

POLICIES AND IMPLEMENTATION OF GLOBAL DEVELOPMENT

By

Scott Kjorlien

Advised by

Dr. Benjamin Timms

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Social Sciences Department

College of Liberal Arts

CALIFORNIA POLYTECHNIC STATE UNIVERSTIY

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Table of Contents

Research Proposal.....	ii
Annotated Bibliography.....	iii
Outline.....	vi
I. Introduction.....	1
II. Development Defined.....	4
III. Theories of Global Development.....	7
IV. Structural Adjustment Programs (SAPs).....	10
V. Poverty Reduction Strategy Papers (PRSP).....	14
VI. Millennium Development Goals (MDGs).....	17
VII. Conclusion.....	20
VIII. Bibliography.....	23

Research Proposal

International Development is a very bulky topic of debate in today's day in age. People from many different noble professions have extremely varying views of what exactly development is and how it should be executed. I wish to treat the study of development as a holistic study. I will accomplish this by studying a variety of material such as (and not limited to) history, economics, political science, geography, and anthropology. Looking at development through just one of these lenses can be blinding. For example, looking at development through only the lens of political science can often overlook the cause and effect of basic economic theory.

Along with increasing my own knowledge and reporting my findings, for my Senior Project I am going to critically analyze various aspects of development, as we know it today. There are many different development theories that I will have to discuss, but I plan on discussing them through the lens of what is going on in the world around us. For example, global institutions such as the International Monetary Fund and the World Bank give out loans with "strings attached" that often follow the principles of a basic theory of development. I will go into a couple of real-world applications of these theories and make clear the good and the bad.

Finally, after analyzing some various aspects of development, and then studying today's popular theories and practices, I will discuss what I have learned from my study. This will include which theory (if any) I subscribe to and why. All in all, what I hope to accomplish with my senior project is to gain a deeper understanding of the many facets of development and its implications in our modern world.

Annotated Bibliography

Chen, E. (2005) Teaching and Learning Development Economics: Retrospect and Prospect. *The Journal of Economic Education*. 36(3). 236-248.

This article focuses on the methods of teaching development economics. I can see this article being useful because he goes into proper methods of teaching Marxism, Neoclassical model and more. Learning how to break down these topics could help me view these models from a different perspective, and better apply them to real-world scenarios.

D'Arista, J. (2004). Dollars, Debt, and Dependence: The Case for International Monetary Reform. *Journal of Post Keynesian Economics*. 26(4), 557-572.

This article seems like an interesting read about the global economy and how it is currently instable. I am most interested in it because it is written from a Post Keynesian perspective, which will help me better understand that specific economic theory.

Jensen, N.M. (2004). Crisis, Conditions and Capital: The Effect of International Monetary Fund Agreements on Foreign Direct Investments Inflows. *The Journal of Conflict Resolution*, 48(2), 194-210.

In this article, Jensen runs a model on 68 countries to test the impact of the International Monetary Fund programs on international markets. He finds that the IMF programs lead to lower levels of foreign investment. I will use these pages as one of my sources to see how effective the IMF has been in the past.

Mohan, G. & Power, M. (2009). Africa, China and the 'New' Economic Geography of Development. *Singapore Journal of Tropical Geography*. 30(2009). 24-28.

This article takes a look at China and how they have recently become involved in Africa. There is mention as well of the US and India becoming involved, but the main focus is China. This is a great example of a fairly current means of developing an extremely poor region. It will be very beneficial to explain these events in the lens of development theory.

Peet, R., & Hartwick, R (1999). *Theories of Development*. New York, NY: The Guilford Press.

This book will serve as an encyclopedia of sorts featuring a wide array of developmental theories. This book is packed with information and analysis on the many paradigms out there, and I will use it as a lens in which to view the historical events I choose to analyze. Pages 53-64 will be especially important for me because they look at both IMF and World Bank policies and proceed to look critically at the organizations.

Sinding, S. (2009). Population, Poverty and Economic Development. *Philosophical Transactions: Biological Sciences*, 364(1532), 3023-3030.

This article covers an aspect and theory of development that I don't have much information on from my other sources. That is the potential link between development and demographics. This author writes in support of a theory that Sub-Saharan African countries should implement population control programs to solve their economic issues. I would like to incorporate this article because I see a lot of holes in this theory and would like to further analyze it.

