



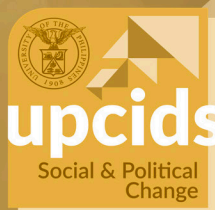
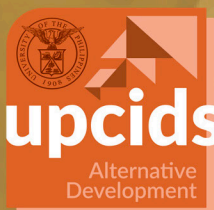
UNIVERSITY OF THE PHILIPPINES  
**CENTER FOR INTEGRATIVE AND  
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# Post-Democratic Regimes and the Businessification of the State and Civil Society

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KEVIN HEWISON, Ph.D.

## ABSTRACT

The post-democracy literature emphasizes a diminution of democracy as the state becomes attuned to the interests of business and itself operates as a business. In this paper, that process is called ‘businessification.’ It is suggested that business and a businessified state are now engaged in a two-pronged effort to businessify the organizations of civil society. This is the struggle for civil society, for the various processes that come together as businessification means that civil society organizations (CSOs) will tend to be supportive of—or at least non-challenging to—the state and business. For Petras (1999, 435), there has been a tendency for “apolitical” postures amongst NGOs, observing that “their focus on self-help depoliticizes and demobilizes the poor.” Yet applying the insights of the post-democracy literature, it is seen that as businessification takes hold of CSOs, there is a diminution of activism that contributes to the narrowing of political space, the rise of anti-politics, and the domination of business elites. Recognizing that mechanisms associated with businessification weaken civil society activism acknowledges that there is an ongoing struggle for the control of civil society.

**Keywords:** businessification, post-democracy, civil society, business, politics

In the first half of the 1990s, there was considerable enthusiasm and optimism for the potential of a more open politics in the Asian region. Modernization theorists were hopeful about democracy in the region. In 1996, Larry Diamond (1996, 35) declared, "At some point in the first two decades of the 21st century, as economic development transforms the societies of East Asia, in particular, the world will be poised for a fourth wave of democratization and quite possibly a boom to international peace and security, far more profound and enduring than we have seen since the end of the Cold War." By my calculations, we only have three years before that prediction has to come true, but that looks rather unlikely. The confidence expressed at the time reflected an enthusiasm for democratization that was also seen in positive assessments of the role of civil society in promoting democracy.

Diamond's enthusiasm was infectious. In December 1996, *Asiaweek* magazine devoted parts of two issues to extolling the advances that non-government organizations (NGOs) have made in the Asian region. While the magazine recognizes that NGOs have been around and operating for decades, the 1990s saw an efflorescence of activism. The magazine declared that NGOs were emerging as a bold new force for change. In places like South Korea, Taiwan, Thailand, and the Philippines, civil society groups were seen to have played significant roles in supporting democratization. *Asiaweek* continued by explaining the virtues and the potential of NGOs in the region: to reduce poverty, improve women's status, stop the spread of HIV, safeguard the environment, protect workers from abuse and consumers from fraud, expose corruption, bolster human rights, and defend democracy. NGOs and civil society groups were praised for their work in Asia's villages and slums, and for offering credit, condoms, vaccines, job training, and legal aid. Often, they provide services that governments did not.

*Asiaweek* magazine was reflecting a broader enthusiasm and was soon followed by an editorial which was resonant of what Diamond had to say—Asia, it was observed, was sufficiently affluent for the region to take notice of NGOs.

The magazine headlined an editorial, *Joint Venture*, suggesting that governments and NGOs should be partners, not adversaries. The editorial argued that the state's alliance with NGOs was one way of avoiding the pitfalls of the extensive social welfare system of the West. NGOs assisted governments to better communicate with the grassroots and deliver services such as healthcare, education, and credit, doing this in place of, and at times, better than the government. The magazine concluded that it is in any country's interest that its government should embrace its NGOs as partners in progress rather than consider them rivals.

But there were also warnings: first, to stay away from party politics; second, beware of subversives, communists, and labor groups; and thirdly, that NGOs themselves should be ready to blow the whistle on groups who might give them a bad name. The editorial also mentioned that there are NGOs working with businesses, suggesting a communion of interests with corporations—after all, improved childcare, education, and quality of life make workers happier and more productive.

Two decades later, it is appropriate to reconsider the role of NGOs within the region, at a moment when the political future looks much more like an authoritarian resurgence rather than a democratic wave. Political space, always volatile and malleable, has become narrower, even as NGOs have expanded their operations. The way I want to reconsider the role of NGOs is by making use of the post-democracy literature on the relationship between political space, electoral politics, and the fate of democracy.

