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Development - describing and debating the idea

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‘The lighthouse of development was erected right after the Second World War... [it] provided the fundamental frame of reference for that mixture of generosity, bribery and oppression which has characterised the policies toward the South... Today the lighthouse shows cracks and is starting to crumble. The idea of development stands like a ruin in the intellectual landscape.’

- Wolfgang Sachs, 1992

There has never been consensus on what ‘development’ means. One way of understanding an idea is to look at its history, when it was first used, and how, over time, different people changed it, added to it or subtracted from it. This chapter examines how ‘development’, which was once widely thought to be a good idea, came to be a concept which some say has lost all meaning.

When you use the word ‘development’, what do you think of – growth, change, accumulation, progress, improvement? It is important to understand that language and words can work like statistics and graphs. You can use language to present an idea and shape the way you want people to think about things. You can present ideas like economic growth as if they are an obvious, natural, and inevitable need or even talk about economic growth and development as if they are the same thing. By doing this, people do not question many of the basic assumptions you are making.

This chapter, which tells the story of development, starts with some of the very basic early ideas about development, and what are called the theoretical turns in the theory of development. It also explores the language and labels used to describe ‘developing’ or ‘Third World’ countries.

Development – the early roots

In the West, development is associated with change. It was not always so. The Ancient Greeks, from whom much of the West’s thinking springs, argued that all things have an essential and inherent nature and that life is a matter of cycles; all things that are born and grow will also fade and die, in a perpetual series of new beginnings. Arabic philosophers argued similarly. But with the rise of the Judeo-Christian tradition, the idea of a God intervening in human history became crucial. This implied a couple of important ideas which are still with us, and still questioned!

- First, there is a universal history for all humankind (is there?)
- Second, history is a historical progression from creation to the end of time (is it?)
- Third, this is God’s plan, (whose God?), unalterable by humans (is this true?)

Another early idea, that emerged in the explosion of scientific knowledge of the 17th and 18th centuries in Europe, was that if we want to understand something scientifically, we have to break it down into its smallest constituent parts. Nowadays, many think that this actually distorts our understanding of many things and situations, because they can only be understood as wholes and parts of larger systems. This tension still pervades development theory.



An associated idea was that the knowledge of people living today is added to the knowledge of predecessors. This means that scientific knowledge does not decline, but grows. This notion undermined a sense of limitation in accordance with God's plan. Even a century ago though, this was not an unanimous view and there were arguments about what constituted knowledge.

There were also early ideas which were later used to justify colonisation. One idea was that there was a single human species which could become debased or perfected in different parts of the world. Europeans assumed that Europeans represented civilisation and perfection, and the people in the colonies were debased forms of life; however, they could be helped or civilised. This tied in with the idea of progress as linear and accumulative. It was also assumed that all nations travel the same road, but do not advance at the same speed as Western society, which produces more goods, uses reason and rationality, and makes technological and scientific discoveries. What this often implied was that non-Western societies did not appear to have any history or culture of significance. These views justified colonisation, which could then be construed as a generous undertaking and, coupled with a Christian ethos, as a moral imperative to help backward societies.

In this way development became very closely implicated in questions of power, especially the power to set up the basic framework or paradigm through which societies and history are to be understood. This was coupled with the brute power to impose many things on others. It seems that there are deep contradictions in the idea of development, and that there is nothing 'natural' or self-evidently obvious, or scientific, about our current idea of development.

Development, colonisation and the League of Nations

Colonisation really took off towards the end of the 19th century with the main countries involved being Britain, France and Germany and, as might be expected, there were many different opinions about having colonies. Liberal economists questioned the costs and the benefits of having them, but the armed forces, the merchants and missionaries wanted colonies for their own respective interests.

Colonisation was, right from the start, marked by ambiguity. On the one hand, colonies were there to be

exploited but, on the other hand, this was construed as not only materially beneficial for the colonies, but a moral responsibility of Europe. Colonisation assumed the promise of worldwide civilisation for all and a unity of interest between the metropole and the colony. It had economic, philanthropic and political dimensions and those who wanted colonies argued that the 'development' of a nation was like the successive stages of human life, making colonisation appear natural and inevitable as well as a duty.

This was the state of affairs at the end of World War I in 1918 when there was a major redistribution of power and Germany lost its colonies in favour of Britain and France. The world was also in shock following the war and, in the hope of preventing another such catastrophe, the League of Nations was created. But there had to be a compromise between the US, which did not want European powers to extend their colonial interests, and the European powers who wanted to do so. So a mandate system was created whereby certain territories were held in trust, under the supervision of an international agency. Article 22 of the founding articles of the League stated that in territories which ceased to be under the sovereignty of states, inhabited by peoples:

...not yet able to stand by themselves under the strenuous conditions of the modern world', the tutelage of such peoples 'should be entrusted to advanced nations' and that the character of the mandate should differ 'according to the stage of the development of the people

Thus, the concept of 'stages of development' was introduced, justifying a classification system with 'developed' nations at the top of the ladder. The language of the time also had a humanitarian-religious tone: 'civilisation', 'material and moral well-being', and 'social progress', constituted a 'sacred trust' which legitimated intervening in the existence of other people.

Colonisation meant taking hold not only of places and living people, but also peoples' minds. It contributed to a language about development and, through this language, the world could appear to be united, even though, in reality, it was not. One can also see here the basis of the creation of the Third World, although the term would only emerge later (see following pages). This was pretty much how things stood until the outbreak of World War II in 1939.



Development – 1945 and after

World War II reshaped the politics and ideology of the world. The Allied Powers met in Bretton Woods in 1944 to discuss and make sure that the conditions which gave rise to WWII – mass unemployment, protectionist policies, competitive currency devaluations, collapse of commodity prices – would not come about again. They established the International Bank for Reconstruction and Development, better known as the World Bank, and the International Monetary Fund (IMF).

The Bank and the Fund were to be specialised agencies within the United Nations, which was established in San Francisco in 1945, much like the Food and Agricultural Organisation (FAO) or the International Labour Organisation (ILO), located in Rome and Geneva respectively. The United Nations was supposed to be the focus for global economic management and the World Bank was set up to support projects that would promote economic growth and development. At that stage, no distinction was made between these two notions. Gradually, under the influence of the US the emphasis shifted to programme support, made conditional on the overall capacity of governments to implement them.

