

Development Theory and its Threatening Other

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The European Conference on Politics, Economics and Law 2014
Official Conference Proceedings

Abstract

Since its heyday in the 1980s and 1990s, neoliberalism as an approach to development theory and policy has fallen spectacularly from grace, particularly in the academic community. As a theory it was folly, putting profits ahead of what development is supposed to be about: people. As a practice it resulted in a 'lost decade.' Fortunately, Washingtonian universalism has been discredited: *“The idea that there should be a single forward path and development model lies well behind us.”* It is recognised now that *“the rulebook for developing countries must be written at home, not in Washington”* (Rodrik, 2008) Yet what *is* neoliberalism? As time goes by the term seems to grow increasingly fuzzy. In this paper it shall be argued that neoliberalism has ceased to represent anything that was ever advocated by the World Bank or IMF. Rather, it has been given the threatening characteristics of development theory's 'Other.' The first section of the essay will provide an overview of the characteristics ascribed to development theory's threatening Other through the work of J.M. Keynes and some post-war modernisation theorists. Focussing on the Washington Consensus, we shall then look at how the critique of neoliberalism has constructed that approach in this manner.

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The Threatening Other

In *The Archaeology of Knowledge*, Michel Foucault was concerned with how concepts we regard as natural – such as economics or politics – come into being; that is, how they become differentiated from other concepts. For Foucault, concepts such as economics are not based on something objectively definable. The discourse on madness, for example, is not based on the existence of an object called 'madness'. Rather, the concept is defined by the collection of statements that are accepted as being about madness and those that are not. The question for Foucault is how and why certain statements emerge and are associated with the subject of madness, and others either do not emerge or are not accepted as part of the discourse. The conditions of existence, coexistence, maintenance, modification, and disappearance Foucault calls the “*rules of formation*” of a discourse (1972: 38). There are three inter-related aspects of the rules of formation: the “*field of initial differentiation*” where the discourse defines its object and differentiates itself from other discourses; the “*authorities of delimitation*” who are regarded as having the authority to make truth statements about the object; and the “*grids of specification*”, according to which the various parts of the discourse are “*divided, contested, related, regrouped, classified, derived from one another.*” (1972: 41-2). For the purposes of this essay the relevant aspect is the first, where a discourse “*finds a way of limiting its domain, of defining what it is talking about, of giving it the status of an object – and therefore of making it manifest, nameable, and describable.*” (1972: 41) Many radical critiques of development – such as those by Said (1978) and Escobar (1996) – have been based on the idea that the object of development theory was formerly the Third World. Through development theory the West creates and defines the underdeveloped world as an object upon which it can act.

Be that as it may, it does not explain the existence of a field called development studies. Development *theory* as a discipline must be able to differentiate itself from other (possible) fields of study which could name and describe the Third World. On what basis does development theory claim such authority? This is no idle question: in the 1980s the academic position of development theory was severely undermined first by neoliberalism and then by post-development. The field's reclaiming of lost ground since the 1990s is, we believe, closely linked to the othering of neoliberalism. The object of development *theory* – what it is talking about – is social change. 'Development' as a phenomenon is a particular form of social change, and development theory is the body of knowledge that conceptualises and describes it. When development theorists define their field they do so by differentiating it from alternative ways of conceptualising social change. Development theory sees itself as the guide and guardian of a cooperative endeavour of striving toward a developed world for all – a striving that both the popularly-called developed and underdeveloped countries are part of.

Of course, for a 'guardian' identity to be meaningful one requires a threat. The threat in the development literature is a world without development policies, where social change is essentially unguided and unlimited. This alternative form of social change – which was originally the idea of progress – is given four primary characteristics: it is selfish/materialistic, Darwinian, Eurocentric, and conservative. The effect of this Self/Other dichotomy is to construct change as something that happens spontaneously as completely other and as threatening to social-change-as-development, which is

social change that is intentional and teleological. This construction reinforces the need for development theory, as guide and guardian.