Snow, D. M. (2011). *Cases in International Relation*. Upper Saddle River, NJ: Pearson.

Comprised of 16 case studies in international relations, I am using this book as a guide to specific aspects of current global politics. It is my hope that I will find

specific cases that relate to development theory. I believe I almost undoubtedly will.

Sowell, T. (2007). *Basic Economics: A Commonsense Guide to the Economy*. New York, NY: Basic Books.

Development is not strictly an economic phenomenon, but the economy definitely plays a significant role. If I am to truly understand development theories, I need to understand basic economic theory; otherwise I would be unable to give criticisms when it comes to a specific theory of development and the economy. Part V and VI will be most important for my purposes. Part V deals with the national economy and how government plays a role. Part VI takes a look at the international economy. Most specifically, it deals with international trade and transfers of wealth. All in all, this book will help me understand the economic side of development.

Willis, K. (2011). *Theories and Practices of Development*. New York, NY: Routledge.

Much like my other source by Richard Peet, this book will help me understand the fundamentals of development theory. The difference between these two sources is that Willis' book is much more recent, and she writes in a style that incorporates current events to explain the theories. This book will serve as an excellent foundation before I can dive into more dense literature on the topic.

Yang, G., Zhang, Q., & Wang, Q. (2006). The Essence, Characteristics and Limitation of Post-Colonialism: From Karl Marx's Point of View. *Frontiers of Philosophy in China*. 1(2). 279-294.

I will be using this article to get a better grasp on the concepts of post-colonialism. Especially, this article talks about relationships between the east and the west, and the process of modernization.

Outline

(this paper has changed drastically after the creation of this outline)

- I. Introduction
 - a. Goals of the paper
 - i. Gain a deeper understanding of theories of development
 - ii. Attempt to look at development from a non-western viewpoint
 - iii. Test my hypothesis: western development imposed in the poorest countries harm, not benefit, the host nation.
 - b. Outline
 - i. Provide a basic understanding of a few paradigms of development theory.
 - ii. Analyze the negative and positive impacts of western models of development around the globe.
 - iii. Interpret common problems and perhaps suggest a solution.
- II. Conceptualization of terms
 - a. Development
 - i. How am I defining development?
 - ii. How I am not defining development
 - b. Modernization
 - i. How am I defining modernization?
 - ii. Is modernization a goal in my definition of development?

- c. Poor Countries
 - i. Who are the poor countries that I will be studying?
 - ii. What qualifies them to be case studies in my paper?
 - d. Others??
- III. Case Studies in International Development (Much more research needed, 3 case studies preferred) For each country:
- a. Background
 - b. Implementation of Western Development
 - c. Effects
 - d. Why? (Throughout each case study, I want to look at more than the numbers. I want to understand the context in which these development projects are happening.)
- IV. Interpretation
- a. Were my goals met?
 - i. My understanding of international development.
 - ii. Ethnocentrism and development
 - iii. Review of my hypothesis.
 - b. A word on theories
 - i. Most effective of theories discussed
- V. Conclusion
- a. Looking in to the future
 - b. Final thoughts

Chapter I

Introduction

Global inequality today is seen everywhere. Classroom walls are littered with advertisements to join a group and build homes for this country in Africa, or to teach sustainable agriculture to Guatemalan villagers. Advertisements asking for donations for organizations trying to eradicate diseases such as AIDS and malaria are not uncommon to see as people sit on their recliners watching the latest episode of some show that is the new talk of pop culture. The signs of global inequality are around us mainly in the form of calls to action. The desire to save the world has become a trendy topic, but it almost seems as though people roll a dice to choose which global issue they want to become an ‘expert’ on. This trend is fascinating and it’s wonderful that people are beginning to have a more global consciousness, but it comes with a lack of understanding and knowledge about all the aspects involved.

To truly help others takes more than clicking “like” on every facebook page pushing for social change. It takes more than going into a country and giving people dehydrated food packages to help end hunger, when they don’t even have clean water to use on said food. To really make a difference, one must understand the economic implications of aid, the current political atmosphere among countries, the social ramifications of a globalizing world and much more.