'Development' could now justify intervention in or prescription to individual countries. The idea of development was now thoroughly imbued with economics, and a particular kind of economics that assumed economic growth as a fundamental necessity. This transferring of the UN Fund for Economic Development out of the UN system into the World Bank (to become the International Development Association - IDA) had important implications, because, whereas the UN is widely inclusive and runs on a one vote one-country basis, the Bank and Fund operate on a one-dollar one-vote basis. Thus the Bank and Fund represent powerful financial interests and the development role of the UN has been steadily transferred to the Bank and the Fund.

It was against this background that the idea of 'development' was refined, firstly and most importantly by US President Harry Truman.

Development - beginning the big debate

The biggest change brought about by World War II was that the balance of power in the world shifted from Europe to the United States. The United Nations Organisation (and the World Bank) was headquartered in New York. The reconstruction of Europe led to the Marshall Plan which gave the American economy huge influence in Europe. US foreign policy became a major factor in world affairs. President Truman's inaugural address on 20 January 1949 set forth further refinements in the notion of 'development'.

His speech made four important points:

- the US would back the United Nations
- the US would promote the Marshall Plan to aid Europe
- the US would support the creation of the North Atlantic Treaty Organisation (NATO) to deal with the Soviet threat
- the major nations would '*embark on a bold new program for making the benefits of our scientific advances and industrial progress available for the improvement and growth of underdeveloped areas*'.

Truman's last point is important for a few reasons. Firstly, for the first time the adjective 'underdeveloped' appears in a document for wide circulation as a synonym for 'economically backward' areas. Subsequently the noun 'underdevelopment' was introduced. These new words actually altered the way the world was seen.

Development was now something one agent could do to another, whereas underdevelopment was apparently a 'natural' cause-less state. This obscured historical processes which created the conditions of development and underdevelopment, a view that was contested, for example by Walter Rodney who wrote an important book called *How Europe Underdeveloped Africa*.

The world was now dominated by a new set of basic assumptions. It was assumed that the world is a whole with handicapped patches where victims of natural fate struggle. The key to prosperity and happiness for all would be achieved through increased production. This would be measured by



Debating Keywords and Ideas

The famous Brazilian educator and activist, Paulo Freire, reminded us frequently of the importance of the name we give to a process or event – naming something is an intensely political act. No one should therefore be surprised that there are vigorous debates underway for many years as to how to label the poorer countries of the world. The choice of labels reflects a host of perceptions, values, understandings and politics.

There are apparently purely technical phrases such as ‘middle income’, ‘newly industrialised’, etc.; there are other, less neutral, phrases such as ‘developing’, ‘industrialising’, ‘North-South’ etc., and there are overtly political phrases such as ‘Third World’ or ‘colonised world’. The history of the debate about what to call the poorest countries of the world tells us much about the politics of development itself.

Today, the phrase which is most often used is ‘developing world’ or ‘developing countries’ – a phrase which has a double implication. One, it gives the impression that the Western world is already developed and that the poorer world is now developing in the same direction. Many object to this phrase, as they believe it contradicts the reality for many of the world’s poor, who have increased in number while the gap between rich and poor worlds continues to widen. Two, the phrase, ‘developing world’, denies a fundamental reality described by many writers and labelled by Andre Gunder Frank and others as ‘underdeveloping’ – just as countries might ‘develop’, they can also, logically and pragmatically ‘underdevelop’, we can all think of some examples from recent decades. Other phrases often used in earlier decades include ‘primitive’, ‘backward’, ‘underdeveloped’, ‘less developed’, ‘emerging’, ‘rapidly developing’ and ‘industrialising’. More recently phrases such as ‘North-South’ and ‘Majority World’ have become popular.

Clearly all of the phrases capture something of the essence of the debate but they also reflect the values of those proposing them. Various writers and researchers have argued for a

division into four worlds (Wolf-Phillips) or six worlds (O’Connor) while the World Bank divides the world into five categories – low income countries, middle income countries, industrial market economies, capital surplus oil exporters and non-market industrial economies. Other models and perspectives have added to the growing list of labels (and the analyses which lie behind them) including ‘core and periphery’ which refers to geographical and economic inequality both within and between countries and ‘Majority/Minority Worlds’ which is based upon identifying people and social or economic groups rather than countries.

The writers in 80:20 make use of various phrases reflecting their own preferences, politics and understandings. In this chapter, we have made use of the phrase ‘Third World’. Many commentators and activists reject this phrase for a variety of reasons:

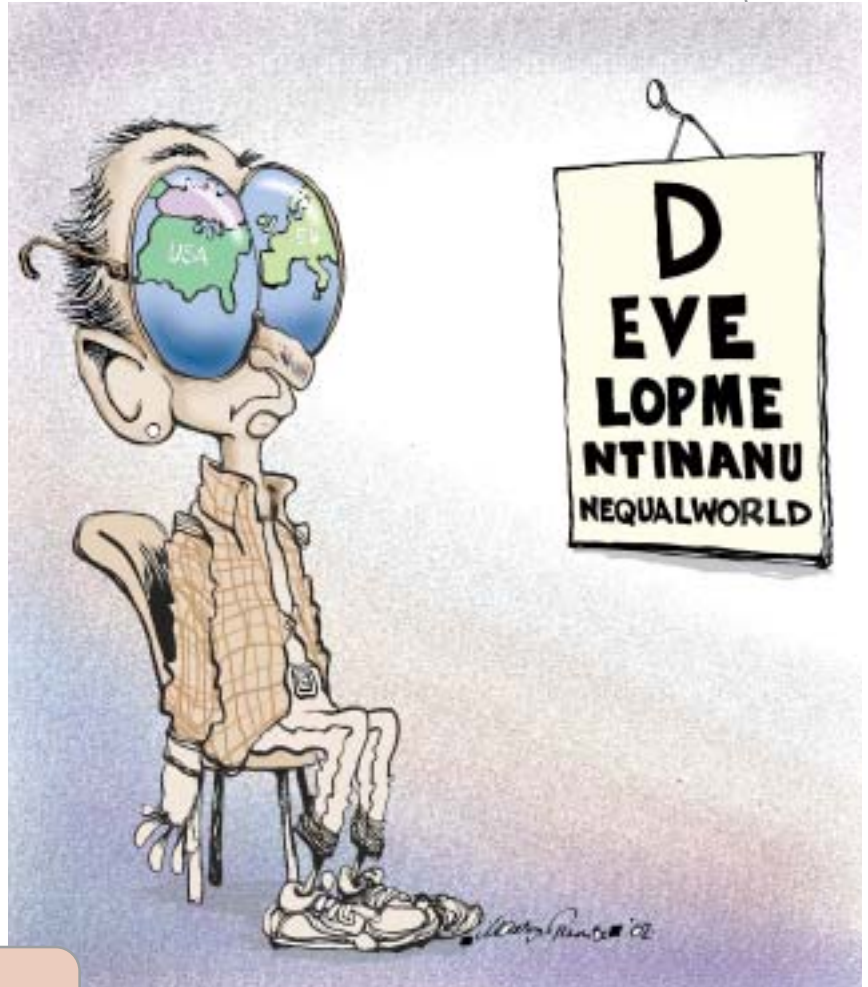
- it might imply some kind of development ‘pecking order’ – first, second and third, thus implying superiority and inferiority
- it lumps together very economically diverse countries such as Brazil, Ethiopia and Bangladesh – countries that have as much differentiating them from each other as they do have in common
- it pre-supposes two other ‘worlds’ – one of which no longer exists.