Selfish and materialistic

The primary and overriding characteristic of the conceptualisation of social change from which development is attempting to distinguish itself from is its selfish and materialistic impulses. In all four periods in which this process of othering was dominant, the then existing form of social was presented by development theorists as being solely motivated by selfishness and materialism. Keynes saw selfishness and materialism at the heart of social change as it existed. He argued that the ruling passion in the individualistic, capitalist society in which he lived was the 'money motive', which he described as a 'somewhat disgusting morbidity' and a 'semi-criminal, semi-pathological propensity' which should be handed over to 'the specialists in mental disease.' He believed that the 'game' of capitalism ought to be played for lower stakes than at present – that true social progress would require society to overcome all that condoned and encouraged self-seeking activity (1936[1960]: 374). Keynes described the moral problems of present society as: love of money; the dominance of the money motive; individual economic security as the highest good; the 'hoarding instinct' as the means of providing for one's family. He saw in Soviet Russia the “*first confused stirrings*” of a non-supernatural social religion which would finally condemn these immoralities, a social experiment which “*tries to construct a framework of society in which pecuniary motives as influencing action shall have a changed relative importance, in which social approbations shall be differently distributed, and where behaviour which was previously normal and respectable ceases to be either one or the other.*” (1925b: 305, 302).

In the post-war era, too, we find that the argument for 'development' rests in part on a portrayal of social change as otherwise being based on selfishness and materialism. David Apter, for example, warned that an unplanned social change effected by private entrepreneurs would result in mounting “*social dysfunctionalities*”. This is because people would be concerned with their own interests rather than the wider social consequences of their activities. It would be “*at best a gambler's environment in which planning for the game takes second place to the overall consideration of winning.*” (1971: 197) According to Arthur Lewis, who was one of the few modernisation theorists to write an explicitly normative justification of economic growth, counted increased 'economism' and 'individualism' among the costs of growth, arguing that both would have to be limited if the desired benefits were to materialise (1955: Appendix). More recently, a UNESCO report on citizenship education argued that a deliberate inculcation of civic virtues was necessary because existing society is characterised by “*a lack of cohesive spiritual and social values, and unrestricted acquisitiveness ... ; this ruling social passion is tied to a peculiar conception of 'freedom,' one shaped by highly individualist perceptions and impulses around crass indifference and materialism.*” (Howe and Marshall, 1999)

Darwinian

The second characteristic of the threatening Other is a societal-level consequence of the selfish individual-level motivations guiding social change: it is presented as Darwinian, in the sense that the weak are left to the mercy of the strong who are set free to act on these selfish and materialistic impulses. This “old-fashioned individualism and laissez-faire” was characterised as a system of “economic anarchy”

(Keynes, 1925a: 329). Keynes identified the uncertainty and lack of direction inherent in the present system as the source of the problem, and proposed instead the economic activity ought to be guided by considerations of social justice rather than individual whim, which would only perpetuate the present inequalities. For this the world needed a “*new wisdom for a new age*” (Ibid: 337; 1926) which he was happy to provide in his *General Theory* (1936[1960]) The new wisdom was necessary because the old way had served to benefit the rich without providing them with an incentive to help the poor out of their vicious circle of poverty. Clearly it would not do for those who saw themselves as helping the poorer nations out of their present economic misery.

