

# Development, an Area of Multi-Disciplinary Junction

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**RÉSUMÉ.** Après quelques décades essentiellement caractérisées par une domination nette et un engouement pour les sciences économiques, les années soixante dix marquèrent le déclin progressif de ce qui constituait jusqu'à cette période la principale base de validation de l'économie: la croissance; les crises qui commencèrent à faire jour entamèrent sérieusement et même remirent en question la mystique de la croissance. Ce qu'il est convenu d'appeler l'économie du développement commença à rivaliser avec la science économique en particulier dans l'espace Tiers-Monde où il y eut une prolifération de travaux divers de qualité inégale. Ce nouveau venu dans le monde de l'économie se caractérise par une éclosion récente, une faible autonomisation ainsi que par des éléments constitutifs définissables et indéfinissables. Le paradigme du développement qui se soumettait ainsi à un nouveau développement se façonne progressivement sous l'action de deux courants : le courant de pensée dominant avec sa vision horlogère qui le sous-tend pose le problème du développement en termes de rattrapage alors que l'approche du courant de pensée critique se veut structurelle, dynamique et totalisante. Ces deux courants ont cependant en commun la prise en compte des facteurs économiques, la rupture avec le marché mondial et la conception de l'industrialisation de base en tant que phénomène de rupture. Cependant, un certain nombre de facteurs suscitent de nouvelles interrogations, de nouvelles inquiétudes à propos du Tiers-Monde des années 80 et imposent une nouvelle grille de lecture d'une réalité en complexification croissante. Le paradigme du développement est en crise de développement sur le triple plan idéologique, analytique et sur celui des finalités. Le discours sur le Développement se met à la recherche d'un nouveau développement qui ne peut en aucun cas rester confiné dans les limites étroites d'une seule et unique discipline. Le développement devient un espace de convergence multidisciplinaire. Il intègre désormais plusieurs autres dimensions : philosophique, culturelle avec au centre l'Homme.

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## Is Economics a Development Science?

This is not at all a new question and concerns all the social science disciplines. But, in light of the changes which are underway, it poses a challenge. In effect, the ability of economics to investigate, act and plan is seriously being challenged. It is faced with the difficulty of grasping the new crisis-generated situation and more serious problems of forecasting - indeed, its control over technical and economic parameters and their interrelations is getting weaker parallel to the increase in the number of these parameters.

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Apparently the waves of enthusiasm which maintained the domination and sovereignty of economics for long decades are subsiding, gradually giving way to concern, questions, even total confusion. What has gone awry? is it economics? is it the world economy? is it society? A kind of "shivering" economism has played a key role in this process: efforts had been made to turn economics into a fact producing apparatus, a supplier of key responses to questions affecting the destiny of the different regions of the world. Hence the prevalence of the instrumentalist view of economics. Economics was in command and everything else depended on the production of goods and services. The other dimensions including the human dimension and the biosphere or the environmental dimension<sup>1</sup> were not taken into account in the conventional perception of economics. One of the major limitations of economics resides in the weak if not the absence of articulation of the three dimensions. The process of growth which started in the post-World War II period and which ran out of steam toward the late '60s was the major factor that contributed to the validity of economics. The crisis brought the myth of growth to an end. And yet it is known that growth feeds off crises just as crises are products of growth. This is to underline that growth and crises are two aspects of the same process inherent in the evolution of economy and society. Consequently, one should look elsewhere for the validity of a social science. The major difference between the pre-crisis period and the present situation lies in the objectives - *How is growth to come about and for what?* Could a response to such questions accelerate the advent of the post-crisis period?

This challenge to economics is even more profound in the Third World, where the structural characteristics are different from industrialized countries. And yet the Third World has provided a new field of analysis and experimentation for economic theory during the last forty years. This space provided by the Third World has generated a new economics as a result of its specific social, cultural and economic dimension. In effect and especially since the 1950s, a variety of research of uneven quality have been

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1 M. R. Passet used an image which is based on three distinct dimensions: the economic dimension, the human dimension and the biosphere. The first one is a sub-system of the second dimension which is itself incorporated into the third one. See "Quelques repères pour une ouverture de la science économique à l'environnement" cyclo-styled paper. International Symposium on Environment and Social Sciences within the framework of General Education. UNESCO, Paris, February 17-21, 1986.

accumulated progressively and constitute what is known as *Development economics*. How could it be defined? Is it an outgrowth, an extension or a break from academic political economy?