In response to these criticisms, many commentators (from the ‘west’ and from the ‘Third World’ - the language divide does not reflect geography) have made the following points:

- the phrase ‘Third World’ or ‘Tiers Monde’ was coined in France in the 1950s and was never seen as an economic category – rather it was envisaged as an essentially political phrase – one which united together those who were opposed to colonialism
- there is a tendency in many currently fashionable phrases to negate the distinctiveness and specificity of ‘Third World’ issues and to lump everything into one big development basket



- many people of the poor world often refer to themselves as the 'Third World' and this fact should not be lost sight of. It is also useful to remember the fact that the phrase is well understood popularly and internationally
- Finally, the original intent in the use of the phrase 'Third World' – drawing attention to the disparity in the distribution and use of world power – is still entirely relevant. In fact, real power may now be concentrated even more in the hands of the Western world than it was in the 1950s.



What the Third World originally was, then, is clear: it was the non-aligned world. It was also a world of poor countries. Their poverty was the outcome of a more fundamental identity: that they had all been colonised.

- Peter Worsley

(The Third World is) ...an extremely useful figment of the human imagination...the Third World exists whatever we chose to call it. The more difficult question is how to understand it...

- Writers J. Norwine and A. Gonzalez

All those nations which, during the process of formation of the existing world order, did not become rich and industrialised...A historical perspective is essential to understand what is the Third World, because by definition it is the periphery of the system produced by the expansion of world capital.

- Egyptian economist Ismail-Sabri Abdalla

We know that it (the Third World) is not a homogeneous world; we know too that enslaved peoples are still to be found there; together with some who have achieved a simulacrum of phoney independence; others who are still fighting to obtain sovereignty and others again who have obtained complete freedom, but who live under the constant menace of imperialist aggression...Thus the unity of the Third World is not yet achieved. It is a work in progress...

- Algerian writer Franz Fanon



the new standard of Gross National Product. (Later different, more sensitive indices of development would be created). This thinking meant that debates about the organisation of society, control over means of production and the role of the state were not so prominent. Truman's last point also gave the impression that what humans had created was a natural state of affairs rather than a particular construction. The consequences for the newly independent states were they now had to follow the path of development mapped out for them by others.

Inevitably, there was a strong reaction to this type of thinking and that reaction has continued to this day.

Development – beginning the Third World response

The demands of colonial peoples found focus and expression when the governments of Burma, Ceylon, Indonesia and Pakistan called a conference in Bandung, Indonesia - most of the participants came from Asia. Bandung marked the beginning of the collective demands by Third World countries on de-colonisation and development. The Third World itself was a political notion associated with the notion of non-alignment. The Conference issued a communiqué which cast development in terms of economic co-operation, a matter of production and accumulation based on private investment and external assistance. It claimed that development was necessary and should involve integration into the world economy. In this view, there was in fact, no substantial choice between different ways of life. Development was largely understood as a set of technical measures outside the realm of political debate.

The 1960s: the United Nations decade of development

Events and declarations after WWII up to the 1950s set the stage for what was to become the United Nations Decade of Development – the 1960s. The idea was proposed by President Kennedy and, in 1962, U Thant (the Acting Secretary-General of the UN) submitted *Proposals for Action*, which now construed the idea of development in quite specific ways. Firstly, *'development is not just economic*

growth, it is growth plus change'. This seems to downgrade the importance of economic growth, but the language in fact asserts economic growth as the hard core of development. Thirty years later, the UNDP would maintain: *'Just as economic growth is necessary for human development, human development is critical for economic growth.'*

It was also noted that the gap between rich countries and poor countries had widened.

Nevertheless, it was vital to continue believing in the process on the assumption of solidarity between the developing and developed countries, based on enlightened self-interest. Trade barriers were seen as a problem, because it was assumed that it was through trade that each country would develop. Not much attention was paid to the distinctions between different situations. It was also acknowledged that attention had to be paid to 'the human factor', which meant developing 'human resources'. There were obviously tensions and contradictions in the theory or idea, as well as a refusal to see the reality which contradicted the theory. Nevertheless, a major theory was developed on this basis – that of *Modernisation* and, again, a major Third World critique of that theory.

Modernisation and dependency theories

One of the most influential development theories was that of Walt Rostow (in 1960), called *Stages of Economic Growth: A Non-Communist Manifesto*. Rostow argued that societies developed through stages, and he used the metaphor of a plane taking off. Stage One was traditional society in a kind of zero degree of history. From this state, countries have to get to Stage Two (preconditions for take-off) and be shown how they might emulate European economic history and have growth leading to development. The problem that not all societies value the accumulation of material goods was overlooked. Such countries needed to move from traditionalism to modernity, and could only do so with outside help. Thus, variants on colonialism were a good thing. Stage Three (take-off) happened when growth, as a compound process that grew on itself, became part of the habits and institutional structures of a society. Stage Four was the drive to maturity, during which a society comes to terms with the requirements of modern efficient



production. These later stages could be measured by a rise in GNP. Stage Five is the age of high mass-consumption.