This paper is written from the desire to understand the issues surrounding global inequality and development. Development is a holistic study that brings in economics, history, politics, and other cultural factors. Considering the density of this topic, it is not an easy one to

master. This paper is an introduction of sorts to the modern theories and practices to global development, and some of the main issues surrounding its success.

‘Development’ has become a buzzword throughout the developed world. With it carries ideas of a peaceful, unified world- a world in which everyone has access to basic needs for survival and possesses fundamental human rights. However, there is an issue with this utopian vision of such a broad concept. As the world is changing through the process of globalization, we see that not every one has the same vision for what development looks like or how one should get there.

The concept of development was by no means invented by 20th century minds, and it cannot be broken down and viewed through the lens of a specific field. For example, global development theories are as much an accumulation of centuries of economic thought as they are a reflection of modern political ideology. To fully understand the complexities of global development strategies, one must understand our current global political economy in the context of history and geography.

“The American people desire and are determined to work for a world in which all nations and all peoples are free to govern themselves as they see fit and to achieve a decent and satisfying life.” – Harry S. Truman’s 1949 Inaugural Address. Harry Truman’s inauguration was rich with warnings about communism, but it was also a call to action to unify the world and to give everyone the right to govern themselves for a more peaceful world. The end of the war marked a vital time in the course of the world’s history. The allied nations recognized a need for economic growth in poor countries (Willis 2005). They felt that underdevelopment and

economic turmoil were major causes of the war and they wanted to turn global warfare into negotiation by promoting economic growth. The Bretton Woods conference was called together in 1944 with the purpose of regulating the financial order (Willis 2005). Out of this conference came the International Monetary Fund (IMF) and the World Bank as institutions to help rebuild Europe. The main distinction between the two is that the IMF is an international bail out fund for countries in desperate need of debt relief and a financial system regulator; meanwhile, the World Bank primarily deals with loans to kick start development and infrastructure projects. These two multilateral organizations, along with strong influence from powerful western nations, have dominated discourse on international development since their creation, and thus, will be a major point of topic for the duration of this paper.

The duration of this paper start will look at different definitions of development and how it is measured. From there will be a brief introduction to three different theories behind global development. The paper will continue with a discussion of Structural Adjustment Programs (SAPs), and will transition into the IMF's relatively new Poverty Reduction Strategy Papers (PRSPs). Then, UN Millennium Development Goals (MDGs) will be addressed, and that strategy of international development will be analyzed against the framework of the previous fifty years. Finally, after analyzing these western approaches to development, the paper will wrap up with a discussion on what the future looks like in terms of global dynamic of power and development strategies.

Before this paper continues, it is important to note the kind of terminology present. The term Global North will refer to more developed nations, for example Western Europe and the

US. Meanwhile, Global South and developing nations will be used to refer to the less developed countries in this world. I do not mean to exclude any countries through this classification, but am using these categories to simplify this already dense topic. It is worthy to note that this binary classification leaves a lot of room for error, and can be quite problematic when dealing with development discourse. There is a lot of middle ground that is not covered when focusing on the major players and the extremely poor countries.

Chapter II

Development Defined

Progress, development, improvement, and modernization are some key words that have become idolized by the Global North. Deeply embedded in western culture is the idea that progress is an inherently ‘good’ thing. After all, at its best, progress is the idea of taking our modern advances in science, technology, social organization, and more, and using them together promote a world that is better for all people (Peet, 1999). However, the Global North often forgets that obsession with progress and development is not necessarily a universal value. In fact, those values in our culture are not an accident, and are instead a result of centuries of developing economic thought as well as social and political organization very specific to western culture. The evolution and accumulation of thought and culture is a fascinating topic, however, for the purpose of this chapter, we will focus on who decided what development means in the past century, and how it is defined.

After a brief discussion on the importance of progress in western culture, the ‘who’ of this chapter should be fairly obvious. Despite the subjectivity of the term, modernity has been used to describe the societies of Western Europe and the USA (Willis, 2005). This encompasses both economic and social phenomena. I claim that modernity is subjective because not only is it fluid over time, but also it is incongruent spatially as well. What was modern to a group of people ten years ago is out of date to them today, but it may still be modern to a whole other group of people. Thus, it is the people with the power and the resources who decide what development means. In this sense, development measures are, at their core, an analysis of how well a nation follows after the western model (Peet, 1999).