## POST-DEMOCRATIC REGIMES AND BUSINESSIFICATION

Using that literature, I will suggest that in the same way governments have been subjected to a business takeover, there is now a similar struggle for the control of civil society. It is now CSOs, not so much the state, where contestation with business is expanding.

Let's talk a little bit about how we might think about civil society. We can start off with a definition produced by David Steinberg (1997) when he was describing the emergence of NGOs and civil society in Burma, then still under military. He said:

“Civil society is composed of those non-ephemeral organizations of individuals banded together for a common purpose or purposes to pursue those interests through group activities and by peaceful means. These are generally non-profit organizations and may be local or national, advocacy or supportive, religious, cultural, social, professional, educational, or even organizations that, who are not for profit but support business sectors, such as chambers of commerce.”

This definition eschews any notion that civil societies are inhabited by political organizations. In other words, civil society groups can be formal or informal, charitable or developmental, but not political. Other analysts have challenged this position. Several have talked about political civil society as an arrangement of “nonviolent political advocacy labor and religious organizations and movements who seek to promote human rights and democratization in authoritarian space” (Hewison and Prager Nyein 2010, 16).

If it is accepted that civil society is associated with political space, then we must also accept that political space is occupied by many and variant groups. This can include NGOs and community-based organizations (CBOs), but also state-sponsored, right-wing anti-immigrant, and anti-democracy activists and



other reactionary groups. Such groups will not always seek to expand political space or promote equitable development.

In Thailand, in recent years, especially since 2005, anti-democratic movements seeking to bring down democratic governments were built around NGOs and CBOs. Other examples of dangerous civil society groups—or what others have called “uncivil society”—are violent Islamic militias in Indonesia, and racist Buddhist gangs in Myanmar and Sri Lanka. Thinking this way, the political space associated with civil society is not uncontroversial. Even so, much conventional political science, heavily imbued with modernization theory, has conceived civil society as an indicator of democratization.

This modernization approach romanticizes civil society as the natural domain of individual and group freedom. Civil society is usually contrasted with the state’s coercive institutions and totalitarian relationships. This romanticized view of civil society remains highly influential even though the lives of individuals of society are indeed molded by civil and political conflict. When civil societies are conceptualized as a site of struggles over power, these struggles are most usually seen as being with the state or its agents. Only occasionally are such contests considered to be with society’s supposedly non-political elites’ business interests. But it is that relationship that I will come to in a moment, after a short excursion into post-democracy.

In making the argument about the struggle for civil society, I found the post-democracy literature useful. In particular, the attention it gives to relationships between state and business are insightful, as are its insights on the relationship between business and civil society. With few exceptions, the post-democracy literature is about advanced capitalist politics. Even so, this body of work alerts us to broad patterns of change, and struggles that are faced

by almost all capitalist societies that have democratized or that seek to democratize.

Post-democracy is not a system that is “after democracy,” but a political system with the popular aspects of democracy reduced and limited. The transition to post-democracy is prompted by the changing relationship between business and the state. Post-democracy is a democratic decline. It is a political system where business elites and technocrats control policy debate and where the mass of citizens plays a passive, quiescent, and even apathetic part. Politics is shaped in private through the interactions between elected governments and elites that overwhelmingly represent business interests. The democratic decline has a lot to do with the role of business and the deterioration of the state's power.

Even though this literature is about post-democratic societies and focuses mainly on advanced or western societies that have been democratic for some time, I think the way it discusses the relationship between business and state offers a perspective on politics that extends beyond democracies and post-democracies.

In assessing the rise of business, post-democratic analysts point to a triumph of neoliberal policy that undermines the participatory elements of democracy. This ascendancy of neoliberal policy has a circular logic to it, brought about by the owners of great wealth whose political and economic power establishes their influence over the state, which, in turn, reduces popular democracy and also enhances the wealth of this class (Crouch 2004, 10). The result is that post-democracy strips away democracy's popular component—as Mair (2013, 2) puts it, an “easing away from the demos.”

Another important feature of post-democracy is the rise of anti-politics and notions that the state is redundant. When the

state does intervene, it is usually considered deadening or threatening. In this perspective, governance is optimal when it is more or less self-organizing and self-regulating and left to the private sector or communities. In other words, important decisions need to be taken out of the hands of government.

Taking this further, it is now common for activists of various political persuasions to declare that mainstream politicians, as tools of the elite, are not to be trusted. Anyone who listens to the demands of anti-democratic populists will recognize this in calls for opposition to elections as elected politicians are corrupt, immoral, and/or untrustworthy. Such claims have also been important for libertarians and the cynical extreme right in modern democracies. Of course, accusations that the government is overbearing, corrupt, and restricts the true aspirations of the community or democracy will also be recognized as emanating from civil society, which has often propagated an anti-politics agenda.