Has it got a specific objective? If the idea of capitalism was conceived by political economy whose present preoccupation is the future of this very capitalism as the dominant socio-economic system, can one then say that the vocation of development economics is one of "conceiving" the Third World as well as its development? If so, with what types of instruments of analysis and theoretical framework?<sup>1</sup>? Is this a dividing line that is sharp enough for development economics to claim a specific epistemological status?

Development economics has the following three outstanding characteristics:

(a) its recent development - Dating back to the late 1940's development economics reached its peak in the 1960's following the attainment of political independence in Africa, the support of the Vietnam War and the enthusiastic support for the Chinese and Cuban revolutions;

(b) a weak autonomy - Development economics appears more like a branch of political economy and bears a strong theoretical imprint of the latter. This explains why attempts to develop new categories of analysis and more relevant frameworks of interpretation have been submerged under borrowed categories and frameworks. Nevertheless, under the weight of the reality of the Third World and the new problems it engendered there emerged a number of studies which focus on the non-economic dimension by integrating the contributions made by the other disciplines such as anthropology, history, sociology, philosophy, etc. The complex of reality could thus be better expressed from such a new multi-faceted perspective. This multi-disciplinary breakthrough has been made possible taken up later<sup>2</sup>. The decompartmentalization of the different disciplines has always been a powerful tool in the advance of social knowledge. In this context one of the most significant lessons to be drawn is that focussing on the economic dimension alone is inadequate. Such an approach has often been glossed over in the past.

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1 As W. Arthur Lewis sees it, "development economic deals with the structure and operation of economics with a per capita production reaching at most \$2000 in 1980". *American Economic Review* (March 1984). Title of translated paper "Où en est l'économie du développement"? Problèmes économiques N 1877, 6 Juin 1984, Documentation Française, Paris.

2 largely as a result of extensive debates on development this point will be.

(c) Non-definable and definable element of development economics. This aspect can be adequately illustrated by the opacity of the subject of development economics - the Third World. Where does it start? Where does it end? A number of factors widen the gap and intensify the contrast between whatever "constitutes" the Third World; these include: areas, populations, resources, levels of economic development, forms of integration into the World Market, the nature and forms of state organization, the colonial legacy, culture and beliefs. The extreme diversity of the situation reminds us once again of how the concept Third World is "a Vague, inconsistent non definable and a catch-all"<sup>1</sup>. How could the same expression include countries as different as Brazil, the Central African Republic, South Korea, Haiti, Taiwan to name just a few. The imprecision and ambiguity surrounding the terminology raises serious problems as to the definition of this concept. And the exuberant vocabulary cannot conceal the inconsistency of the notions utilized - poor countries, backward countries, dependent countries, developing countries, proletarian nations.

The non-definable element of the concept Third World seems to be rather significant. Limiting its boundaries in order to delineate its field of analysis underlines the vast task expected from both development economics and social scientists as a whole.

#### **Development, a Developing Paradigm**

The recent origin of Development economics, its weak autonomy and the opacity of its subject of analysis, in sum, does its fragile status not constitute an obstacle towards its advancement or, on the contrary does it generate very useful tools for advancing specific areas of analysis? In this context, a quick evaluation of the two major schools of thought which moulded the development paradigm - the dominant school and the critical school of thought - may contribute towards a clearer idea.

*From a "one way" reading of the history of development* - it appears that one feature that stands out in the dominant school of thought is reductionism. The *time-bound vision* which underlies this reductionism is mechanical and static by definition and poses the problem of development in terms of catching-up. In this scenario, development is a long-distance race the end of which is nothing but a mirage, a horizon which seems to be moving further away. Hence any attempt at following the same circuit and adopting a referential model which was imposed will be tantamount to entering a game of fools with rigged rules right from the beginning. It is in this context, that Rostow's Notion of backwardness, of Nurkse's vicious circles Nurkse's and Hirschman's disequilibria and Hecksher-Ohlin's com-

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1 See "Une bête à abattre, le Tiers-mondisme". *Le Monde Diplomatique*, Mai 1985.

parative advantage, as the basis of international specialization take their significance.