The three main indicators of development that I will touch on are economic indicators such as Gross Domestic Product (GDP) and Gross National Income (GNI), as well as indices such as the Human Development Index. The first two of these (the GDP and GNI) are economic indicators. Development in the past has been looked at mainly as an economic phenomenon (Willis, 2005). This stems from the idea of looking at global inequality as a simple matter of who has more money. GDP is a measure of the value of all the goods and services produced within a particular country, while the GNI measures all goods and services claimed by residents of a particular country (Willis, 2005).

Of course, over the years, we have taken a much more holistic approach to the concept of inequality. With this, has come the inclusion of the Human Development Index. The HDI quantifies development by non-economic dimensions of development. HDI is a combination of

health, education and living standards. These three dimensions of the HDI are indicated by life expectancy at birth, mean years of schooling, expected years of schooling, and GDP per capita (Peet, 1999).

There are no doubt reasons to be skeptical of such overarching measurements. The first I'd like to point out is the reliability of the data. The issue with the data is that the Global North created these measurements, and thus, naturally measures how well a country is following the western model (Peet, 1999). For example, the GDP only measure that which is sold on formal market. This means that anything sold or exchanged informally does not count when measuring the GDP. This measurement undermines the importance of the informal economy throughout the Global South (Peet, 1999). In addition, measuring education for the HDI refers to the number of students enrolled in formal education, but this does not look at the importance of informal educational institutions. Essentially, there is a large part of the population, who live their lives mainly in the informal sector, which literally does not count when performing these measures of development (Peet, 1999). Finally, the main argument for the GNI is that it completely ignores and often hides the inequality in a given country. Many third world countries have a small population that is rather wealthy, while most of the country lives in extreme poverty (Peet, 1999). The GNI in that case would not reflect the severity of the countries condition. In recent years, another index has become important when measuring the success of a nation. The Gini index is a measure of inequality within a country. It ranges from perfectly equal to not equal at all.

There is a second critique from Richard Peet's *Theories of Development*, which recognizes the lack of evidence that statistical measures like the HDI the GDP have anything to do with the quality of life. The human experience is so broad and diverse; it is extremely limiting to measure the quality of a human beings life by looking at these numbers. In addition, in many cases, there are grand contradictions. For example, while GNP is seen as the most important figure in economic development, an increase in GNP is often combined with deteriorating environmental conditions, which can no doubt diminish the quality of a person's life.

These measures of development, despite being flawed are currently the standard by which we measure how the world is progressing. It is important to remember this when reading statistics about the improved conditions of a country. An increase in GDP might not mean the country is becoming more efficient or successful. That measure could come with many reasons to assume that country is actually worse off. In the end, human beings are not statistics. It is easy to get wrapped up in the numbers and consider situations as "successes" or "failures", but behind those numbers are stories and real people living their lives.

Chapter III

Theories of Global Development

Throughout the years, economic and social theories of development have evolved in various places around the globe. As noted earlier, not everyone sees 'development' as the same phenomenon, so very varying theories of development have emerged from different locations

around the world. Although there are many different views as to how to best develop a developing country, this paper will summarize three key theories, which are relevant to post-WWII implementation and thought involving development.

In the 1950s, Modernization theories were the leading beliefs about development. Although there are several separate models that fall under the umbrella of “modernization theories,” they all have very similar characteristics. At the core of all of the models is the notion that there is a single path to economic maturity, which is displayed by the western model (Willis, 2005). Note, in addition, that the most important thing in modernization theories, aside from the fact that it follows the western model of success, is that it is purely economic in its definition of development and success.

Rostow’s Linear Stages Theory is an excellent example of modernization theories. Rostow declares five stages of economic growth (Willis, 2005). These five stages go as follows and mirror the development of the United States. It starts with a traditional stage, which is based on agriculture and does not value or utilize modern science or technology (Willis, 2005). Then, when savings and investment rates increase, that marks the beginning of the preconditions for take-off stage (Willis, 2005). With the onset of a revolution, or a changing economic scene, the take-off begins. The drive to maturity includes adopting a wide range of technologies. Finally, we see the age of high mass consumption, which is indicated by consumer goods and increased welfare spending (Willis, 2005).