In post-democracy, the best policy outcomes are achieved with limited government intervention and unrestrained capitalist development. Governance is best when it is limited to providing the appropriate regulatory framework for capitalist development.

For post-democracy theorists, the essential cause of democratic decline is the imbalance between business interests and those of all other social and political groups. Not only does this imbalance belittle electoral politics but it crushes all hope for egalitarian or even social democratic politics and for related efforts to redistribute power and wealth and to restrain powerful interests.

The post-democracy perspective on business has a particular focus on the association between business and the state. Firms are conceptualized as a concentration of economic, ideological, and political power, and business power so dominates the neoliberal

state that its interests become paramount and shape state policies and the state itself. In politics, businesses and business associations rail against the state as a drag on entrepreneurialism, as fettering markets and taking up too much space.

Taxation is a useful example of the debates surrounding post-democratic and neoliberal notions of 'governance.' Everywhere, businesses and business leaders beseech political leaders to lower taxes. It is taxes, as business lobbies say, that reduce entrepreneurialism, growth, and employment. Keen to attract investment, governments compete based on low tax regimes. In many jurisdictions, the burden of tax has thus shifted from companies to individual income tax and regressive consumption taxes.

This leads to budget cuts, a reduced payroll, and deteriorating public services. The declining revenue base demands the commercialization of the state and its services. Declining or narrowing revenue bases go together with the "commercialization" of the state and its services. Promoted as "reform" and bringing commercial principles to the "business" of state, the result is a commodification of areas like education, health and welfare. Such "reforms" are imbued with anti-democratic and technocratic notions of managerialism. The contracting out of state services also results in a loss of competencies within government and thus an increased reliance on private sector advice and contracts and the dominance of business models.

The dominance of business over government results in businessification, defined as the submission to the discipline and the 'efficiencies' of the market. This domination by business over the state means public services are required to mimic businesses by contracting out capital projects and service delivery, developing public-private partnerships, subjecting themselves to privatization and other processes of commodification. Business doesn't just dominate the economy but is running the government.

Of course, this businessification is meant to result in a so-called efficiency dividend. The result is always that it reduces state employment and state budgets. As tax revenues are reduced, states become indebted, essentially to pay for their own businessification. In this process, states often lose their technical and professional capacities. To compensate, the government becomes a customer of the private sector, reliant on consultants from the corporate sector. The corporate makeover is complete when these processes evolve into managerialism, commodification, privatization, and the conversion to customer have come together in businessification. As Colin Crouch (2004, 51–52) puts it:

“In pre-democratic times social elites which dominated economic and social life also monopolized political influence and positions in public life. The rise of democracy forced them at least to share space ... with representatives of non-elite groups. Today, however, through the growing dependence of government on the knowledge and experience of corporate executives and leading entrepreneurs, and the dependency of parties on their funds, we are steadily moving towards the establishment of a new dominant, combined political and economic, class.”

How does this post-democracy approach on state and business provide insights for civil society? This question is theoretically significant because, as I have mentioned already, there are several definitions of civil society which specifically exclude business. Remember the Steinberg definition of civil society excluded business itself but included the representatives of business such as chambers of commerce and trade associations. In this view, civil society is considered an independent sphere. Yet this conceptualization ignores the fact that, just as business has invaded the state's sphere, so it is engaging with civil society.

Significant change has taken place in the political space that is inhabited by civil society. This change mimics the transformed relationship that we see between state and business. Just as those processes are conflicted and contested, so it is in civil society. In other words, civil society is a site of struggle, and one of the struggles taking place involves business seeking domination of the organizations that make up civil society.

The struggle for civil society has two important resonances with the post-democracy account and the contest for the state. First, the neoliberal and anti-politics claim that citizens no longer need the state is echoed in civil society discourses about the threat that the state poses to people at the grassroots. Second, the businessification of the state is also a recognizable trend extending “deep marketization” into the space of civil society through a contest over the ideology and the organizations in that space (on deep marketization, *see* Carroll 2012).

The anti-state/anti-politics rhetoric rings loud in civil society, just as it does in the business community. A version of NGO populism concludes that because they are non-governmental, NGOs and CSOs can liberate communities and individuals from states that are considered incompetent and/or oppressive and simultaneously snatch them from the grip of the market (Watkins et al. 2012, 286). In response to such claims, NGOs represent themselves as the “Third Way” between the authoritarian state and savage market capitalism, while promoting development innovations that turn increasingly to market-friendly alternatives such as micro-finance, social entrepreneurship, and other forms of marketization.