Of course one should not reject all these analytical categories (backwardness, vicious circles equilibrium, comparative advantage). Varying in their degree of relevance, they have helped in the understanding of the functions and dysfunction of a number of local and international mechanisms. But are they capable of promoting new structures which would be conducive to a new departure for the Third World? In general, the approach of the dominant school of thought provides support in the rationalization of the system to which it belongs and which it pretends to analyze. Thus it sees the concepts which it uses as being naturally the best, first class notions. It advocates gradual steps without upheavals but those which are capable of leading to breaks. It also champions harmony and non-antagonism, so as to reduce uncertainties. Although this approach does recognize conflicts of interest between different groups of people, it rejects any possibility of a correspondence, i.e. of a dialectics, between such a fact and the possible attendant structural disruptions. Within the system itself a dynamic develops which gradually transforms the system leading to a new harmonious equilibrium. Furthermore, the mainstream approach has led to the establishment of an empirical criteria for the definition of underdevelopment<sup>1</sup> which is considered from this point of view as being the negation of development. The display of a series of indices and characteristics - which may or may not co-exist and which manifest themselves with more or less acuity depending on each country cannot replace an approach which goes beyond the surface of things. Any criteria is first and foremost instrumental, it helps illustrate but not explain; it describes but cannot analyze. Having privileged that which is measurable, assuming that this is possible in the Third World, it relegates all the essential variables as secondary.

The mainstream approach which is supported by rationalist empiricism does not take into consideration the non-measurable dimension. And yet the reality of the Third World is largely defined by non-measurable variables. However this aspect is not seen merely as a qualitative dimension but encompasses all that which does not fall under the economic sphere - *stricto sensu* - that is, the non-mercantile space, the informal space which either as a rule elude observation or are overlooked. In reality, this approach is not adequately equipped to break new ground; it is imprisoned within the confines of a narrow conception of economics. In this respect, the problems posed by the development of the Third World reveal the intrinsic limits of the conventional approach. When development is per-

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1 The most commonly used indicator is the average per capita income.

ceived as an *innovative paradigm*, it challenges both established rules and exaggerated ideas. It is constantly creative.

**Does the critical school of thought meet this requirement?**

Contrary to the former approach which is characterized by rationalistic, empiricist atomization, the *critical school of thought* has a structural, dynamic, and global approach. It perceives development as a synthesis of several objective and subjective determinations. This approach is supposed to knock down the boundaries of orthodoxy, penetrate the non-measurable sphere and go beyond appearances. To this end, many concepts have developed and include dis-articulation, dualism, developmental poles, human capital, dependency, unequal trade, economic surplus, dilinking. In spite of differences between the supporters of the various theories, many of them contributed to the materialization of this critical school of thought, from the pioneers of the latter all the way to those who maintain it including on the one hand, Perroux, Sauvy, Myrdal, Boeke, Prebish, Furtado<sup>1</sup> and on the other hand Baran, Sweezy, Bettelheim, A.G. Frank, S. Amin, Wallerstein, Belal<sup>2</sup>.

Both variants of this school of thought share a number of features:

(a) *They take non-economic factors into account*-institutions, cultures, value systems, beliefs - so as to understand the reality of the Third World better and devise operational development policies. One can see from this perspective that the combination of capital, technology and market is not the only determinant in economic performances. Education, training, action-oriented research, participation, communication are qualitative factors which play a significant role in the growth of the capacity to innovate in a society.

As a matter of fact, the distinction between economic and non-economic variables is misleading. Whereas such a distinction can be pedagogically useful, at the practical level it leads to an impasse. The critical approach has therefore enlarged the research area of conventional economics. Once again the economic dimension in isolation does not express the complexity of reality. All the more so as in the social sciences reality cannot be placed in vitro for purposes of laboratory experiments.

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- 1 This first variant of the critical school of thought is non-Marxist. It is responsible for an outstanding theoretical and conceptual leap in the study of development. CEPAL, the United Nations Economic Commission for Latin America has played a key role in breaking new ground in this area.
  - 2 The second variant which claims to support Marx, Lenin and Mao Tse-Toung is an attempt to update the theory of imperialism through an analysis of under development/development.

*Breaking away from the world market*, constitutes a strong theme in the Marxist variant of development economics. Contrary to the gradual process advocated by the mainstream approach, the Marxist-inspired variant upholds dilinking. Similarly, contrary to **grabbing** the possibilities created by the dynamic nature of the international division of labour advocated by the mainstream economics, the Marxist variants advocate a break as maintaining the framework and the rules of procedure of the present international order can but intensify the existing "asymmetry" and thereby the impact of domination.