Paul Rosenstein-Rodan (1943) in what is often considered the founding text of modernisation theory, noted that the “*social conscience*” could no longer accept the miseries that accompanied social change in the “*darwinist nineteenth century*.” Post-war development theorists were particularly suspicious of the operation of the international economic system, where the economic anarchy that was being overcome within Western societies still reigned. Some had argued in the post-war era that the task of US foreign policy ought to be to recreate the world of nineteenth century Europe, but most modernisation theorists set themselves explicitly against the free trade liberalism of that era. It was believed that “*the working of capitalism would maintain the same unequal world division of labour as has previously been enforced by imperial might*” (Toye, 2006). Although scholars such as P.T. Bauer were conceded to genuinely believe that liberal economic policies would benefit Third World development, such an attitude was more often considered a mark of an uncaring stance regarding the poorer nations (Rostow, 1984). According to Thomas Balogh (1966[1974]) such an approach “*decried the motives of deliberately helping the poor*” and would leave them to their fate as the plaything of powerful market forces. David Apter saw a “*hit and miss, private and public pattern of manipulative and exploitative aid*” which, despite the best efforts of multilateral agencies, rendered the international system “*essentially hostile*” (1971: 204n, 46) He described it as “*the repugnant purveyor of anti-humanism*.” It was not 'development'. True development policies would have to protect the poor from the selfish and materialistic impulses that still existed.

Eurocentrism

A third characteristic of the threatening Other is that it is Eurocentric. It is presented as being derived in theory from the Western experience and imposed in practice as a template for the non-Western world to follow. Post-war development theorists argued that people like PT Bauer were promoting “*a projection for the whole world of a conception of change that was believed, erroneously, to be true of the societies of Western Europe*.” (Black, 1966:7) Today, we are quite used to hearing that the old approaches to and theories of development – from colonialism to post-war modernisation to neoliberalism – were Eurocentric. Yet the unquestioned acceptance of this account obscures the fact that those development theorists saw themselves as providing a bulwark *against* Eurocentrism.

Thus Daniel Lerner wrote his *The Passing of Traditional Society* (1958[1966]), which marked the beginning of the 'golden decade' of the political modernisation school, in opposition to existing methods of development which he believed sought to impose Western models on non-Western societies. Despite the title of his book, Lerner did not believe that development was a process of the Traditionals gradually coming to

accept the ideals and institutions of the modern, Westernised elites. He takes issue with those who suggest it might be so, asserting that “[t]here is no uniform Tomorrow just as there was no single Yesterday.” (1958[1966]: 74). Rather, developing societies must “have the wisdom to distinguish between the generally applicable functions of modernity and the institutional forms derived from alien traditions...” (Black, 1966:97)

The modernisation theorists were in far greater agreement about which aspects of the West ought to be *rejected* than which ought to be adapted or adopted by the developing nations. The latter were largely at the discretion of the particular developing nation; the former were threatening to social-change-as-development wherever it occurred. To be rejected were of course the values and practices associated with social change that was not development – represented again by selfishness and materialism. Throughout the modernisation literature these are presented as constant dangers of the development process; they could be kept in check with the help of the knowledge created by development theorists. Modernisation theorists argued that this threatening Other would, if it wasn't for the protection afforded by the development industry, sweep away all valued patterns of life that were not conducive to growth (eg. Apter, 1971). Development theorists and practitioners have always seen it as part of their task to protect indigenous peoples and cultures from destruction by the pernicious influence of Western ways of life. These individualistic Western values led young people to abandon their fragile traditional villages and cultures to seek white-collar jobs in the cities. This educated urban minority was regarded as self-seeking and materialistic, and disruptive of attempts to promote community and national development. Disconnected from their traditions, these displaced persons could not hope to be the engine of true development (see e.g. UNESCO, 1961; Thompson, 1981). If set free, as they would be without proper development policies, a country's 'valued patterns of life' would be threatened from within, by an *internal* Eurocentrism.

Conservative/Cynical

Finally, it is conservative of the existing system, with all its inequalities and miseries, and cynical of the possibility of promoting change. According to Keynes, the watchwords of the British government in his day remained “*Negation, Restriction, Inactivity. ... Under their leadership we have been forced to button up our waistcoats and compress our lungs. Fears and doubts and hypochondriac precautions are keeping us muffled up indoors.*” Keynes' new wisdom required a more optimistic outlook: “*There is no reason why we should not feel ourselves free to be bold, to be open, to experiment, to take action, to try the possibilities of things.*” (1929) Modernisation theorists argued that the old way was too “*slow and halting*” and “*unlikely to be satisfying*” (Pearson, 1970; Singer, 1949). Like Keynes they presented themselves as occupying a middle-ground between the unguided social change envisaged by liberal economists such as P.T. Bauer, and the revolutionary social change advocated by socialists. The former would maintain the *status quo*, the latter would not produce lasting, stable change. Thus according to Rostow: “*The central task of an effective political leader consists in narrowing the gap between the status quo and the theoretical optimum dynamic political equilibrium position, without destroying the leader's underlying basis of political support or the constitutional system itself...*” (1971: 25).