An example of civil society’s anti-state and anti-politics rhetoric is provided by the secretary-general of CIVICUS, a global alliance of CSOs and activists from 165 countries. He claimed that there is now a “renewed period of contestation about the acceptable

bounds of civil society, the latest manifestation of the battle to protect citizens against state power” (CIVICUS 2015, 5).

Such assessments also pit neoliberal exhortations that the best form of government is achieved when operating as a combination of stakeholder participation augmented with technocratic efficiency. Calls for participatory governance, often a kind of anti-politics declaration, have been widely taken up. In this, participation is often defined in terms of appropriate decision-making.

In authoritarian regimes, such calls for participation might indeed appear progressive, but in democratizing regimes, grassroots decision-making facilitated by quasi-technocratic NGOs and CSOs has the potential to undermine elections, representation, delegated power, and political parties. There is also the notion that states and politicians can't be trusted and neither can the people as voters. Denigration of voters as ignorant have been repeatedly made in Thailand and especially in the period before the 2014 coup. Intellectuals and others associated with civil society argued that the decisions made by voters simply couldn't be trusted because they were duped, inadequately educated or paid by corrupt and populist politicians.

Perhaps more significant, however, and in line with the neoliberal agenda of donors and governments, is the rise of non-state actors involved in governance. The result is a complex intertwining of government processes that support the broader businessification of civil society. The withdrawal of government from service provision and delivery often results in NGO “partners” being contracted to deliver services, complete contract researches, and so on.

It is this contracting that allows many NGOs to make money. Often, the projects contracted are not what the NGOs would have chosen if they had their own funding streams. The result is that

NGOs find themselves ever more engaged with competitive markets and wound up in the associated red tape of accountability required by businessified donor agencies. NGOs also compete with the private sector on claims about who is better at implementing projects and who is better at service delivery and poverty alleviation. State agencies are now engaged in competitive bidding for service providers. This means that governments become a shopper for the cheapest means of delivery and are indifferent as to whether the contracts are with CSOs or businesses.

Such processes reveal another trend in businessification: working with private donors who are perceived as easier to deal with than businessified or managerialized state agencies. Importantly though, business firms are not simply a competing “supplier” as there is an emerging discourse arguing that business and the power of the private sector is the best way of transforming the lives of poor people.

Business executives and capitalists proclaim their capacity not just for getting business done but for getting the development job done. Claims that it is firms and entrepreneurs that drive development are now widely accepted among governments, international financial institutions, and by many others in the development community. Even when faced with contrary evidence, such as that provided by the UK’s Independent Commission for Aid Impact (2015), state agencies have been reluctant to reconsider the capacity of the private sector in development activities.

Indeed, Norfund, a Norwegian investment fund for developing countries established by the Norwegian parliament in 1997, had a portfolio of 1.7 billion USD in 2015 exclusively for business development. In 2015, Norfund described itself as the Norwegian government’s “main instrument for combatting poverty through private sector development,” seeking to invest in “profitable and sustainable” enterprises to “promote business



development and contribute to economic growth and poverty alleviation” (Norfund 2015).

This businessification of development, a process also seen in other state services including welfare, is associated with the faddish growth of social businesses, sustainable markets, social innovations, microfinance, microbusiness, microfranchising, social incubators, and so much more. Indeed, according to some accounts, it is social business that will “save” capitalism (Yunis 2007). Other accounts suggest that privatized ventures are the logical outcomes of capitalism’s economic superiority and political victory. Social enterprise and social entrepreneurialism are touted as bringing business and commercial strategies to bear in improving human and environmental well-being, with the outcomes of social enterprises and related activities measured by market results rather than development outcomes.

Social enterprise is also vogueish for philanthropists whose wealth and influence allows them to bring together governments, venerable educational institutions, and even rock stars and other celebrity developers—Bono for example—to promote their causes. The result is that “philantro-capitalism” is embraced by businessified governments and business people. In this approach, the nature of civil society is also redefined. The grassroots of civil society are defined as inhabited not so much by the grassroots or communities but by individuals.

In this way, those at the grassroots become customers and key stakeholders to be surveyed, focus-grouped, and so on. This individualization of civil society is meant to unleash entrepreneurialism. States contribute to this by providing an appropriate regulatory framework such as granting property rights, making loans, providing seed capital, and other commercial inputs. Such projects also involve the commodification of the commons and deepen marketization. It is businesses or businessified NGOs

that are required to lead embryonic grassroots entrepreneurs to the market. As the nature of civil society is redefined by these broad process of businessification, so it changes the ways that funding is made.

