

# Renewing Development Paradigms for 21<sup>st</sup> Century

## The “Development Issue” in the Face of 21<sup>st</sup> Century Challenges

The world Has Entered a Phase of Profound Transformations, and the Conception of Structures that Will Govern the 21<sup>st</sup> Century Societies is Still Indefinite

The crisis in the financial system, marked by the September-October 2008 collapses, is indicative of the scope of forthcoming transformations. Yet, this crisis implies a systemic re-assessment, especially regarding the reproductive patterns of accumulation and growth, modes of access to the natural resources of the planet and the management of their use (the ‘ecological issues’), modes of organization of societies (democratization, gender issues, issues concerning respect for diversity, those concerning the necessary progress of participatory forms of political and social democracy), the geopolitical balances and issues related to the security of peoples and nations.

The challenge of current transformations has been taking shape since a few decades, and the accumulation of distortions in political, economic and social societies was visible. Nevertheless, the nearly fundamentalist double dogmatic of the ‘market’ conceived as the sole regulator of ‘rational’ economic life, and of the ‘multiparty electoral democracy’ – conceived as an exclusive means to manage political life – contributed to the concealment of the importance of malfunctions, evading the challenge of ‘thorny issues’ through programme phrases such as ‘good governance’, ‘fight against poverty’. This crisis makes it necessary to frontally address these ‘thorny issues’.

The time for major changes in the organization of our world has come from now on. The futures (plural) are varied and ill-defined. ‘Another world is possible’ some said. ‘Another world is already under construction’, we say. But what will it be? Will it really be ‘better’? This is far from certain. The responsibility of thinkers and actors of change is, under these conditions, crucial. It is no longer possible to deal with problems on a daily basis, separately from one other, having confidence in inherited theories and knowledge.

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The necessary renewal of “development” concepts and paradigms is part of this effort, which calls for a renewal and deepening of the theoretical thinking and a reopening of the debate on possible and desirable alternatives.

### “Development” is a Societal and Historical Concept

Development cannot be reduced to the dimension of economic strategy, which is itself defined by growth, be it associated with policies of social distribution of income that are deemed acceptable (‘social justice’). It cannot either be considered as a juxtaposition of these economic strategies and ‘political’ projects like that of democracy. Development is a societal concept, which integrates all dimensions of social life into a coherent set.

‘Development’ has always been conceived in relation to objectives set by societies – where do we want to go? And these objectives have always been historical in the sense that their conception has evolved from one phase to another of the globalized transformation, has been different from one region to another of the global system.

A glimpse at development, as it was conceived and implemented since the end of World War II, helps to measure these societal and historical aspects of the paradigms that commanded the formulation of objectives and means. As a first step, which covers the first three or four decades after the war, three families of ‘development’ models were conceived and implemented: the Welfare State model, developed in the West (because it was indeed a model of social development); the model of ‘actually existing socialism’ (Soviet and Maoist), and that of Asia and African countries which have regained their independence (the

‘Bandung model’) and Latin American countries (‘desarrollismo’ and the dependence theory).

The latter is the origin of the ‘decades of development’ formulated by the United Nations and all national and international development agencies (a term then reserved for the South). The paradigms of this family of models were the product of interactions between, on the one hand, universalist concepts associated with the globalization under construction; and, on the other, formulations of State powers in charge of the reconstruction and ‘modernization’ of Asian, African, and Latin American nations.

### Development in Bandung Era

Although the results of these interactions have obviously produced specific economic, social, political strategies that are specific and different from one southern country to another, it is not impossible (and unnecessary) to draw up an ‘important common background’.

These implementation concepts and strategies legitimized the ambitions of southern nations to ‘modernize’ and ‘become industrialized’, but not necessarily to ‘become democratic’ (whatever the definition on this subject).

The building of inward-oriented national economies was the common goal, although the range of means could have been initiated. The framework was then that of the nation, whether it was the size of a continent-size country, or modest and even small States. The objective met the requirements of ‘inward-oriented development’, called here ‘self-reliant’ and differently there. It was associated with social changes that powers wanted to implement and control, whether they were more or less radical reforms (agrarian reform, nationalization and/or creation of a public sector), or progress in social services (education and health in the first place).

The imagined inward-oriented constructions were not ‘autarchic’, but open to globalization (trade expansion, capital and technology import), which nevertheless seemed to be negotiated. The work and

interventions of UNCTAD illustrate this multipolar ambition at that time.