A theory that doesn't quite follow the western model is structuralism. Structuralism is interesting because it presents a different perspective to development than the Eurocentric model (Willis, 2005). Structuralism is very popular in Latin America, because it rejects the modernization ideal of free trade (Willis, 2005). Structuralism believes that the global economic structure is very different for Latin America than existed when European countries industrialized (Willis, 2005). Since the global scene is different, they question the idea that the path to development should be the same, as argued by many modernization theorists.

Instead of promoting free trade and open global markets, Latin American structuralists push for greater state intervention to protect national industries. This concept has been termed import-substitution industrialization (ISI) (Willis, 2005). ISI is the idea of raising tariffs on imports, thus raising domestic prices of foreign goods so that local industries can compete, grow and eventually be competitive on a global scale. Brazil in particular had a lot of success employing ISI methods. Between 1965 and 1982, Brazil's exports of manufactured goods raised from 8% to 39% of exports (Willis, 2005). There are quite a few Latin American governments that reject capitalism all together and seek a more Marxist means of development, but structuralists do not reject capitalism. Instead, they believe in protecting their industries so they can grow and compete some time in the future.

Finally, neoliberalism is an extremely relevant theory for the purposes of this paper, and in fact will be very central to the remainder of this paper. Slow economic growth rates in the 1970s led to people questioning Keynesian principles. In effect, a 'counter-revolution' broke out against over-extension of the public sector, investing too much in welfare and infrastructure, and

economic controls like tariffs. These are the basic tenets of neoliberalism, which will be seen in action in the following chapters. It is important to remember that there are different ways to view development. Although neoliberalism will dominate most of the rest of this paper, we will find that is only because it is the theory backed by those in power.

Chapter IV

Structural Adjustment Programs (SAP)

Since their creation, the World Bank and the IMF have been actively attempting to strengthen foreign countries in need and, in the case of the IMF, to help these countries balance their accruing debt. Their means of improving the economies of developing countries is to provide loans for the countries to pump into their economies in order to enhance production and get the country back on its feet (Shah, 2013). However, throughout the last half-century, these institutions have been providing these loans with strings attached based on a neoliberal agenda. This exchange of money for policy change has been termed Structural Adjustment Programs (SAPs).

The theory behind neoliberal development and thus, SAPs is quite simple. In order to improve the economy of a country, that country must spend less and generate more income, which should be done by diminishing state intervention and trusting the invisible hand of the free market (Willis, 2005). When translating this to policy change, i.e. SAPs, the developing country must spend less by cutting funding on infrastructure and welfare services, make more money by increasing exports and specializing in a specific sector of the economy, and diminishing the role

of the state through privatization and liberalization of trade (Shah, 2013). Again, in order to get a loan from the IMF, a country must abide by these policies, which have proved over the years to only promote poverty, indebtedness and dependency (Shah, 2013). While there are more complicated aspects of SAPs, I am going to focus on some key aspects: decreased spending, increased revenue, and trade liberalization.

Cutting spending on services like education, health and infrastructure development means that the IMF is actually forcing countries to reduce the standard of life of its people (Shah, 2013). What seems to be happening here is that the IMF is putting the economy first in the development agenda. The idea is that if these policies can improve the national economy, that wealth will ‘trickle down’ and then improvements on the standard of living can be made. However neither an improvement in the economy or a ‘trickle down’ effect is present in SAPs. At its core, the economy is made up of people and their daily decisions (Sowell, 2007). SAPs ignore the human aspect of the economy instead of empowering a nation’s people.

In order to improve an economy, of course, a country must increase its revenue. The strategy in the SAPs is to know what you do best, and focus on that. This is the idea of comparative advantage. Comparative advantage is the ability of a country to produce a good at a lower cost than another country could (Sowell, 2007). For many countries in Africa, this means specializing on one or two cash crops, which they can then export to other countries. In 2005, Oxfam reported that 50% of Africa’s export earnings was derived from a single commodity (Shah, 2013). A few issues I will point out about this are a fragile economy, the law of supply