While some CSOs and NGOs refuse government and corporate funding, they are in the minority. Much of the funding going to NGOs and CSOs is converted to contracts for services and these organisations find themselves working in an environment where individual and corporate philanthropy is expanding. It is estimated that private development assistance is now equal to about a third of official development assistance (ODA) and that these sources account for up a quarter of all humanitarian funding. While private donations are sometimes seen as having fewer strings attached, for CSOs and NGOs to access such funds, they must engage in corporate-style marketing, advertising, branding, and present an agenda that wealthy individuals find powerful and even exciting. In other words, agendas are increasingly shaped by business donors.

In such circumstances, CIVICUS asks an important question: “what does it mean, for those CSOs seeking structural change in the interests of social justice, if they accept funds from the wealthy winners of current economic and political arrangements?” (2015, 173). It certainly does matter where the money comes from. As CIVICUS observes, a small and powerful group of “private foundations command most resources, with the 10 largest private foundations providing 60% of all international foundation giving, meaning that their decisions on resource allocation can be disproportionately influential” (2015, 170-171).

The constellation of ideas, demands, and practices of businessification is not considered a challenge by all analysts.

For example, those who advocate for businessification discern convergence rather than challenge:

Business and civil societies—in all of its incarnations—actually do have a strong convergence of interests when it comes to levelling the playing field.

The rule of law is preferable to the rule of power. Predictability trumps disorder. Fairness is better than corruption. These statements ring as true for business as they do for civil society. Stable, balanced environments are better for everyone, whether they be a multinational corporation, a grassroots activist group, or a major international CSO working on health issues.

It is time that we acknowledge our similarities and start working together to achieve this, for the benefit of each sector, and for society as a whole. (Kiai and Leissner 2015, 272)

“Working together” means that market logic is applied to NGOs. One example of the logic of the market at work is the demand for the rationalization of NGOs. There’s too many of them. With limited funding available, small NGOs are not able to compete with larger ones. They cannot meet the demands of efficiency of earlier agents of transparency and good government. Mergers and acquisition might be another business innovation that can make NGOs “efficient” and “accountable.”

The struggle for civil society is a contest that has been seen before in the ways that business came to dominate the state in post-democracies. At the same time, the successful businessification of the state means that civil society is now faced with a two-pronged effort by state and business to businessify the organizations of civil society. Businessified NGOs will pose even fewer challenges to regimes, repressive or democratic, than they did in the past,

meaning that political space is likely to be reduced. Petras long ago pointed out that there has been a tendency for an apolitical posture amongst NGOs, and observes that “their focus on self-help depoliticizes and demobilizes the poor” (1999, 435). Whatever we think of that judgement, businessification is not promoting progressive politics or development agendas.

Yet the argument made today is not that civil society is lost or that NGOs have simply sold out. Rather, for the organizations of civil society, as businessification takes hold, there is a diminution of political activism that contributes to the narrowing of political space, a rise of anti-politics and the domination of business elites. If the space of civil society is being businessified, then political strategies need to take this into account and adjust to and challenge the power of businesses over the state and civil society.

## OPEN FORUM

As the open forum officially opened, **Assistant Professor Jaime Naval (UP Department of Political Science)** remarked that he remembered how the Secretary of Labor was interviewed over the radio on how to end contractualization. The secretary mentioned that it could not be completely done. Furthermore, during the interview, the Secretary of Labor commented about one of the biggest malls of the country, remarking that “you cannot fight that mall.” Asst. Prof. Naval thought that it was one indication of the state relying more on big businesses to get funds and revenues.

In relation to the tone of discussion set by Asst. Prof. Naval, **Mr. Janus Nolasco (UP Asian Center)** asked **Dr. Kevin Hewison** about the position of civil society groups in a businessified environment. He further posited as to whether non-businessified civil society movements have to play the game in order to win,

or if civil society groups can refuse not to do so and challenge them from the outside of this commodified and businessified side of doing things. In this light, Mr. Nolasco asked what can be done.

**Dr. Hewison** responded that his presentation was about “where we are.” However, he also wanted to emphasize that this is not necessarily the way the situation has to be. Dr. Hewison emphasized that civil society is a site of struggle. This notion of struggle is not adequately covered by the existing theoretical literature. That literature tends to describes civil society in somewhat homogenous terms. In fact, some of the social movements that have emerged over the last few years are associated with right-wing populism and political extremism. This has been seen with the rise of Trump in the United States (US), Brexit, and in some of the developments in Thailand’s contentious politics. Groups in civil society are now competing and struggling against each other over the space of civil society and, indeed, for civil society itself.