In conclusion, development theory defines itself in opposition to an alternative form of social change to which it ascribes threatening and undesirable characteristics: selfishness, materialism, individualism, Eurocentrism, social Darwinism, cynicism. This form of social change is presented as what would exist without the protection of the development industry. As Rostow claimed with respect to the development industry's work on the international scene: *"in an inherently divisive, world, with ample capacity to generate international violence, institutionalized development aid has been perhaps the strongest tempering force, quietly at work, giving some operational meaning to the notion of a human community with serious elements of common interest."* (1984: 258) Development is of course a form of social change that is the opposite of these things. It is motivated by altruism, not selfishness; community spirit, not individualism; normative values, not crass materialism; concern for the poor, not social Darwinism; it respects traditional cultures, rather than simply imposing Western ways; and it is optimistic, not cynical. In sum, it helps people rather than leaving them to their fate.

Neoliberalism as a threatening Other

This construction of a threatening Other serves to reinforce the necessity of development theory as a distinct area of concern: it represents a world that had existed before – in the cruel, irresponsible Industrial Revolution – and would exist again were it not for correct development policies. As an example, we shall now look at the interpretation of neoliberalism as an approach to development.

According to John Williamson, by the end of the 1980s a consensus had emerged within the IFIs around ten general policy areas. First, with regards annual budgets it recommended fiscal discipline. Williamson emphasised that this did not necessarily mean balanced budgets, but rather than the debt-to-GDP ratio out not to increase further. Deficits had in the past been financed by inflation, which primarily hurts those on low or fixed income (such as pensioners) and can be avoided by the rich who can move their money abroad. On public expenditure the consensus was that the level of non-merit subsidies should be reduced in favour of greater expenditure on pro-growth and pro-poor areas, including education, healthcare, and infrastructure. On tax reform, the basic principle was that the tax base should be broad and marginal rates reasonable. Tax increases were an alternative to expenditure cuts in the pursuit of fiscal discipline. *"Much of technocratic Washington [e.g. the IMF and World Bank] finds political Washington's aversion to tax increases irresponsible and incomprehensible."* (Williamson, 1990) On interest rates it recommends liberalisation with prudential supervision in order to correct the distortions that had occurred due to political allocation of credit. There was no consensus on how quickly liberalisation ought to occur.

On exchange rates the consensus was that a competitive exchange rate was more important than how the rate was determined. The exchange rate should be competitive enough to promote exports but not to the extent that it creates inflationary pressures or reduces domestic investment. On trade policy the consensus was for liberalisation as the goal, although again there was no consensus on how quickly it should occur. Two qualifications to free trade commanded consensus: infant industry protection and a moderate tariff rate. Tariffs were considered preferable to other import-export policies such as quotas because they were a source public revenue. On FDI it was regarded as

foolish for a developing country to artificially limit the importation of foreign capital and intermediate goods, skill, and know-how. Political Washington favoured subsidising FDI, the World Bank and IMF disagreed, questioning whether the additional investment would really be of productive benefit to the development nation.