and demand, and commodity vs. manufacturing economies. The economy is an ever-changing, ever-fluctuating beast. By focusing on one or even two commodities, a country is making itself extremely vulnerable to fluctuations in the market and a bad yield of crop could prove disastrous to an entire economy. The second major issue is that if one country proves to be successful in exporting a specific commodity, it is quite possible that its neighbors, who are also part of the Global South, will notice the success of that crop and begin heavy production of that crop. What this leads to is an increase in supply on the global market for that specific commodity, resulting in a reduction of price for the consumer and less income for the farmers in the Global South (Sowell, 2007). Finally is the issue of the difference between commodity- or raw materials-driven and manufacturing-driven economies. Countries that export raw materials export to industrial powers that manufacture or process the commodity in to a manufactured good. Often, the very country that exported the original raw material then imports these manufactured goods, which have now increased in value. Essentially, the Global North is purchasing commodities for cheaper than before and selling the manufactured goods back to the developing country (Shah, 2013). Not only this, but if a developing country built its industries and increased manufacturing production that would create a substantial increase in jobs.

At its best, trade liberalization means increased competition and forced innovation. However, these infant economies are being coerced to compete at a global scale against the economic might of the Global North (Shah, 2010). Trade liberalization is the idea of limiting state intervention on trade by removing all subsidies for domestic industries and removing tariffs on foreign imports (Shah, 2010). What we see here is that while the IMF is promoting ‘free

trade' for developing countries, The United States Government is providing large subsidies for some of their industries. Take the peanut for example. Senegal was encouraged by the IMF to focus their economy on peanut exportation. While they did well with this at first, the law of supply and demand eventually kicked in and reduced the income of the industry. Of course, all of this was happening without government support of the peanut industry. Meanwhile, American peanut farmers receive very large subsidies for each crop they produce. This means American peanut farmers can produce their crop with the best fertilizers, technology, and seed money can buy and still afford to sell their peanuts at extremely low prices that Senegal peanut farmers cannot compete with (Shah, 2013). We must be skeptical to the idea of trade liberalization. Does it really create an even playing field, or is it perpetuating a form of neo-colonialism?

There is a theory behind the neoliberal model that the Global North is rich because they have trusted in the free market and have participated in liberal trade, however, centuries of mercantilism and colonialism are direct historical proof that this is simply not true (Shah, 2010). Advocates for structural adjustment argue that the great economies of today did so with the very policies that are encouraged with SAPs, however this argument simply is not true. The United States and Europe became dominant because they protected their industries and reaped resources from their colonies. Only when they were powerful enough did they open up their industries to the world. Even now, as we see in the peanut example, the United States still protects its industries through subsidies and tariffs.

The dependent relationship between the Global North and the Global South that is perpetuated by the IMF is indicative of a neo-mercantilist or neo-colonialist system (Shah,

2010). The Global North is setting the policies that are destroying the economies of the Global South, while they disobeying those very same policies.

Chapter V

Poverty Reduction Strategy Papers (PRSPs)

Public dissent against structural adjustment raged throughout the 1980s and 1990s, and even led to what are called ‘IMF riots’ (Shah, 2013). It was clear that imposing the neoliberal agenda was not working for the Global South, so the IMF and the World Bank worked on coming up with a new strategy incorporating the idea of participation.

The idea of participation was meant to improve the partnership between the banks and the borrowers, give the developing country a sense of ownership, better use local knowledge, and increase these institutions’ credibility throughout the Global South (Fraser, 2005). The development of this participation theory was heavily pushed by NGOs (Non-Governmental Organizations) (*World Development Movement*, 2005). In 1999, the International Financial Institutions (IFIs) of the IMF and the World Bank unleashed an addition to Structural Adjustment Programs by the name of Poverty Reduction Strategy Papers (PRSPs) (Shah, 2013). The goal of PRSPs was to still provide loans for bailout and development projects to developing countries, but instead of them coming with conditions predetermined by the IFIs, give the developing country ownership over the conditions. For the first time, it seemed as though development was going to take a collaborative stance. The IFIs regarded the PRSPs as a means of uniting donors and poor countries by promoting a method of finding conditions that both

parties can actually agree upon. Unfortunately, it seems as though this ideal has not stood through the test of time.