Even a good specialization - if it exists - cannot really change the picture. The surplus generated by the Third World continues to be systematically extracted through unequal exchange. As a result the South can only get rid of foreign domination by rejecting international specialization<sup>1</sup>. Given the stagnation of the North-South dialogue and the modesty of the concrete results obtained from the various UNCTAD meetings, the defenders of this theory are encouraged to maintain their position.

Moreover during the current crisis, many socialist countries including USSR and China are opening up to the world market. True, it is a controlled opening. It is part of series of reforms destined at supporting the modernization and competitiveness of socialist economies, accelerating the process of transformation and maintaining the level of development already attained by these countries. Does such an opening herald a greater integration of socialist countries into the world market? There is nothing to reproach about such an opening per se. Global integration does not necessarily become the origin of dependance. The relation of development - external relations takes on different significance depending on the level and type of development. In sum, it is governed by the logic of development which is being implemented here and there.

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1 In "Le défi du développement indépendant", Editions Rochevignes, 1983, Paris, Ch. A. Michalet underlines that the critics of international specialization are caught in its conceptual framework - and goes on to add that all the different facets of North-South integration are not adequately taken into account... these same critics still give preference to the international market and to the exchange relations that it creates. They gloss over other aspects which in the past fifteen years have been taking increasing significance notably the technico-financial dimension, generated by the impulse of new strategies of transnational corporations.

Basic industrialization: A Source of a break off? - The need for basic industrialization has turned into a dogma as a result of a particular interpretation of a number of development experiences<sup>1</sup>. This has given rise to an industry-centered model. Its justification is to be found in the origin of under-development which is portrayed as being the result of the offensive launched by European industrialization against structures that were considered as static. Such a model found its legitimacy in the Stalinian experience of industrial development<sup>2</sup>. This explains why emphasis is placed on industrialization which is defined as being a "process of restructuration of the ensemble of economic and social relations under the pressure of a coherent complex of apparatuses". Theoretically, such an industrialization is supposed to bring about a modernized agriculture, a higher consumption of manufactured goods by the population, and to solve both the "disguised unemployment"<sup>3</sup> and the whole problem of unemployment.

This analysis is based on the systematic use of industrialization effects - directly deduced from F. Perroux's spread effects - which are opposed to backwash immiseralisation effects. The issue at stake is that the action of the former effects should outweigh that of the latter.

*In this process of restructuration, planning is considered as essential.*

The present crisis has shaken the dogma on basic industries. Certainly, one should not underestimate the accomplishments of the industry based model of development. However, it has been noted that "industrializing industries" are not without problems. They have had numerous perverse effects:

-Impoverishment of the rural areas as a result of the marginalization of agriculture; and the dis-articulation of the sectors in order to promote industry has brought about the stagnation if not the decline in the rhythm of economic growth.

-As a disorganized industrial network due to the weakness of small and medium size enterprises.

-Accompanying measures which were inefficient or non existent turning of big industrial ventures into prestigious enterprises.

The examples of the "newly industrialized countries" show that development cannot be achieved through such magical formulas as "turnkey plants". They also indicate that industrial development is a complex

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1 These experiences concern the history of developed capitalism and especially the Stalinian development strategy.

2 This was true for India in the '50s when the five year plans were launched, for Egypt in the '60s and for Algeria up to the late '70s.

3 The "disguised unemployment" notion was developed by Gannage' and Leibenstein.



process whose success is conditioned by an agrarian reform (Taiwan - the cyclical rise and descent of the South Korean development experience. In the absence of such efforts, development takes a perverted course which generates new forms of dependence (technological, financial and food).

Paradoxically and through the interaction between facts and ideas, it appears that the development paradigm is developing. It has given rise to polemics and debates, upset excessive patterns of thinking and shaken a number of certitudes. It has generated new concepts or renovated into usage obsolete categories of analysis e.g. dualism, growth/development, structural inflation, disguised unemployment, unequal exchange, appropriate technology, generation/absorption of economic surplus... The development paradigm has made a double contribution, re-inventing the discourse on development and bringing back the \*multi-disciplinary practice. In this way it allowed economics to advance both in terms of research and action by the Third World. Furthermore the development paradigm has allowed a dewesternization of reflections on the Third World. More and more this reflection is being undertaken by generations of social scientists that are based in the Third World.