Privatisation was favoured for a number of reasons: first, it reduced the government's fiscal burden; second, selling off national enterprises would provide much-needed funds; third, and most importantly, the private sector was regarded as more efficient than the public. Governments of developing nations were urged to put more faith in the capacity of their indigenous private sector. Williamson (2004a) would later note that it soon became clear that it mattered a great deal *how* privatisation was done. On deregulation there was a consensus on the need to ease barriers to entry and exit, that is, “*controls on the establishment of firms and on new investments, restrictions on inflows of foreign investment and outflows of profit remittance, price controls, import barriers, discriminatory credit allocation, high corporate income tax rates combined with discretionary tax-reduction mechanisms, as well as limits on firing of employees*” (Balassa et al, 1986, cited in Williamson, 1990). There is no mention of abolishing regulations in areas such as safety, the environment, and pricing in non-competitive industries (such as healthcare and infrastructure). Finally, it was generally agreed that property rights in Latin America were insecure or unattainable, particularly in the informal sector.

Thus what neoliberalism proposed for development theory and policy was, ultimately, a rethinking and rebalancing of the relationship between state, market, and civil society, which had been heavily biased toward the state under the modernisation approach. As a result of this faith in the state (although 'mistrust of markets' may be a better characterisation) governments in developing nations had become overburdened and consequently ineffective; even, in some case, harmful and parasitic. Lal's 'second-best' approach was based on the premise that imperfect government interventions may actually be more detrimental to a country's development than imperfect markets. The recommendation was not no planning, but a more rational and selective development planning which would supplement rather than supplant the market and, more specifically, the price mechanism. According to Lal, “*neo-classical economics ... has provided the justification for rational dirigisme, by showing that there are methods of 'planning' through the price mechanism which may be both feasible and desirable.*” (Lal, 1983[1997]: 175; cf. World Bank, 1981: ch. 4). The role of government would recede, but it is clear from the original Washington Consensus list that fiscal discipline was not to be achieved (solely) by cutting expenditures. Government expenditure was to re-purposed from unproductive and distorting subsidises toward productive investment and pro-poor programmes. Although public administration was generally regarded as bloated, Williamson (2004a) later made clear that there was no consensus regarding the desirable size of government. Nor did he think there ever would or should be. Nevertheless, perhaps knowing what their approach may be interpreted as, both Lal (1983[1997]: 40) and the Berg Report (World Bank, 1981, Foreword) took care to explicitly distance themselves from *laissez-faire*. In the event, their protestations were in vain. Neoliberal development, and particularly the PR disaster that was the term *Washington* consensus, came to refer to something that had never been anywhere near consensus-level, particularly not at the IMF and World Bank, and couldn't be derived from the original set of policies: it was given the

characteristics of the threatening Other.

The threatening Other is social change motivated by selfishness and materialism. Neoliberalism, according to Peet and Hartwick (2009: 99), is based on little more than an assumption about people as “*rational, freedom-loving, and self-interested*” who have no moral relationships, nor a sense of trust, fairness, or responsibility. Graham Harrison has said that it sees *homo economicus*, the selfish utility maximiser of economic theory, as the “ordinary state of the human being” (2010: 3); that it sees people as individualised, utilitarian, and egoistic, and that society is, for neoliberals, constituted by this “*classic image of the self created by European liberal political economy.*” (Ibid: 22) Neoliberalism “*places on stage egoistical, atomized individuals devoid of social and moral obligations, who are interested only in the exchange of goods and not at all in their fellow-beings.*” (Rist, 1997[2008]: 248)

Neoliberals rest their hopes for development solely on market exchange; “*the only form of exchange that excludes all sociability as a matter of principle.*” (Rist, 1997[2008]: 249) It is, say Peet and Hartwick, a vision of unplanned development through the “selfish choices” of these maximising individuals, harmonised by the market. Neoliberalism's glorification of selfishness has led to a generation of adults that is “*all too inclined to focus on their own problems*” (UNESCO 1996). The neoliberal principles of self-interests and material rationality “*now fuel the common sense of the age and shape a certain way of seeing and behaving in the world.*” (Rist, 1997[2008]: 246; cf Mintzberg et al, 2002)