One problem with this theory has already been mentioned, but there were others. Does industrialisation create the entrepreneur or does the entrepreneur produce industrialisation? Another problem is that presenting modernisation as a way of increasing people's choices obscures what has been lost, or choices that no longer exist. Another question is what comes after mass-consumption? An important criticism of Rostow's theory was that it was based on the special case of Western economies (and even that view has not gone unchallenged), and was inapplicable to the general case of underdeveloped countries.

Rostow's theory was known as a theory of modernisation and tapped into early basic assumptions about what development means. It justified Northern policies that emphasised domestic growth and foreign aid as a way of countering communism and, for the rulers of the South, it meant that they could promise a better future to their peoples whilst they themselves prospered. The theory soon provoked reactions and counter-theories, one of the most important of which became known as dependency theory.

Dependency theory

Dependency theory emerged from North American Marxists and Latin American intellectuals. It was a general school of thought followed by different intellectuals from various disciplines and countries and was never set out as a coherent theory like Rostow's work. These intellectuals gradually centred on opposing US policy and were often referred to as '*Third Worldists*'.

Their main propositions can often be counterposed point by point to Rostow's theory. They studied real history in concrete circumstances, countries were treated as part of a global structure not individual entities, colonialism was a process of things falling apart and internal inequalities were not positive, leading to internal growth, but a problem that required state intervention. They also argued that the development of young economies required withdrawal from the structure of exploitation that existed worldwide. They pointed out that industrial

capitalism intertwined with finance capital and created a concentration of wealth and power in giant transnational corporations that could control the market. The problem of absorbing the massive surplus that this situation created was solved by huge spending on military budgets which was ideologically justified by the Cold War.

Dependistas hoped that a world revolution would change this situation, but the steps to be taken to achieve this world revolution were not very clear. Still, it was a valuable theory because it highlighted the conditions of unequal exchange between countries and presented the idea or paradigm of core-periphery. Some later writers have taken this geographical core-periphery model and modified it to argue that there is now, within nations, a social core-periphery situation of privilege and deprivation.

As with modernisation theory, there were problems also with dependency theory. The wealth of the developed countries was not solely due to colonial exploitation, but more due to state regulation and the growth of domestic markets. Also, it did not pay sufficient attention to the cultural aspects of development or to the ecological consequences of treating industrialisation as necessary for collective well-being. In this way it did not offer an idea of development based on assumptions fundamentally different to that of modernisation.

But it became a strong element of a growing Third World critique of western ideas and practices around development and strengthened the view that underdevelopment (however defined) could be created (by colonialism or by exploitation) rather than it being a natural state. This idea was strongly developed by writers such as Andre Gunder Frank. For an excellent introduction to much of this thinking, see Majid Rahnema and Victoria Bawtree *The Post-Development Reader*, 1997, London, Zed Press.



Development as Human Security

The influential economist Dudley Seers identified three vital aspects of development which, he argued, could be posed as questions:

- What has been happening to poverty in the country under study?
- What has been happening to unemployment?
- What has been happening to inequality?

He argued that if all three had been declining from high levels, then, beyond doubt, it could be said that development had been taking place. Later he added a fourth factor --whether a country had increased its self-reliance in economic as well as in technological, social and cultural affairs, although he failed to adequately address the environmental dimension.

For the philosopher Denis Goulet, there are three goals which should underpin development:

- Life Sustenance (food, health, shelter, protection etc.)
- Esteem (the promotion of respect for all)
- Freedom (not only in political, but also in social, cultural, economic and spiritual matters).

Thus, for Goulet, we need to be concerned about the values and the ethics base of development.

In its 1994 Human Development Report, the United Nations Development Programme incorporated a major change in emphasis within the concept of development by presenting an overall definition in terms of human security. This concept was defined at seven different levels reflecting many of the debates and approaches of recent years (see below).

In introducing the notion of human security as a comprehensive overview of development, the UNDP commented:

“Human security is therefore not a defensive concept – the way territorial or military security is. Instead human security is an integrative concept. It acknowledges the universalism of life claims...It is embedded in a notion of solidarity among people. It cannot be brought about through force, with armies standing against armies. It can happen only if we agree that development must involve all people.”

Economic Security – a basic secure income (not automatically linked to employment), social safety nets for the poor, access to land or adequate credit, fair wages and reasonable working conditions, adequate housing etc.

Personal Security – protection against the violence of the state, other states, other groups of people (ethnic violence), other individuals, of men towards women etc.

Food Security – physical and economic access to food, improved storage and distribution systems, programmes focused upon those most at risk etc.

Community Security – protection from communal or ethnic attack, protection for indigenous people and cultures etc.

Health Security – adequate nutrition, clean safe water and sanitation, basic healthcare facilities with equal access for all, investment in health, focus on most vulnerable groups etc.

Environmental Security – policies to protect the environment, provision of clean, safe environments, action against pollution, awareness of future consequences of current actions etc.

Political Security – protection against political repression, torture, violation of human rights, the right to vote etc.



Eduardo Galeano – A Third World Perspective

“It was the promise of the politicians, the justification of the technocrats, the illusion of the outcast. The Third World will become like the First World – rich, cultivated and happy if it behaves and does what it is told, without saying anything or complaining. A prosperous future will compensate for the good behaviour of those who died of hunger during the last chapter of the televised serial of history. WE CAN BE LIKE THEM, proclaimed a gigantic illuminated board along the highway to development of the underdeveloped and the modernisation of the latecomers.

‘But ‘what can’t be, can’t be, and more than that is impossible’, as Pedro el Gallo, the bullfighter so rightly said. If the poor countries reached the levels of production and waste of the rich countries, our planet would die. Already it is in a coma, seriously contaminated by the industrial civilisation and emptied of its last drop of substance by the consumer society.

“The best of the world lies in the many worlds the world contains, the different melodies of life, their pains and strains: the thousand and one ways of living and speaking, thinking and creating, eating, working, dancing, playing, loving, suffering, and celebrating that we have discovered over so many thousands of years.