In the meantime, the Third World of the 80's is not that of the 1950's. The globalization of the economic space, the impetus resulting from new forms of industrialization, the emergence of new forms of dependence in the domain of technology, food and finance, the failure of the various United Nations Development Decades, the break in the demographic and environmental equilibria, the ruralisation of big Third World cities as a result of internal migration, all these factors trigger new questions, new concerns and impose a new reading of a growing and complex reality.

#### **Development, a Paradigm Undergoing a Developmental Crisis**

The on-going changes have seriously challenged the final goals of development, its validity as an analytical concept, and as a vehicle for the mobilization of populations. The economic, social, cultural profile of the Third World has been profoundly transformed. Given the magnitude of the destructurement which is underway a greater number of people are disappointed and frustrated. This signals the impasse in which we presently find ourselves.

The expanding "circle of the crisis" is surrounding a reality, the theoretical and conceptual grasp of which raises multiple problems. Why is development having more and more difficulties fulfilling its traditional functions; that is, its analytical, mobilizational and its goal-oriented functions?

#### **At the Ideological Level**

As a rule, development and social progress are supposed to go hand in hand; It is perceived as such in the collective imagination. In the Third

World this has become quasi mystical, for it has murdered expectations and paved the way for new perspectives. Yet the development policies implemented so far have intensified social inequalities - concentration of urban and rural incomes -, regional disparities - every form of dualism - and cultural discrepancies - as a rule the dominant culture introduced from the outside has turned the local cultures into mere sub-cultures. The successive migrations of the population have exacerbated this process.

The above mentioned policies have also proved incapable of meeting the aspirations of the great majority of people especially the youth who are undoubtedly significant in the Third World in terms of their number. One understands therefore the sharper and sharper discrepancies between policies that are adopted and the principal content of the new social demands.

This impasse is a result of the implementation of the dominant development model with its transposed modalities and all its variants - the liberal and socialist inspired variant. These two variants beyond the difference in the style of development convey one and the same rationality, that of modernization. This has ideologized development - the major target becomes making the South look like the North and hence its failure! Mimetic development is nothing else but a dramatic quest for the impossible, a process which has destroyed the profound resilience of the society in the Third World. For a very long time this "adventure" has produced and strengthened authoritarian political structures on the three continents: Asia, Latin America and Africa. It is to be noted that political authoritarianism and - mimetic - development make a good partnership. The former has used the latter as a mobilizational force to create and expand its social base. The landed oligarchy, the techno-bureaucracy, the urban middle-classes are involved in such a social re-structuring process. On the other hand mimetic development is a type of development that excludes and marginalizes large sectors of the population. Thus one witnesses a proliferation of outcasts the membership of which includes mostly the youth as well as an expansion of a series of legal and illegal informal activities that are however condoned as they stabilize the "formal economic sector". Through activities such as smuggling, door-to-door sales, home made clothing, leatherworks, caretaking, micro-sales, a *survival economy* is developing outside of the official economic sector and whose regulation is not directly affected by the market.

Gone is the belief that development is only possible through the top, that is through the State. Henceforth the State is bypassed; its regulations are changed and its own sector is semi abandoned. Is development in the process of going "underground"? While the modernist "adventure" triggered a profound identity crisis, it has also engendered other adventures. Thus the double movement of a number of people going along with the

new changes and the others going back to what existed is maintained by and in this autonomy. In this dynamics, benchmarks are no longer the same. In the past dichotomies used to be determined on the basis of the nature of models of development adopted - liberalism/planned economy, agriculture/basic industry, public sector/private sector.... Today, the cultural and spiritual criteria - especially in a number of Islamic countries - are replacing the economic and becoming a criteria of identification as well as sources of conflicts, especially with the West. Thus, the cultural and spiritual dimensions are used as a means of re-organization and self-definition vis-à-vis others.

#### **At the Analytical level**

The development paradigm has popularized two approaches in the study of the Third World on the basis of hierarchization of internal and external factors. The first approach is rooted in a determinism which gives primacy to internal factors. It considers that structural blockages essentially originate from internal causes. This is illustrated by the dichotomic view which perceives reality as a combination of isolated units than a dynamic totality. In this dichotomic vision of society a distinction is made between a static primitive society and a dynamic modern society. Traditional society is seen as a hindrance to the evolution of the whole, that is, society at large. Development considered from this perspective is reduced to the absorption of the primitive society through the expansion of modernization.