The threatening Other is a Darwinist social change in which the strong thrive. Neoliberalism, according to Harrison (2010: 17), is “*based on an economic core belief in the free market and (near) perfect competition*” through which global poverty and inequality are perpetuated (Cammack, 2002: 160) When they speak of the 'free individual,' neoliberals do not mean the workers, or women, or the poor. “*They mean ... the entrepreneur, the capitalist, the boss. And they mean, by freedom, the opportunity to make money... . These theorists are against the state because it may limit the freedom of the rich to make more money, and it might redistribute existing wealth. These theorists disguise their support for rich people to become even richer, using the lofty terms of 'freedom' and 'democracy'.*” (Peet and Hartwick, 2009: 100) The law of competition is, according to Rist (1997[2008]: 251), “*invoked only to push down wages.*”

For Colin Leys, neoliberalism is an approach to development that 'assigns all initiative to the market', that sets capital free to seek profit on whatever terms it can impose, and that subordinates everything to global market forces. It elevates the “competitive selfishness” of the few to “a higher order of the common interest.” (Peet and Hartwick, 2009: 99) Moreover, “*the 'common interest' defined in this selfish way becomes an alienated social force, controlling individuals rather than being controlled by them, so that they are compelled by ruthless competition to do things they know to be socially and environmentally destructive.*” (2009: 99-100) Markets are “*irrational and dictatorial*” whereas “*the democratic state can signal a higher order of rationality by deliberately increasing prices by adding sales taxes*” (2009: 100).

The threatening Other is social change modelled on the Western experience and

universalised. Neoliberalism is “an attempt to impose Western models of society on the diversity of forms throughout the rest of the world.” It seeks “not to make a model that is more adequate to the real world, but to make the real world more adequate to its model.” (Clarke, 2005: 58) The Washington Consensus is a set of policies that the IMF and WB have “compelled” (Harrison, 47) developing states to adopt, thus resulting in a new imperialism which projects a vision of the political good from the West to the rest of the world. It is social change pursued not by developing states themselves but through “the interventions of Western states and IGOs in African development policy making.” (Harrison, 2010: 18) Neoliberal interventions aim “to destabilise existing habits ... and to produce notions of conduct based on efficiency, transparency and utility.” (Ibid: 75) Ultimately, according to Cammack (2002: 159), neoliberalism “virtually abolishes the idea of development as a specific concern, in favour of a universal set of prescriptions applied to developing and developed countries alike.”

Finally, the threatening Other is a conservative social change, cynical of attempts to help the poor and disadvantaged. Neoliberalism “demobilized” development by dismissing its political and social ideals in favour of economic ones, “subordinating everything to the arbitration of ‘global market forces.’” It denies that people and societies can have any positive influence on the development process, assigning instead “all initiative to ‘the market’ (i.e. to capital).” (Leys, 1996: vi) It advocates a nightwatchman state unconcerned with welfare policies and income redistribution. Consequently, neoliberalism “reinvented [development], not as a form of resistance to the logic of capitalism, but as a programme for surrendering to it.” (Cammack, 2002). As Colin Leys concludes: “If development theory is to be useful and interesting again it must focus carefully on these decisions [to set capital free etc] and consider ways and means to re-create a world in which it is once again possible to pursue social goals through the collective efforts of the societies and communities to which people belong.” (1996: vi)

To reiterate, this view of neoliberalism as ideological and market fundamentalist has little if any correspondence with reality. The Washington Consensus and the Berg Report were both concerned with particular areas of the world considered within their particular historical contexts: Latin America in the case of the Washington Consensus and Sub-Saharan Africa in the Berg Report. Both were suffering the effects of decades of state planning, and thus the critique of the state-centric modernisation approach was relevant in both cases. However, in neither is there any claim to the universal applicability or timeless validity of the reforms advocated, nor do they purport to offer anything beyond broad recommendations which must be adapted to the particular conditions in which they are eventually applied. The Western experience was invoked, but, as it was for modernisation theorists, it was a cautionary tale more than a model to follow (e.g. World Bank 1989: 4). Indeed, the Washington Consensus was not even a list of policy prescriptions (Williamson, 2004b). It was a snapshot of policies that Washington generally regarded as desirable for Latin American countries at the time. It was not an unchanging, rigid ideology to be imposed on all but a shifting consensus that evolved with new crises, successes, and opportunities and with new approaches and concerns. Nor was either an exhaustive development agenda. The Berg Report deferred to the Lagos Plan on, for example, issues of science and technology, and Williamson's Washington Consensus did not include (as the name ought to imply) policies that did not command a consensus in

Washington.