**Dr. May Tan-Mullins (University of Nottingham Ningbo, China)** asked Dr. Hewison as to who else can be trusted if civil society cannot be trusted. And because society is now becoming businessified, she also asked who else can represent the really marginalized groups in the current times.

**Dr. Hewison** responded that NGOs and CSOs are now finding themselves in a very difficult situation because they need to have funding for their work, and the only way you can get money now is by dealing with states that have been businessified or by working with the private sector. NGOs now have to come up with logframes, KPIs, and all the things that have been drawn from the world of businesses. Dr. Hewison stated that he is worried whether NGOs fully understand this kind of pressure and its implications. This kind of pressure is not just about the ways of doing NGO “business,” but also about the way civil society operates and who controls it. The processes that has already taken place

in linking state and business show how the latter are able to dominate the former. He noted that this domination does not need a businessman to become the prime minister or the president; it requires businessification to be embedded. He added that the way business is being done in the state is now the way that business is being done in civil society.

Dr. Hewison responded that knowing who to trust in an ongoing battle for civil society is no easy task. As businessification has been accepted among NGOs and CSOs, there has been, on the one hand, an advance of anti-politics and depoliticization. On the other hand, there has been a rise of demagogic populists and right-wing extremists. Currently, these populists and extremists are the ones who have responded in a politically effective manner to the decline of demos. In some instances, they have done this with ideas that were once considered the preserve of progressives, such as the transformation of the progressive notion of “deglobalization” championed by Walden Bello (2005) being transformed into a racist and xenophobic slogan of the extreme right. Dr. Hewison asserted that the progressive elements of civil society must be reinvigorated and become politically engage in ways that challenge right-wing populism and political extremism. And, to rephrase Petras (1999), they must do this in ways that politicizes and mobilizes the poor.

Recognizing that the rise of populism results from a widespread political disaffection born of the domination of business elites and the processes of businessification, CSOs and NGOs must offer a progressive agenda that reclaims a political space that engages with the poor, the exploited and the disaffected. A progressive agenda might emphasize universal access to health, education, welfare and work. When populists deliver something that is socially progressive, as Thaksin Shinawatra did in Thailand with universal health care, they get the support of voters. NGOs and CSOs can’t dismiss this as some kind of “false

consciousness,” but need to be able to recognize and support progressive political, social and economic agendas, pushing them to be more progressive and more people-centered. To repeat his earlier point, he mentioned that it is not a battle that has been fought and lost. Rather, it is a process that is underway, and needs to be recognized and dealt with.

In relation to the first question, **Ms. Denden Alicias** noted that she agrees that there is a businessification of civil society. She mentioned that it is perhaps the dominant narrative, but she also pointed out that there are also contested civil societies and that there are also social movements that are working for social justice.

She asked Dr. Hewison where those kinds of organizations fit into the narrative of the businessification of civil society. Ms. Alicias also asked if it can be assumed that there is also a parallel factor that made businessification of civil society possible, for instance, the decline of the Left in Southeast Asia or the crisis of legitimacy of civil society.

**Dr. Hewison** responded that when he started thinking about this topic, the questions that Ms. Alicias asked, particularly questions on what does this have to do with the Left or whether this is a decline in legitimacy of various forms of governance—whether talking about the state or civil society—were the ones he wanted to understand.

For Dr. Hewison, the literature on post-democracy is interesting because it is about the decline of social democracy and seeks to explain why this is happening. It seems that the insights of this literature on the relationship between state and business and the changes that have occurred there are seen in one form or another in almost every country around the world and not just in social democracies. It is seen in the way that the state does its business and as it is overtaken by business interests.

Thus, for Dr. Hewison, the business of the state becomes the business of business. As an example, he mentioned that his oldest granddaughter who goes to what used to be called a state high school. However, today, Dr. Hewison related that when he visits the school, before he meets teachers, he first meets the school's "marketing executive." Dr. Hewison noted that this shows how even state high schools have been businessified in the sense that they now have a governing "board of directors." He added that Western Australia is now seeing the first attempts of these boards to overthrow school principals.

This example is a reflection of similar processes happening everywhere in civil society, and that Dr. Hewison's somewhat long-winded paper was trying to do was suggest that there is a struggle for civil society. In particular, the manner in which funding is being allocated by states is a part of the struggle to businessify civil society.

**Dr. Pauline Eadie (University of Nottingham)** mentioned the experience of Brexit in the United Kingdom, and the the awareness of Trump's presence. She also stressed the need to think about the policy of politicians that we get in democracies because for her, there is really no choice between Trump or Putin.