The second approach is founded on an exogenous type of determinism which privileges external factors. This is exemplified by theories of imperialism and dependence. These theories trace historical breaks and discontinuities in the inner dynamics of Third World Societies in the context of the Constitution of Europe as a world economy. This process which took multiple centuries underscores the fact that the present Third World does not resemble the past and that it is not a historical accident. Nevertheless, giving too much weight to external factors induces a truncated view of reality. It is misleading to use imperialist penetration and colonial violence as the only factors that are responsible for the present situation. Repetitively resorting to a certain past event becomes a search for an alibi.

*Mono Causal Analysis* are usually unsubstantial, incomplete and inadequate. There exists a constant interaction between internal and external factors which are all part of one and the same dynamics. Evidently, a specific type of factor may, of course, prevail in a particular historical situation, thereby acting as a determinant in the acceleration and completion of a process. Let us take two examples. The New International Economic Order that is being advocated will only be wishful thinking unless structural reforms are introduced in Third World countries. This new order can only become a reality if it is supported by new local and regional

bases. On the other hand, in the present conjuncture the external constraints weigh heavily on the Third World. The debt burden and protectionist measures enforced by the major industrialized countries have seriously reduced their margin of manoeuvre. The outcome may be represented by a three storey building with each storey representing successively the local level, the regional level and the international level. We see once again from these two examples how closely related internal and external factors can be. They have a dynamic mode of operation, interacting with one another in a continuous movement.

**Objectives: Debt versus Development**

Mimetic development has necessitated foreign financial assistance and international bank loans, especially as of 1975. This resulted in a very serious debt burden in excess of US\$ 1000 billion which challenges the very bases of the initial development. Moreover, excessive expenditures for modernization, military and prestigious project have aggravated the problem. Thus, the debt situation has become a major phenomenon of the '80s and will determine the 1990s in the Third World.

What should be done by way of increasing the reimbursement capacity of indebted countries? This is the primary objective of economic policies recommended by the International Monetary Fund and the World Bank. The answer is to be found in the *structural adjustment* and in the restoration of *equilibrium*; two key words which determine the policies being followed by the state, experts and planners. The path toward competitiveness and the re-establishment of solvency, it is said, is through liberalization, privatization and rationalization in keeping with the rationale of the market. This is what is recommended; but such a policy often has a high social cost. It leads to a series of urban violence, which is indicative of a profound social crisis in many Afro-Arab and Latin-American countries. The economic adjustment has detonated such a crisis. Cost pricing - a principle that supports economic adjustment - cannot be applied selectively only to the sensitive area of prices, for instance; it should instead be extended to other areas including wages - generally kept very low - which tend to block any development of the internal market.

The rationality of a system cannot operate in a fragmented, isolated manner; It rejects any fragmentation of reality. This is why economic liberalism pre-supposes the implementation of a genuine political liberalism if all its advantages are to be enhanced. Economic and political liberalism have to act in unison. In the absence of such a unity one ends up with truncated, practically inefficient reforms which often boil down to mere expedients.

In this context, what does it mean to the Third World to hold a series of fashionable debates on things like: should the State play a greater or a lesser role? Public sector versus private sector and vice versa<sup>1</sup>?

A new debt/development relation has developed in countries badly in need of money, and thus implement adjustment policies. A relation of subordination relegates development concerns to a secondary preoccupation. Thus the financial variable, which, to date has acted as an auxiliary is henceforth dominant. In actual fact, far from being a development policy, the adjustment policy is a strategy for the restoration of equilibrium (balance of payments, public finance). Everything is seen in terms of equilibrium, an abstract concept. Yet the economic and social history of industrialized countries teaches us that "although it is imperative to put a number of things in order", development cannot be achieved through and by equilibrium or in such a context.

Both crisis and the outcome of crisis impact on each other. So, when the former is visualized in terms of monetary and financial disorders and budgetary imbalances, the latter automatically promotes equilibrium and harmony, two analytical categories that have no base whatsoever in reality. On this basis the solution that is advocated to put an end to the financial crisis is evidently financial: conditionalities are attached to the implementation of debt rescheduling, new loans are extended etc. This produces a new vicious circle, that of indebtedness: one needs to run into debt to reimburse one's debts.