Decades of development have produced large-scale transformations in all Southern countries. It is now easy to measure its limits and shortcomings. First, the democratic deficit: in varying degrees, strategic programmes implemented were conceived from the top (by regimes of 'enlightened despotism'?), the base being mobilized to support, but not to conceive. In this context, the response to major challenges has been excluded from the strategies implemented, in particular women's rights (gender issues) and long-term ecological concerns. But it is equally wrong to erase the 'positive' aspects of the achievements of the time – an upwards social mobility which helped the formation of new, or almost previous, middle, non-existent classes in southern countries, the opening to aspirations to have respect for human rights. It is not casual that countries, which have mostly made progress in the Bandung era – among others, through a more marked control of their inward-oriented development – are currently in the ranks of countries now called 'emerging', while others are relegated to the 'Fourth World' category wrongly qualified as marginalized. The former participate – or aspire to participate – in building the future of the world, and the latter are forced to passively adapt to it.

In Latin America, ECLAC, under Raul Prebisch, played a decisive role in initiating the contemporary development theory. Its proposals known as 'desarrollismo' have widely been discussed and criticized, particularly by the dependency school.

#### This Page in the History of "Development" was Definitely Turned from the 1980-1990s

The erosion and collapse of development models in previous decades created conditions favorable for a general offensive that took the name of 'neoliberalism, globalization and financialization'. The Cancun conference in (1981), dominated by Reaganism and Thatcherism, marked the implementation of the return to 'market fundamentalism'. All thorny issues were cleared up by the free affirmation that 'markets' will solve, by themselves, all problems. The (necessary and useful) openness to global markets was reduced to 'free trade'. As it was impossible to promote regulated international trade,

favouring the progress of the weakest, the globalized integration of monetary and financial markets (double deregulation of currency exchange rates and interest rates) has brought this dogmatic to the extreme (or has deliberately ignored that methods invented to reduce the risk of individual agents, increased by the double deregulation, and accentuated the collective risk). Conventional economists were mobilized to legitimize this dogmatic of markets.

The dogmatic of markets was made in frameworks that required the full submission of political and social demands. The nation was considered as a 'vestige of the past', allegedly exceeded by 'globalization' (expressed in general and vague terms), and the State's intervention as 'irrational' by nature. 'Democracy' was formulated in a 'blue-print' valid in all places and all circumstances, reduced to the adoption of the principle of electoral multi-party system, whether it was accompanied by the declaration of a few human rights. It was decreed that the expansion of markets ('neo-liberalism'), based on over-privatization (including public services), would strengthen, by itself, the aspiration to the adoption of the proposed Democratic formula.

The facts – that is, developments of the real world in the decades of neoliberalism, globalization and financialization (from 1985 to 2007) – did not reinforce, in any way, the statements of the implemented option. The malfunctions, already visible in post-war development models, were not reduced by the adoption of liberalism, but worsened on the contrary.

'Development' in the best sense (humanist) of the word must be 'inclusive', that is, produce results that must benefit all peoples concerned (particularly those from popular classes) at each stage of their deployment. Or what the liberal, globalized model has produced is – in the best case – an 'exclusive' development. GDP growth, high though it was (in countries called emerging), fully benefited a minority (20% maximum), putting the vast popular majority on the sideline, victims of stagnation and even regression of their living conditions.

The word 'development' has been erased out of the dominant rhetoric. It was assumed that this word was synonymous with market development (itself liberalized without limits) as they were supposed to

solve all problems. Dysfunctions inherent in the implementation of adopted principles generated a deepened political and social crisis. The Democratic formula was associated – when it was implemented – with social regressions and not with social progress. It eventually lost its legitimacy and favoured popular withdrawals on other illusions nurtured by para-fundamentalists called 'religious' or 'ethnic'. Theocracy or ethnocracy replaced the aspiration for democracy.

No doubt, during the last two or three decades, new proposals, whose positive potential can not be ignored, were introduced. They include the visible strengthening of claims in terms of gender equality, awareness of the dangers posed to the planet by the waste of natural resources (the adoption of energy-eater production models in particular), and the affirmation of human rights and civil society rights in the face of State powers. Yet, they yielded only poor results because of the obstacles that liberalism posed to their progress. The established facts recognize that poverty and insecurity affect more women than men, reducing by the same token, progress in gender issues for middle-class women.

Dysfunctions whose effects have been observed were not reported to the essence of the imposed model, but for adjacent reasons unrelated to it. Thus, parallel speeches were developed, nurturing 'modes' in the most trivial sense of the word. So, the speech on 'poverty reduction' ignores the fact that the liberal model is the cause of growing inequality (observed) and even of the increase in exclusions. Thus, the 'ecological' speech limited itself to seeing degradations and threats and to sounding the alarm without relating them to the reproduction logics of the system. Consequently, the observation of the decline in democratic demand and the increase in rallies to political strategies involving terrorist action has not led to the questioning of proposed democratic models. The same for speeches on 'good governance' (and the denunciation of corruption), which have not raised the issue of the social nature of the powers of 'bad governance'. None of these speeches is satisfactory by itself, for failing to articulate the issues it raises about the deployment of the logics of the so-called liberal and globalized model implemented.