“Whoever doesn’t have, isn’t. He who has no car or doesn’t wear designer shoes or imported perfume is only pretending to exist. Importer economy, imposter culture: we are all obliged to take the consumer’s cruise across the swirling waters of the market. Most of the passengers are swept overboard, but thanks to foreign debt the fares of those who make it are billed to us all. Loans allow the consuming minority to load themselves up with useless new things, and before everyone’s eyes the media transform into genuine needs the artificial demands the North of the world ceaselessly invents and successfully projects onto the South.

“...There is no country in the world as unequal as Brazil. Some analysts even speak of the ‘Brazilianisation’ of the planet in sketching a portrait of the world to come. By Brazilianisation they certainly don’t mean the spread of irrepressible soccer, spectacular carnivals, or music that awakens the dead, marvels that make Brazil shine brightest; rather they’re describing the imposition of a model of progress based on social injustice and racial discrimination, where economic growth only increases poverty and exclusion. ‘Belindia’ is another name for Brazil, coined by economist Edmar Bacha: a country where a minority lives like the rich in Belgium while the majority lives like the poor of India...”

Eduardo Hughes Galeano is a Uruguayan journalist (born in 1940) who is famous throughout Latin America for his biting political commentary as well as for his fiction, his journalism and his political analysis. Of himself, Galeano comments: “I’m a writer obsessed with remembering, with remembering the past of America above all, and above all that of Latin America, intimate land condemned to amnesia.”

The theory of self-reliance

Another, but substantially different, Third World approach was offered by the theory of self-reliance, put forward by Tanzanian President Julius Nyerere via the Arusha Declaration in 1967. The basic idea was self-reliance, or autonomy or auto-centred development. It drew on the ideas of Mahatma Gandhi, who proposed a non-exploitative moral economics in which each level of society, from individual through village to state took only what was necessary and accumulation was perceived to be negative. The ideas and practices generated by the theory never took off in India or Tanzania. However, it is worth noting, because as current globalisation

trends continue to exclude as much as include millions of the world’s people, those who are excluded and thereby forced into self-reliance may become the source of similar but more successful ideas about development in the future.

Development ideas in the 1970s

The 1970s started with concern about the environment and the limits to growth, but although there were plenty of declarations, there were also economic crises and, according to writer George Rist, the mood went from ‘an almost revolutionary atmosphere’ to ‘pious wishes and disenchantment’.



In the 1970s the South's power seemed to be growing. The Third World argued that it was necessary to act on the causes of underdevelopment, especially on the transnational companies of the North which were ruthlessly exploiting the South. There was, in other words, an organised solidarity developing against the capitalist system and against repressive regimes. There was also within the North a growing concern about the effects of Northern-style development on the world as a whole.

In 1972, the United Nations held a major conference in Stockholm on the human environment and the idea that there were serious environmental 'limits to growth' and that non-renewable natural resources were running out gained ground. At the same time there was an economic slowdown in growth with rising unemployment and widespread currency speculation. Also, many transnational companies broke up the production chain and began using cheap labour in developing or undeveloped countries, and more automation in their own countries, further reducing employment.

At the beginning of the 1970s, Robert McNamara, the then-President of the World Bank, argued for what he called a basic needs approach. He argued that developing countries had to give greater priority to nutrition, housing, health, literacy and employment. Very different groups (The World Bank, the ILO, the Third World Forum) all had their different reasons for supporting this approach mainly because it offered economic, political and even moral justification to intervene in the internal policies of a state. The problem was how to understand need in universal and cross-cultural terms when need depends on cultural perceptions.

In 1973 the 'October War' broke out between Egypt and Israel. Two months later the oil-producing countries (OPEC) quadrupled the price of oil. This made it clear for the first time that countries of the South could seriously disrupt the economies of the North. Maybe it was time for new rules.

Various conferences contributed to the Non-Aligned Movement that had emerged from the Bandung conference, and in 1974 these entities, through the General Assembly of the United Nations, issued a Declaration on the Establishment of a New

International Economic Order (NIEO). This declaration had little effect but reinforced many existing ideas about development. It focused on 'the problems of raw materials and development' and promised an ideal future, supposing a common interest based on interdependency. It assumed a world community driven by common interests. It accepted a sovereign equality of States, which obscured a lack of equity and, then, because of this sovereignty, did not discuss the economic and social systems of the countries involved – that is, it missed out people. It also assumed that the poor countries could catch up with the rich. It actually maintained the mainstream economic ideas of economic growth, expansion of world trade and increased aid by the industrial countries.

The NIEO never got anywhere, because the Third World came to an end just as it was proclaimed. The idea of a collective Third World broke into super-rich oil states, conditions in 'least developed countries' got worse, and a bloc of 'newly industrialised countries' emerged. At the same time, conditions in the industrialised countries meant they did not give as much aid as was expected, and Western banks had to start recycling petro-dollars which led to massive debt.

Development in the 1980s

There were no major theoretical innovations in the idea of development in the 1980s. The decade was dominated by the structural adjustment policies of the World Bank, which said 'let's have adjustment first and development later'. The questions of 'adjustment' - to what and in whose interests - was, as usual, taken for granted.

The basic idea was that the world economy was distorted because of bloated administrations, corruption, low productivity, tax evasion, poor prices for commodities, low levels of foreign investment, weapons buying, and so on. It seemed that governments, companies and individuals were living beyond their means. Behind this was the currency problem.

After the oil crisis, banks, especially American commercial banks, had to recycle petrodollars fast, so they lent money irresponsibly. It soon became obvious that debtors would not be able to repay loans, because western governments were allowing



inflation and interest rates to rise. Debtors had to borrow to repay their debts, which is an impossible cycle to maintain. In 1982, Mexico could not repay its loans. This provoked a crisis in several US banks, and provoked the structural adjustment programmes. The idea was that trade balances had to be corrected. What this meant in practice was that many indebted countries were required to spend less on basic services, such as education and health.

In 1989 the Berlin Wall fell, and subsequently the Soviet Union was broken up. The last alternative to capitalism was gone.

However, there was one important major document of the 1980s. The Prime Minister of Norway, Gro Brundtland, chaired a UN commission that published its report, *Our Common Future*, in 1987. Whereas the Stockholm conference had considered the physical environment, the Brundtland Commission had to consider the environment and development together. This meant dealing with how rich and poor countries, in different ways and for different reasons, destroyed the environment. The problem was that it was the mode of industrial production – which seemed synonymous with development – that destroyed the environment, and yet how could one deny development to peoples who did not have decent living conditions? To solve this problem the Commission proposed the concept of sustainable development.