The same is also observed in the Philippines, where Rodrigo Duterte, for instance, has taken advantage of a disaffection moment. But on the other hand, what is observed with businessification is exactly right. In the Philippines, Dr. Eadie mentioned that you have to look at kingmakers, such as the Cojuangcos and Manny Villar. The ones with money are those who are behind the politicians who get into office. It has always been like that, and some of the characters you see make one wonder about the extent of democracy.



But on the other end, what was observed by Dr. Hewison made sense, particularly with what has been observed in relief efforts: the way NGOs' activities and behavior are very much businessified. Also, NGOs are observed to be running on a short timeframe, so that they could get expend the present funding in order to get the next batch of funding. Based on her research team's experience, this is what the setting looks like and NGOS were actually seen or heard saying, "just take this stuff, we don't care if you don't need it, we need to go back, we already did our job, and here are pictures of us doing good things, please give us more money, and it's a waste of money." This particular event does not necessarily do the community that much good.

Using an example, **Dr. Hewison** responded that call centers are big businesses in the Philippines and at the same time, illustrate how powerless people are. He mentioned that every time a person has a problem with his/her phone or internet service, each person has to call up. This experience makes a person realize that he/she is actually powerless, being in the hands of somebody else who is working for a company located elsewhere. A problem might get fixed, but essentially, the customer and the service person at the call center are both rather powerless. There is no way for a person to influence how another person's life is organized, particularly on the kind of work or how one will be employed in the future—whether a person finds himself/herself in a precarious work situation where he/she is on short-term contracts. This is part of the businessification of the world. In reality, Dr. Hewison pointed out that NGOs are also on short-term contracts and might be allocating short-term contracts to others to deal with problems that are, however, essentially deeply rooted and long-term.

In the post-democracy era, as mentioned already, Dr. Hewison found that the result of the contest for the control of the state is most often the diminution of the demos—that people have a voice.

People might say that there's a voice, but feel that no one listens. For Dr. Hewison, this feeling of a loss of demos needs to be overcome. CSOs and NGOs have a role to play but not by simply by declaring every politician and political party corrupt and useless. Such declarations only adds to the disaffection with politics. What is required is an engagement with politics and an effort to get control of that system rather than walking away from it.

**Dr. Teresa Encarnacion Tadem (Executive Director, UP CIDS)** asked if there is a link between populism and businessification. For her, it seems that both populism and businessification to be similar in the sense that both focus on a particular leader.

**Dr. Hewison** replied that on the one hand, the rise of populism represents disaffection, but also the rise of demagogues, on the other hand. It is the reflection of the disaffection about politics. That disaffection—the anti-politics agenda—is one link. In some Western countries, the capacity to deliver welfare and security has underpinned social democracy. Dr. Hewison also mentioned that one of the foundations of social welfare and social democracy is a reasonable minimum wage. However, the combination of relatively stable employment, adequate social welfare and social democracy has been gradually whittled away, with the people having relatively little say in how this occurs. In part, the disillusionment that has been the fuel for the rise of right-wing populists derives from this unpicking of a previous social contract.

At the same time, when it comes with populism, Dr. Hewison argued that when one reads the press, populism is almost always used as a term of political abuse. However, he suggested that there can be a progressive populism. For instance, in Thailand, Thaksin was abused as a populist by the time he was first elected as prime minister. Yet Thaksin introduced universal healthcare in Thailand; he promised it, and he delivered it as well. This made him widely popular. Thaksin had his dark side, but his progressive social

policies should not be forgotten in a time when many see populists as mainly right-wing demagogues.

When populist leaders actually deliver something that is socially progressive—as Thaksin did—they can be as attractive to voters as the right-wing demagogues seem to be at present. Yet Thaksin did not get the support of many NGOs. Rather, they came together to oppose him as an authoritarian and as a grasping capitalist. These NGOs, wedded to anti-politics, rejected Thaksin while adopting anti-democratic agendas that supported technocracy, monarchy and military dictatorship. The challenge for NGOs is to engage and develop the space for progressive and universalist policies.

**Dr. Maria Victoria Raquiza (UP National College of Public Administration and Governance)** asked where social movements come in. For example, she mentioned how the Red Shirt movement was able to establish itself as an anti-establishment force, much in the same way that the Philippines had EDSA Tres. Many of these groups were seen as politically incorrect even by social activist circles, and therefore did not enjoy support. Yet these events were spontaneous uprisings of the poor.