In this period of crisis in which the mercantile and financial rationale governs economic and social re-structuring measures, there is a need to set development back into its *heterodox tradition*; in other words into its Anti-Conventional and critical tradition.

#### **The Discourse on Development In Search of a New Development**

Every crisis has its own virtues. The contemporary crisis provides the possibility to challenge existing approaches and tools of analysis. As an element that contributes to new perspectives which are favorable to a new reflection on *being and having*, that is, a new debate on development, taking into account the interaction of its major two dimensions.

It looks like development has turned into a "catch all" concept which is much abused by quite distinct schools of thought. But given that it covers realities which are difficult to compare, it does not convey the same meaning to its users. In some cases it is used within a context of dependence and extroversion, in others in a context of inter-dependence and endogeny. All

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1 See Habib El-Malki - "Le discours économique critique face à la crise". Revue LAMALIF, N 163, février 1985, Casablanca.

the same, the concept of development keeps losing its value - given the present impasse - to the extent of losing its real meaning.

The concept of development has been defined by François Perroux in terms of a comparison with growth. Although it has been described on the one hand as a qualitative, structural, complex notion and on the other hand as a measurable, descriptive, quantitative concept, both notions are part of the same movement which expresses the evolutionary pattern of economy and society.

The distinction growth/development which was pertinent in the 1960's has become imprecise with the "new industrial factor" in the international division of labour. The type of industrialization process which is going on in many Third World regions - especially Latin America and South East Asia - heralds very serious *structural changes*<sup>1</sup>. Questions such as Who is growing? Who is developing? are being posed. Nevertheless, the problematic of development cannot be reduced to this mere dichotomy without running the risk of getting even more ambiguous and confusing.

A whole range of formulations have proliferated in an attempt to give a better description of the contents of development, which have ended up creating new divisions. However, one should bear in mind two categories of such formulations. On the one hand, we have negative ways of describing development in terms of what it is not on the basis of past experiences. For example development is defined as: the development of underdevelopment by André Gunder Frank; "mis-development" by René Dumont; dependent development by Cardoso. On the other hand we have positive formulations which are normative and futurist: new development (François Perroux), self-centered development (Samir Amin), eco-development (Ignacy Sachs), co-development (Michel Beaud, Jean-Pierre Cot).

Both types of formulations of development share one point. They are critical and they convey a new image of economy, environment, society and international relations. In that sense they raise four major issues, at different levels of analysis:

(a) Who makes decisions? This is a question of power, its nature, its organisation and its relation with economy and "civil society";

(b) Who are the beneficiaries of production and what is produced and how? In other words what are the types of production, with what technique and for whose benefit?

(c) How should one undertake a dynamic, progressive re-appropriation of the cultural heritage in its broad sense?

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1 Wages, productivity and competitiveness are three criteria which, besides the fact that they are increasing, significantly express on-going socio-economic changes in these different regions.

(d) What type of external relations is called for to promote effective interdependence?

One sees from the above major questions the range of issues that are raised by development. Given that the answers cannot be found in one specific discipline, development is therefore above all a space of *multidisciplinary* convergence par excellence.

Within this context, the debate on development has been infused with new life in the past decade as a result of the integration of the philosophic dimension - initiated by UNESCO<sup>1</sup>

(a) Research on the concept of an integrated development, Quito, Ecuador, August 27-31, 1979;

(b) Philosophic debate on the basic issues of endogenous development, Libreville, Gabon - December 18-22, 1983;

(c) Discrepancies between the objectives and Finalities of development; implementation and the means at its disposal. Praglia, Italy, February 3-7, 1986;

(d) Development Finalities. Budapest, Hungary, Oct. 13-17, 1986.

François Perroux - "Pour une philosophie du nouveau développement", the preface of which was written by M.M.A. Sinaceur. (Ed. Aubier, Presses de l'UNESCO, 1981, constitutes a major phase in renewing the thinking on development.. Having abandoned the beaten track, a fresh start has been made towards a better definition of questions raised and a better evaluation of the contributions made by the different disciplines. No discipline is unwelcome as there can not be a prioritization of disciplines into primary and secondary disciplines. If multidisciplinary rigor is a must to advance social knowledge, it is even more so in the Third World. Such multidisciplinary should not be confounded with a mere juxtaposition of each discipline which disregard one another; nor should it be mistaken for the confused thinking that "everything is included in the whole and vice versa". It requires a firm footing in one's own discipline as well as a controlled opening to the other disciplines. In this domain, philosophy is a very useful link between disciplines. Is the major preoccupation of social sciences - all social sciences - not man as well as development and its relation to man? It is not surprising that anthropological research - of a philosophical and economic nature - has especially developed in such a period of interrogations and confusion. It does offer a number of answers to man's position in the social dynamics and to the place of society in man's future. Man, it has been proven, is more than a simple economic