The Report failed to distinguish between the nature of renewable and non-renewable resources which has serious policy, and practical, implications. It did not offer theoretical innovations or practical propositions to make its hopes realisable. Ultimately, it did not question the notion of growth as an economic imperative leading to universal prosperity. It suggested that the United Nations organise a conference (The Earth Summit of 1992) to review progress.

The 1980s were dismal. The 1990s promised to be better. The Berlin Wall came down in 1989, the USSR broke up, and various dictatorships toppled. Hopefully, views from the bottom, or the voice of the Third World, or the South, would now be heard. But what would happen to the story of 'development'?

1990s onwards - Rethinking development?

Until now, ideas of development had been dominated by the North or by international organisations, with the exception of dependency theory (Latin America) and the theory of self-reliance (Nyerere). In practice, industrial countries persisted in defending their own interests at international negotiations, and supporting Third World regimes that oppressed their own peoples. The World Bank, the IMF and transnational companies (TNCs) continued to impose conditions.

In the hope that countries of the South could produce some new ideas, the then Prime Minister of Malaysia persuaded Julius Nyerere to undertake a commission, which was called *The Challenge to the South: the Report of the South Commission* and which was published in 1990.

Unfortunately, this report reflected the dominant ideas around development and reflected the impasse that the idea of development had reached. It described an ideal that does not exist anywhere in reality. It did not present any new key ideas and was quite contradictory. For example, it stressed the need for self-reliance and respect for indigenous cultures, but also stated that 'the demands of economic growth are such that the South had to accelerate the pace of acquiring, adapting and using the stock of technological knowledge built up in the North'. Also, it acknowledged that disparities between North and South due to the power of the North, but still affirmed apparent 'mutual interests'. It ended with the admission that it had not dealt with international political issues, which were probably the main issues at stake.

Other major areas of focus in development thinking in the late 1990's and early 2000's were on the development and implications of the UNDP's Human Development Index and its associated indices of human development, on sustainable development and on the role of civil society in development.



The UNDP Human Development Index

In 1990 the Administrator of the UNDP initiated a project to revitalise the idea of development, especially as it related to human development. The project, led by Pakistani economist Mahbub ul Haq, produced the idea of a measurable Human Development Index (HDI) which has now become a core idea at the heart of current thinking on development itself.

The HDI presented some valuable innovations. Until now, Gross National Product (GNP) had remained the main measure of development. The UNDP now proposed to include three variables for each country - income, life expectancy and level of education (to which the 1991 Report added human liberty). The HDI took account of a number of issues:

- not only the importance of total income but also how it was distributed
- it does not confuse per capita income with overall well-being
- and it also reversed the basic needs approach in that it set out a number of social priorities, such as basic education, health care, water supply and so on, and then gave them relative weighting in terms of expenditure.

It finally seemed that a break was being made with the fundamental place of economic growth, and a distinction was being made between the accumulation of wealth and general well-being.

Learning from the Human Development Index

According to the 2005 Human Development Index, Norway, Iceland, Australia, Luxembourg and Canada are at the top of the HDI table. Other countries with high human development include the UK (15th), Ireland (8th), Barbados (30th), Singapore (25th), Chile (37th) and the United Arab Emirates (41st).

At the bottom of the 2005 HDI table are Niger, Sierra Leone, Burkina Faso, Mali and Chad. Others included amongst the low human development countries are Ethiopia, Zambia, Kenya, Rwanda, Yemen and Nigeria.

Examining income disparities within countries in the 2005 report is also revealing. Amongst industrialised countries, the Nordic countries (Norway, Sweden, Finland etc.) do well and Japan, Slovenia, the Czech Republic and Germany do relatively well while New Zealand, the United States, Australia, the UK and Singapore do not. Within the developing world, Brazil, Venezuela, Colombia, Namibia, Botswana and Lesotho perform poorly while Vietnam, Yemen, Rwanda, Egypt and Bangladesh do relatively well.

The HDI can, for example, measure the relationship between spending (as a percentage of GDP) on education, health and the military as the table below illustrates.

2003 Spend as % of GDP	Education	Health	Military
High Human Development countries	Cuba 9.0	Germany 8.6	Israel 9.1
	St Kitts/Nevis 7.6	Sweden 7.8	Kuwait 9
	Barbados 7.6	Denmark 7.3	Singapore 5.8
	Israel 7.5	Malta 7.0	Greece 4.1
		US 3.8	
Medium Human Development countries	Malaysia 8.1	Colombia 6.7	Oman 12.2
	Saint Lucia 7.7	Macedonia 5.8	Saudi Arabia 8.7
	St Vincent and the Grenadines 10.0	Suriname 5.2	Jordan 8.9
	Vanuatu 11.0	Belarus 4.7	Iran 3.8
Low Human Development countries	Lesotho 10.4	Lesotho 5.3	Eritrea 19.4
	Yemen 9.5	Mozambique 4.1	Yemen 7.1
	Kenya 7.0	Malawi 4.0	Burundi 5.9
	Swaziland 7.1	Swaziland 3.6	Ethiopia 4.3



Examining the relationship between the HDI and GNP per capita is revealing. In 2005, some 74 countries had a world ranking based upon income which was far ahead of the HDI ranking, showing that they still have failed to translate economic prosperity into greater equality amongst their populations.

Amongst these countries were the United States, Ireland, Germany and Luxembourg as well as many rich, oil-producing countries such as Saudi Arabia and Oman. The greatest negative disparity between HDI and GNP per capita was to be found in Equatorial Guinea. Other countries – Sweden, Cuba, Chile, Armenia, China, Lebanon and Grenada, just to mention a few – had HDI rankings ahead of those for GNP thus illustrating that they had made more judicious use of their resources.

Like all attempts to measure development, the HDI has serious limitations which must be kept in mind. Its origins are political in that it represented an attempt to refocus attention on health and education – in place of the traditional economic focus. As with all average indicators, it runs the risk of avoiding examining differences between classes of people rather than countries or regions. The HDI highlights relative rather than absolute development thus under-appreciating the progress of poorer countries.