Yet, despite the evidence observed and the aggravation of real problems, which were considerable, the 'globalized neoliberal' model described itself as a 'final solution', the 'end of history'. Its untenability – not only for reasons given by ecologists (in fact, perfectly correct) but also for a set of political and social reasons associated with the deployment of the system's economy – was not envisaged. The collapse of the financial section of the system is not casual. The globalization of liberalized monetary and capital markets was the vulnerable heel of the model as a whole. This collapse, predictable and foreseen (but not by conventional economists), underscores the necessary examination of the systemic dimensions of the crisis. It is in this context that the debate on the 'development issue' should be opened again.

The programme under consideration is aimed, from the identification of major themes that needs to be opened up to research and debate, at making critical proposals to them. Of course, the programme does not start from scratch in the research and critical thinking on the experiences of the past (the time of Bandung and *desarrollismo*), the recent past (structural adjustment) and the present (current policies in emerging countries, new trends in Latin America). TWF and WFA are already engaged in such criticism, like other centres of thought and researchers, not only in Africa, Asia and Latin America but also in the United States, Canada, Europe, as in some institutions (e.g. UNRISD). The originality of this project lies in the fact that it offers a more systematic synthesis of all themes (see the next section) and Southern regions, which enables it to move up to the general and comprehensive visions like what is proposed by the major institutions of the international system (OECD and World Bank, Competent Departments of the European Union and major international cooperation agencies).

### **Programme Proposed by Research and Debate**

The research and debate networks in partnership with the Third World Forum (TWF) and the World Forum for Alternatives (WFA) organized in recent years' meetings that helped to identify the blocks of problems which, taken together, cover the main challenges the current societies are confronted with.

Although these challenges are to some extent 'permanent' in modern times, their expression has always been renewed due to the world's evolution. For developing countries, these challenges that can be seen as development challenges cannot be taken up through a 'return to past solutions' (those of the Bandung era in 1955-1980 for Africa and Asia). There cannot be a Bandung 'remake' even though the same challenges to which appropriate responses have not been brought are still arising, but in the system's structures and the transformed conditions of its reproduction. Social movements in the last decade basically faced these problems. The experience of their struggle could not be scorned, but should be subject to a critical examination of the explicit or implicit strategies implemented by these struggles and to the underlying theoretical support.

The project is not aimed at making a catalogue of those movements' claims and protests. It has a more ambitious goal: addressing 'thorny issues' for which neither the theoretical support necessary for their examination nor the practice of the proposed responses has a status of 'convincing speeches'. The plurality of analysis, underlying theoretical proposals, as well as those requiring strategic responses to challenges, is essential.

The definition proposals for the research and debate areas have been directly inspired by the work conducted by TWF and WFA during the last 1997-2007 decade as follows:

#### **Democratization Combined with Social Progress, as Opposed to the Democracy Formula Dissociated from Social Progress**

It is understood that, democratization, considered as an endless process – not to be reduced to a permanent formula – concerns all aspects in social life, its bases within the family (gender issue), the company (workers' participation), community (decentralization of authority), national State, regional economic groupings and the world. Democratization embraces the identification of individual and collective rights, the definition/invention of institutional forms necessary to bring them into reality, the organization of political authorities, economic management (of the company to the nation and to the world), and the identification of cultural and ethical values.

How can we structure all issues raised by democratization to the economic and political strategies guaranteeing universal social progress?

#### **Reconstructing the Labor Force's Unity**

The transformations in the work organization, combined with technological innovations under deployment (computer science in particular), have made obsolete the organizational and struggling forms of the working classes that were efficient at that time (powerful centralized unions, political parties sharing workers' claims, strikes, demonstrations and elections). Through the fragmentation of the working classes' status, high rate of employment and job insecurity, the 'informal sector', some renewed challenges have been identified. While formal policies implemented by liberalism managed to take advantage of the situation, particularly through delocalization, putting in competition workers from different regions of the world. But beyond this, the objective changes in the work organization are of concern to unions and political parties.

The assumption underlying the identification of this problem area is that the authority systems can only integrate the objectives of social development if and when working classes are able to impose them.