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1 The Philosophy and Humanities Division played a dynamic role in this as can be seen from the four expert meetings held between 1979 and 1986 on:

agent - in the accounting sense of this word. Besides his role as a producer and consumer, that is, as a generator and destructor of wealth, he is also the ultimate reality of development. Through such a multi-faceted approach, not only has development expanded as a field of thinking and action but it has re-discovered several categories of analysis: the State, time (its social/monetary value), the mercantile/non mercantile dimension, the formal/informal aspect.

A *new culture* is emerging on this basis, which places *man at the center* of everything. It is a new culture which is meant to transcend misleading dichotomies and evolve in the "dialectics of having and being". Profitability, efficiency and competitiveness which are viewed by the almost universal new mystique as the ultimate goals of development cannot, on their own, fill the vacuum which has been created in the past few years. This vacuum has robotized both behavioural patterns and ideas, just as it has restored *free market* as the only way of getting out of the crisis.

But in actual fact this new culture is a counter-culture. By taking its distance from the mainstream it fulfills the missions of a critique. It restores, readjusts, integrates and innovates within a comprehensive, historical view. It carries along the idea of a *new development* which is defined by three types of factors:

(a) The fulfillment of the basic needs of the majority of people with the ultimate goal of eradicating extreme poverty. Such needs are both physical necessities - food, housing, clothing, health - and non physical requirements - education, participation in decision - making process.

(b) *The establishment of an integrated economic block* which can ensure a self-centered process of capital accumulation. Such an integration should be conducted between sectorial activities - agriculture, industry - and between urban and rural areas. Indeed opposition to extroversion and to external dependence generally leads to emphasizing on the one hand the interdependence between economic activities - a necessity to create an internal market - and on the other hand the efficient use of national production capacities in order to strengthen internal relations detrimentally to external ones.

*The economic integration process raises the primary issue of the size of the economic space, an indispensable basis for accumulation: one wonders whether it should be a national space in certain cases given the size and population or a regional one in other cases. Such a question leads to the idea of collective self-reliance and to the creation of a South-South co-operation.*



(c) The new development concept cannot be reduced solely to its economic dimension. As a more comprehensive and broader concept, it incorporates non-economic factors. Consequently it is defined as a process which necessarily leads to the emergence of an autonomous national project which guarantees the cultural identity and specificity of the national community.

With what means will the new development be implemented? Given the great diversity of Third World realities, one cannot and should be excluded from recommending the adoption of a universal strategy.

Nonetheless, the following broad issues should be considered:

(a) An inter-sectorial integrated development with:

*on the one hand, the development of agriculture and of activities generating goods that meet basic needs as priority. The objective is to reduce food dependence on the outside world as a result of improvements in local agricultural resources including forestry and fishing;*

*on the other hand an integrated industrial development centered on the internal market. Industry should promote an increased agricultural output and the development of activities that meet basic needs;*

(b) *An income distribution that is congruent with social justice.* This calls for political action on wage structure and on landed property for a more egalitarian distribution of income with a view to meeting the needs of the poorest social strata.

(c) The use of a technology that is designed for and germane to local demands;

(d) A flexible decentralized planning that makes up for the weaknesses of the market;

(e) As for external relations there is a need to plan for two types of complementary actions:

*the search for a better equilibrium and for more control in order to curb any external dependence;*

*the consolidation of South-South relations which would allow a regional integration conducive to collective autonomy.*

Although the new development, a global notion, is a *normative model*, its priorities are not applicable to all the Third World countries. There exists a tremendous diversity as a result of history, of specific characteristics of countries and of their political options. Hence the multiplicity of patterns of development which are followed

In the final analysis is it not possible that the new development also covers the idea of a new modernity which could be defined as a synthesis of the spiritual, the cultural and the economic dimensions? Source of creativity and innovation and not conformism and conservatism, this modernity in formation will turn towards the future. It will be liberating and will help remould social relations based on equity, democracy and tolerance.

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