The UNDP's Gender Indices

Besides the HDI, the UNDP has also developed two gender-related measures. The first, known as the Gender-related Development Index (GDI), measures the same variables as the Human Development Index but adjusts them for gender inequalities. The GDI compares and contrasts the life expectancy, literacy, gross school enrolment and income of each country with the disparity in achievement between men and women.

The GDI of every country is lower than its HDI, which indicates that a degree of gender inequality continues to exist within every society. However, progress has been achieved since 1995, which is when the UNDP first began to calculate the GDI. While in 1995 countries' GDI fell between a range of 0.919 - 0.169 (with Sweden the best and Afghanistan the worst), the 2005 Human Development Report ranks Norway first, with a GDI of 0.928, and Niger last, with a 0.271 reading. The table below provides an indication of progress over the past 10 years.

Country	1995 GDI	2005 GDI	Change
Australia	0.901	0.954	+0.053
Ireland	0.813	0.939	+0.126
Argentina	0.768	0.854	+0.086
Zambia	0.403	0.383	-0.02
India	0.401	0.586	+0.185
Syria	0.571	0.702	+0.131
China	0.578	0.754	+0.176

- Source: UNDP Human Development Reports 1995, 2005

The second of the UNDP's gender-related indexes is the Gender Empowerment Measure (GEM). This index attempts to capture and quantify gender inequalities within three areas:

- *economic participation and decision-making* (measured by shares of positions as legislators, senior officials and managers and shares of professional and technical positions);
- *political participation and decision-making* (measured by women's and men's percentage shares of parliamentary seats);
- *power over economic resources* (measured by estimated earned income (PPP US\$)).

The GEM reveals some interesting anomalies - Ireland, for example, ranks 8th on the HDI, but only 16th on the GEM, Japan - 11th on the HDI – drops significantly to 43rd on the GEM, revealing significant gender inequality within its politics and economics, Italy also fails on the GEM, as do Canada, Greece and South Korea.

In contrast, Namibia, which ranks 125th on the HDI, is 31st on the GEM and nations such as the Dominican Republic, Tanzania and Moldova also rank far better on the GEM than they do using the traditional HDI.



The Human Poverty Indices

As of 1997, the UNDP Human Development Report has included a Human Poverty Index (HPI). This was in order to better analyse which countries are truly impoverished, since poverty is not simply a lack of income. In the words of the UNDP, poverty “is the denial of choices and opportunities for living a life one has reason to value.”

The HPI measures the most basic dimensions of human deprivation –

- Short life expectancy (below 40 years of age),
- Lack of basic education (low adult literacy)
- Lack of a decent standard of living (percentage of people without access to clean water, and percentage of children below 5 who are underweight)

The UNDP subsequently also developed a Human Poverty Index for high-development OECD countries. The HPI-2, as it is known, takes into account

- Short life expectancy (below 60 years of age)
- Lack of basic education (percentage of adults lacking basic literacy skills)
- Lack of a decent standard of living (percentage living below the poverty line)
- Social Exclusion (rate of long-term unemployment of the labour force)

The UNDP developed the HPI -1 and HPI - 2 in order to focus attention upon a country's most deprived groups, whose plight tends to get lost within country averages. The HPI-2 demonstrates that poverty is present within rich countries as well as poor ones. Amongst high-income OECD countries, for example, the USA has the second-highest level of income per person, but also the highest rate of human poverty.

Development – a possible description

We study development as a way of understanding relationships between groups of people and between nations, as well as to fulfil any hopes we may have for our work and for other people to have opportunities for better lives. Ideas of development have changed as such understanding has deepened, so there is no final definition. We can only describe development in terms which include essential ingredients and our own basic values.

We see development as a continuing process of change for the better among collectivities of people (usually nations) and recognise that the process in any one society can have positive or negative effects on development for others. All development should be about improvement of human lives and it is essential to such development that people have the chance to: lead long, healthy lives; have access to knowledge and learning; and both contribute to and share in, increases in prosperity. Prosperity is not simply about aggregated wealth in money terms, but also about a fair distribution of incomes and about the actual purchasing power of those incomes. Fair distribution means also a fair access to all the chances (health, knowledge and resources), to all groups in society, women as well as men, and it means a serious effort to eradicate poverty.

Development is an ever-moving target. It can never be finally achieved and the process should never be arrested. It will best be moved forward if all citizens contribute actively to decisions about it and there is a constant opportunity for individuals and groups to participate in all aspects of it.

For those of us in rich countries, this view of development has several consequences. One is that we have a responsibility to see that our government's actions in the interests of our own country's development do not have a negative impact on the development of poorer countries. A second is that we support and encourage official and unofficial (non-governmental) activities which will have a positive impact on development both in our own country and elsewhere. A third is that we carefully monitor development processes in our own societies to ensure that opportunities for health, knowledge and prosperity are equally open to all, so that poverty is reduced for all, women and men, minority communities as well as majority ones.

- Lalage Bown (1999) **What do we mean by development?**
A discussion document

Development Education Centre, Birmingham and
80:20 Educating and Acting for a Better World



Towards a human rights international accountability index

In recent years, many attempts have been made to develop an effective basis for measuring how development – and other key concerns – might be measured and how societies and governments might be made more accountable in terms of economic and social rights as well as civil and political rights.

In 1992, Charles Humana offered a measurement of development based upon human rights concerns based upon those rights which could be accurately defined and measured. On the basis of his work, the 10 countries with the best human rights record in the mid 1990's were Finland, Aotearoa/New Zealand, Denmark, Germany, the Netherlands, Czechoslovakia, Hungary, Norway, Belgium and Switzerland – while those with worst record were – Burma, Iraq, Sudan, North Korea, China, Iran, Libya, Angola, Afghanistan and Saudi Arabia.

More recently the UNDP (in its 2000 Human Development Report) has outlined a formula for building a Human Rights Accountability Index. This index would use three key criteria – ratification of key international human rights agreements, levels of participation in established international structures and procedures and level of response to queries re human rights issues.

