and democratic governance
- Labour rights
- Peace, justice and demilitarization
- Floor discussion

11:00-11:15 Tea/coffee

11:15-12:15

Session 4 –Administrative and Organisational Matters

Moderators: Ajit Muricken + Nalini Ratnarajah

Sharing of progress report by SAAPE Secretariat followed by floor discussion

12:15-13:15 Lunch

13:15-16:30 Session 4 (Contd...)

- Membership issues and organizational framework
- Election/Selection of Thematic Focal Organizations (both regional and country)
- Election of the SAAPE Secretariat Host Organizations
- Core Committee and Consultation Committee
- Miscellaneous issues and concerns

16:30-16:45 Tea/coffee

16:45-18:00 **Session -5 Closing Session**

Moderators: Arjun Karki + Bushra Khaliq

Presentation and adoption of the declaration

18:00-19:30 Special Session on Nepal's Democratic Process –political parties (CPN-UML, UCPN-M and NC

- Publicising the declaration

19:30-21:00 Reception dinner at RRN premises

* Declaration drafting committee

- Shobha Raghuram
- Raz Mohammad Dalili
- Rukmini Rao
- Karamat Ali
- Simon Stocker

Annex 4:

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Annex 5:

Some Photographs



Opening Session: Prof. Ram Bapat, Dr. Yuba Raj Khatriwada and Dr. Shobha Raghuram (From left)



Prof. Ram Bapat (Keynote Speaker)



Dr. Shobha Raghuram (Keynote Speaker)



Dr. Yuba Raj Khatriwada (Chief Guest)



(From Left) Mr. C.P. Gajurel, Dr. Arjun Karki, Dr. Ram Sharan Mahat, Mr. Pradip Gyawali and Prof. Babu Mathew



AGM Participants



AGM Participants



AGM Participants