In all the anti-neoliberal passages cited above – and there are many more – direct quotations from neoliberals are sparse. Occasionally a word such as 'self-interest' is taken out of context to back up the analysis, but ultimately critics tend to take a caricature of a set of policies that a particular group of people at a particular point in time thought desirable for a particular part of the world, and speak of it as if it is the 'true' neoliberal development model, universal and eternal. Neoliberal development is market fundamentalism, *homo economicus* unleashed, surrender to the whims of capital. Changes in IFI policy – such as 'adjustment with a human face', good governance, participation, and the increased emphasis on pro-poor growth in the early 1990s – can be little more than masks hiding the true nature of neoliberal development. At best they have created an 'augmented' Washington Consensus – but only to make the original list more palatable and efficient. Thus Harrison (2010) writes: “*Each of these reforms [to the original Washington Consensus] is articulated on the premiss that social interaction is based on 'rational' self-interested individuals who weigh up – through some form of utilitarian mindset – the costs and benefits of alternative forms of action.*” Similarly, Cammack (2002: 157): “*The World Bank and its allies [have established] a new neoliberal orthodoxy that is faithful to the discipline required for capitalist accumulation on a global scale, and [have created] a legitimising ideology that obscures the presence of those disciplines at its core.*” This ideology “*disguises [neoliberalism's] logic, and promotes it as a solution for the very conditions – poverty and inequality on a global scale – that it itself produces. ... The effect is to present a set of policies infused with the disciplines and class logic of capitalism as if they were of universal benefit.*” (Cammack, 160, 178) No attempt is made to demonstrate that this model is or has ever been advocated or pursued by the IFIs, much less that it is or has ever been a consensus position there.

Conclusion

We have argued in this essay that the Self of development has been constructed in opposition to a threatening Other, an alternative way of conceptualising social change which was originally the idea of progress. What our self-other distinction represents is not one between developed and undeveloped but between the altruistic and just society social-change-as-development will lead us to and the self-seeking and Darwinian social change that is presented as its only alternative. Put in this way, it is clear to all right-thinking people that neoliberal 'development' is undesirable. So clear, in fact, that a certain complacency has crept into development theory regarding the field's past practical and theoretical failures. The late 1980s and 1990s saw a great many critical histories of development studies, but now the critique has done its work: development theory and practice has changed, and the age of critique is over. As Jan Nederveen Peitersen (2012) put it:

“Now the long drawn out critiques of Western economic, institutional, ideological and cultural hegemonies are gradually becoming superfluous. The major target of criticism of the previous period has become a background issue, still pertinent, but on the backburner. With American capitalism unravelling, who needs critiquing American ideologies?”

Yet that critique, apparently the observations of a neutral academic bravely

undermining the hegemonies produced by Western capitalist society, is in fact vital to the reproduction of the identity of development theory. As a consequence of being represented as this threatening Other calling someone a neoliberal is essentially to accuse them of engaging in a kind of sinister conspiracy against the Third World, the poor, minorities, and so forth. The term has become an academic swear word, almost entirely disconnected from anything advocated by the institutions with which it is associated – the World Bank and the IMF. Neoliberalism is no longer an alternative approach to development: it isn't development at all. It is not something to be engaged with; it is something to be resisted. It became a threat from which we need protection – and of course development studies could once again cast itself in the role of protector. Thus in constructing neoliberalism as a threatening Other, the then-beleaguered field of development theory once again rediscovered its purpose and reaffirmed its right to existence.

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