#### **New Agrarian Issue**

Farmers in the three continents of the South make around half of humanity. Beyond the diversity in the status and the production and trade conditions, it should be noted that the expanding modernization through the 'market' produces by its own process, the disintegration of farming societies. And this disintegration was sped up in the last decades to the delight of the liberal project. The result is nothing but an impoverishment (the majority of the poor and the malnourished are made of rural populations) and the high unbearable migratory pressures. Urbanization in the South greatly results from these pressures, leading to a relentless 'suburban' overdevelopment. The migratory pressure is also expressed by the desperate attempts to travel towards developed countries (boat people whose tragic lot has become a matter in the daily life of hundred thousands of candidates in Africa).

The response to the challenge implies considering from the start an indispensable specific objective of genuine development policies: ensuring land access (in the slightest possible inequality) to all farmers in the world. Considering this objective requires a definition of appropriate macro-economic strategies and democratization policies.

The agrarian issue has always been at the centre of the challenges faced in the 'modernization' of African, Asian and Latin American societies. However, the challenge does not appear in the same shape from one region to another. In some regions, history has produced the big latifundium property – the emergence of modernized and grown rich farming societies by the side of poor micro-fundium owners without any resource, and landless and often jobless farmers. The access to land and resources for its efficient farming and the capacity to offer farmers decent and constantly improving income, slow though it would be, requires reforms of various nature (land, cooperatives reforms) combined with macro-economic policies regarding credit and marketing, coherent with industrialization policies. In the major part of sub-Saharan Africa, the agrarian issue arises in different terms. In itself, land access is not necessarily a major pre-condition. The main line of this challenge is the lack of access to resources for land farming which remains insecure beyond survival. The response requires both imaginative rural development policies and macro-economic policies coherent with the former.

The agrarian issue is a 'new' one in the sense that the very general responses given by the triumphant liberalism of the last decades are nowadays subject to reviews imposed by visible disasters, such as food crisis and massive crop defection.

### Negotiated Economic Globalization

The so-called liberal economic globalization that was implemented by international institutions established to that end – WTO in particular – ignores development requirements.

These requirements impose a definition of the issues to submit to the global

negotiation, used as a supplement to the social negotiations conducted (or to be conducted) in national and, possibly, regional contexts. Likewise, they require the identification of those who should participate in negotiations – governments, professional organizations (farmers for example as regards international trade of agricultural goods and food products), society civil organizations (consumer organizations, nature's rights) and others.

### Democratic and Multi-Centrist Political Globalization

The geopolitical, or even geostrategic and military dimension could not be excluded from the prospect for building 'another better world'.

The conceptions commanding the international community's political organization, defined by the UN Charter, international law, practices in conflicts management, have been questioned in the last decades, among others by the 'militarization of globalization'. As a matter of fact, the results are closer to chaos, locking up entire countries in tragic impasses, than a consensus reorganization – which implies negotiation. The analysis of the strategies implemented by authorities, those of dominant powers, and those of others, the definition of international law goals (that some people would reduce to business law) and procedures ensuring their implementation, is undoubtedly the essential precondition to the construction of a global system authentically multipolar and potentially democratic.

### Regionalizations to Build a More Balanced, Multipolar and Democratic System

Regionalization is often presented as a positive asset in itself and in all circumstances. This is not obvious. Regionalization is good or bad, depending on the conceptions of the global system for which it is articulated. There are forms of regionalization, which are hardly constitutive blocks of the neoliberal, financial globalization in place (now in crisis). Can we propose other forms of it, consistent with the development objec-

tives set by the paragraphs above (inclusive development, paving the way for democratization associated with social progress, articulated on a negotiated globalization in this spirit)?

The regionalization projects to be discussed in this context cannot be 'strictly economic', that is, they have to organize the principles of trade within the community and between the community and the rest of the world. They also need to be consistent with political projects of the concerned States that are at least convergent if not unique.

### Political Strategies of Transformation and their Development Stages to be Considered

Transformation involves both the internal organization of national societies and that of the global system. It can only be seen through a succession of stages that involve the identification of immediate, short-term objectives and long-term civilization prospects.

The short term begins with the review of responses to be given to the crisis (financial, but general) of the so-called neoliberal system whose page is being turned. These are the responses of peoples and especially of popular classes, the desirable responses of State powers. Can we, in this spirit, set strategic objectives that are convergent with one other?

The long term cannot be excluded from the debate. Which humanist civilization do we aspire to? The diversity of theoretical concepts concerning the evolution of societies, the diversity of cultural values and the imaginary civilization find their place in an unavoidable debate. Is convergence in respect of this diversity possible?

### The Role of Intellectuals

The debate on the role of intellectuals (creative) in the real history of societies (our responsibility) is not unimportant, modest though it may be. Intellectuals did not fail, in Africa and Asia (and elsewhere), to meet the challenge in the past. It is not possible for them, at this moment of global transformation, for better or worse, to evade their responsibility.