Dimension	Basis for indicators
Accept: fundamental	<ul style="list-style-type: none"> • ratification or accession to: Acknowledgement of - International Covenant on Civil and Political Rights International accountability (ICCPR) - International Covenant on Economic, Social and Political Rights (ICESCR) - International Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW) - Convention Against Torture and Other Cruel, Inhuman and Degrading Treatment or Punishment (CAT) - Convention on the Rights of the Child - the 4 Geneva Conventions of 1949 • ratification of the individual complaints procedures for the ICCPR, ICERD, CEDAW, CAT and the Geneva Conventions
Cooperate: participation in established international procedures	<ul style="list-style-type: none"> - submission of reports due to treaty bodies in good time - provision of requested information to special rapporteurs and thematic missions - cooperation with monitoring missions - cooperation with UN-sponsored election monitors - cooperation with the International Committee of the Red Cross in relation to prison visits
Respond: extent of	<ul style="list-style-type: none"> - adequate replies to requests - adequate response to recommendations from treaty bodies - adequate response to final views adopted in connection with communications procedures - adequate response to recommendations by country rapporteurs and thematic mechanisms

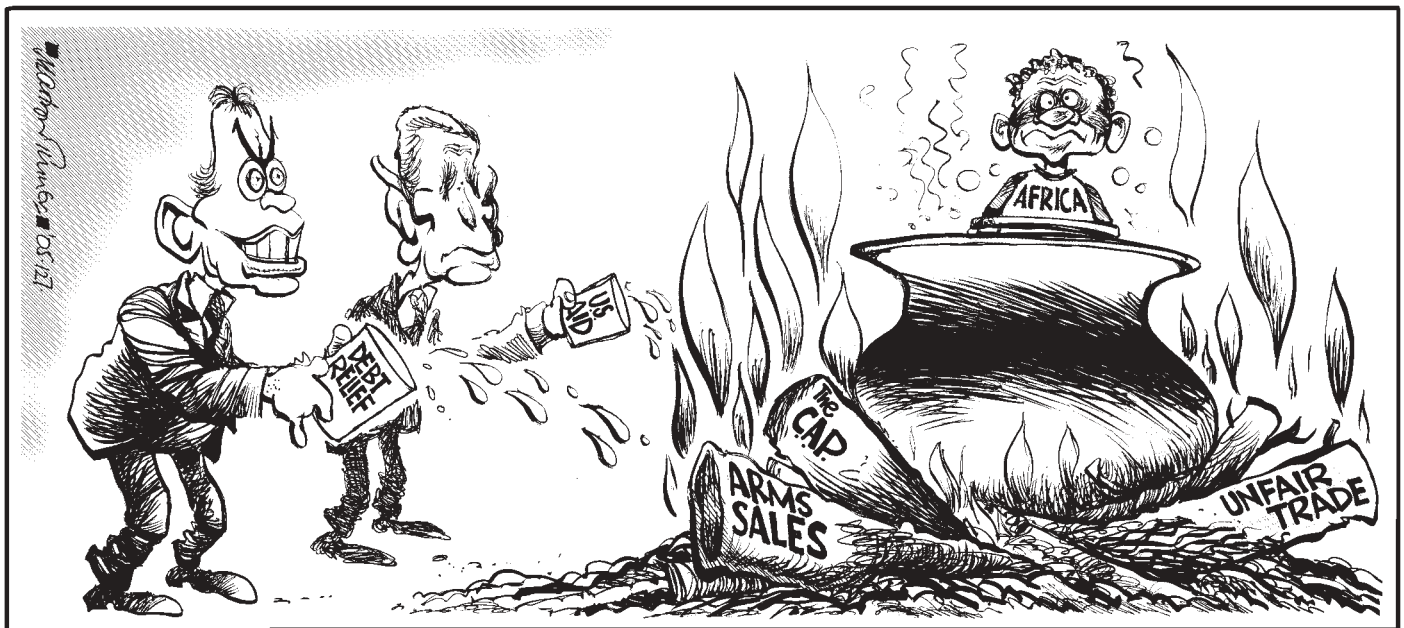


The idea of Earth Democracy – Vandana Shiva

- 1. All species, peoples, and cultures have intrinsic worth** – *we all have intelligence, integrity and identity, we are not objects to own, manipulate and exploit. No humans have the right to own other species or people or their knowledge through patents and other intellectual property rights.*
- 2. The earth community is a democracy of all life** – all are interconnected members of the earth family and have a duty to protect the earth's ecological processes and the rights and welfare of all species and peoples. We do not have the right to encroach on the ecological spaces of others or to treat them with cruelty or violence.
- 3. Diversity in nature and culture must be defended** – biological and cultural diversity are ends in themselves and both enrich us all hugely. Defending such diversity is a duty.
- 4. All beings have a natural right to sustenance** – all members of the earth community have the right to food, water, a safe and clean habitat and to security of ecological space. These rights are not granted by states or corporations and they do not have the right to undermine or enclose the commons that sustain life.
- 5. Earth democracy is based on living economies and economic democracy** – earth democracy is based on economic democracy and both defend and protect ecosystems, people's livelihoods and their basic needs.
- 6. Living economies are built on local economies** – localisation of economies is an ecological and social imperative, only goods and services that cannot be produced locally should be produced non-locally and traded long distance, the global economy should not crush local economies, diversification and decentralisation are important.
- 7. Earth democracy is a living democracy** – in living democracy, people can influence what they eat, drink, their healthcare and their education, earth democracy is based upon inclusion, diversity, ecological and social responsibility, self-rule and self-governance are fundamental.
- 8. Earth democracy is based on living cultures** – living cultures respect, and make space for, religious tolerance, identities and diversity and recognise common humanity.
- 9. Living cultures are life nourishing** – living cultures respect life, human and non-human and do not promote life-destroying lifestyles and overuse of resources: planetary consciousness is crucial – connecting individuals to the earth and all life.
- 10. Earth democracy globalises peace, care and compassion** – connects people in circles of care, cooperation and compassion instead of dividing them through fear, greed, inequality, competition and hatred. *'Earth democracy globalises compassion, justice and sustainability.'*

- Vandana Shiva (2005) *Earth Democracy: Justice, Sustainability and Peace*, London, Zed Press.

Vandana Shiva is an Indian physicist, eco-feminist, environmental activist and increasingly well-known international author. She was a member of the Chipko movement in 1970s India, whose members (mostly women) adopted a strategy of hugging trees to prevent them being cut down. Today, she is a leading member the anti-globalisation movement.



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'On the move' – Zambia by Stary Mwaba. To see more of Stary's paintings go to www.8020.ie/gal_stary.htm