Dr. Raquiza also noted that in the Philippines, there are currently many Duterte supporters, many of which are poor. Because they are seen as politically incorrect, the poor does not enjoy sympathy, especially among social movement activists and elitist intellectuals. These sorts of things feed into discourses and practices, and there has to be value in these conversations because many of the people live these experiences every day, both as scholars and as activists. Dr. Raquiza added that since the ouster of former President Joseph “Erap” Estrada in 2001—which was actually aided by a lot of civil society groups, big businesses, and the Catholic Church—there is a need to revisit that because that serves as the root in many of the things we’re experiencing today, particularly the political and social configurations that we are looking at today.

**Dr. Hewison** responded by agreeing with these observations. He stated that the rejection of red shirts in Thailand by a range of intellectuals and civil society groups was a political disaster that resulted in a military dictatorship and the prospect of years more military domination of politics. Many NGOs became disconnected from the grassroots and, worse, derisory of the politics and desires of the grassroots.

**Mia Cruz (UP School of Economics)** mentioned that businessification reminded her of two historical instances: first is the Great Depression, and second is the rule of the monopolies in the United States. The monopolies in the US influenced politics at that time, and the lack of a government intervention led to the Great Depression. Ms. Cruz then asked if instances like these are occurring in a modern context and what is the possibility that history will repeat itself in our own age and context?

**Dr. Hewison** tended to agree with the comparison and agreed that it was worthwhile to reconsider the role of the conglomerates and business interests in the United States before the Great Depression. He mentioned that the notion back then, that people couldn't do anything about the situation is not dissimilar to today. That said, the businessification of state and the struggle for civil society is not a pattern easily discerned for the 1920s and 1930s. However, Dr. Hewison also pointed out that during the 1920s and 1930s, the rise of populists in Europe and in other places was not entirely dissimilar from the current epoch. These populists tend to reflect not just only the notion that people needed to get some kind of control over politics, but that people could also do this by either having a great leader who reflected their interests or who could project their voice.

In the current era, there's also disaffection and a rise of populism. For Dr. Hewison, this is a reflection of the processes that had taken place in the businessification of the state, which

led to technocratic decision making. This new disaffection is a view that we cannot trust anybody in the “elite” and that there is no one to speak for the disaffected, leading to an overwhelming malaise where people believe they have no control over what happens in their lives. The response to this needs to be progressive, with Dr. Hewison stressing that social justice, social democracy, and political parties are critical for overcoming this disaffection and the rise of right-wing fascist movements. Attention to (de-businessified) health, welfare and education are crucial and people respond to such programs. De-businessifying them is a progressive political act that requires a return to notions of universalism.



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## About the Author



**KEVIN HEWISON** is Editor-in-Chief of the *Journal of Contemporary Asia* and the Weldon E. Thornton Professor of Asian Studies at the University of North Carolina at Chapel Hill.

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Professor Hewison has held academic posts at Murdoch University, the Australian National University, the University of Papua New Guinea, the University of New England, and the City University of Hong Kong, where he taught social science and area studies courses. He was also Visting Professor at various institutions, such as Mahidol University, University of Warwick, Singapore Management University, and University of Malaya. In the first half of 2017, he was a Visiting Research Scholar at the Center for Southeast Asian Studies at Kyoto University.

He is the author of more than 200 publications on Southeast Asia, democratization, and globalization. His current research interests include globalization and social change in Southeast Asia (especially Thailand), democratization, and labor issues.

*(Profile from Professor Kevin Hewison's website, <https://kevinhewison.wordpress.com>)*





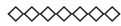
*Group photo from Professor Kevin Hewison's lecture, "**Post-Democratic Regimes and the Businessification of the State and Civil Society**," delivered at the University of the Philippines Center for Integrative and Development Studies (UP CIDS), 8 November 2017*

*Distinguished guests include Dr. May Tan Mullins (University of Nottingham, Ningbo, China), Asst. Prof. Jaime B. Naval (UP Department of Political Science), Ma. Dolores Alicias (Project Manager, UP CIDS-UNESCO Project), Dr. Maria Victoria R. Raquiza (UP National College of Public Administration and Governance), Dr. Eduardo C. Tadem (Co-convenor, UP CIDS Program on Alternative Development), Dr. Teresa S. Encarnacion Tadem (Executive Director, UP CIDS), Dr. Maria Ela L. Atienza (Chair, UP Department of Political Science and Co-convenor, UP CIDS Program on Social and Political Change), Mr. Janus Isaac Nolasco (University Researcher, UP Asian Center), Dr. Rene Ofreneo (Professor Emeritus, UP School of Labor and Industrial Relations and President, Freedom from Debt Coalition), Dr. Jean Encinas-Franco (UP Department of Political Science), Ms. Bella Lucas (University Researcher, UP CIDS), and Asst. Prof. Jan Robert R. Go (UP Department of Political Science).*

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