PRSPs, over the years, have been widely considered another failed project implemented by the IFIs. It appears there are three main reasons to the PRSP's failure. The first is that many countries, when adopting PRSPs, were encouraged to merely copy and paste the conditions rather than analyze the contents of each (*World Development Movement, 2005*). This goes along with the fact that these policies had been in place for potentially quite a few years and had embedded itself in the culture of the country. By this fact, IMF and World Bank policies simply turned into PRSPs, rather than the PRSP dictating what IMF and World Bank policy should be for a given developing country (*World Development Movement, 2005*).

The second main issue is regarding the dynamic between the donor and the developing nation. Some argue that participation is really just a formality, but in the end, it is up to the IFIs to give out the loan when the conditions meet their standards. This essentially makes the IFIs gatekeepers of sorts who can hinder access to much needed sources of capital (Fraser, 2005). The approval process means that developing nations, in 'their' policies, need to reflect the ideals and goals of the IFIs, or in the end, they will not get their loan. After decades of Structural Adjustment Programs pushing a neoliberal agenda, it has become rather clear where the IFI's priorities lie. For those countries that attempt to use the knowledge they have of their people and their culture to promote some sort of systemic change within the conditions, they are asked to revisit their conditions until they are acceptable (Fraser, 2005). In addition, IFIs provide

‘technical assistants’ who can help advise and teach civil servants about what sorts of policies would be considered ‘flawed’ in a final review (Fraser, 2005).

The third reason, which is very related to the previous paragraph, is that there seems to be a cultural disconnect between the donors and the Global South. For example, there are some countries that wish to reform and provide conditions that really could benefit the needs of their people. However, these policies are deemed ‘sufficiently flawed that the Fund cannot support them’ (Fraser, 2005). This touches base with my discussion on the definition of development. Developing countries, through PRSPs, are incapable of proposing a sustainable solution to their debt, because quite ethnocentrically, the IFIs deem their ideas to be ‘flawed’ (Fraser, 2005). The whole theory behind PRSPs is to let developing countries use the knowledge they have of their country to implement positive change for the future *specific* to their society. However, cultural misunderstanding, and a refusal to let countries operate how they feel would best suit them, is undermining the participatory system.

It is no source of confusion how a neoliberal agenda has continued to dominate international affairs, even when the Global South have been given so much free reign over their policies. The simple truth is they haven’t been given free reign. The developing countries, desperate for an influx of capital, can’t waste time arguing with the IFIs to approve their PRSP (Fraser, 2005). They have decades of evidence as to what exactly the IMF and the World Bank are looking for (*World Development Movement*, 2005). In the end, the system is still set up so that the Global South must abide by neoliberal policy.

Chapter VI

Millennium Development Goals

So far, we have discussed two attempts for development: SAPs and PRSPs. Both of these focus on economic means on development, and generally ignore the humanitarian nature of development. As I mentioned earlier, the idea behind these two is that if a country can gain and maintain a stable economy, the quality of life for its people will begin to improve. So far, both of these programs have been widely regarded as a failure in terms of their ability to improve the lives of the people of the Global South, and its ability to improve the economy. Jeffrey Sachs, a well-known advocate for global development views development differently (Saporito, 2005). From 2002-2006, Sachs was the Director of the U.N. Development Project, and worked at promoting and reaching the Millennium Development Goals (MDGs) (Mohan & Power, 2009).

For proponents of the MDGs, development is not a purely economic phenomenon (Mohan & Power, 2009). The theory behind the MDGs is that development starts with the people, and that we can rid the world of various indicators of extreme poverty through a global initiative to increase aid for humanitarian issues (Sachs, 2005). As director of the U.N. Development Project, Sachs travelled all around the globe to teach about the MDGs, with the goal of increasing annual aid to .7% of GDP of donor countries (Saporito, 2005). To him, development and eradication of poverty is a simple matter of successful market economies providing aid to the parts of the world that still need help (Mohan & Power, 2009).

The eight MDGs are structured with the following overarching goals to accomplish by the year 2025 (Willis, 2005):

- Eradicate extreme poverty and hunger
- Achieve universal primary education
- Promote gender equality and empower women
- Reduce child mortality
- Improve maternal health
- Combat HIV/AIDS, malaria and other diseases
- Ensure environmental sustainability
- Develop a global partnership for development (p. 1-2)

The U.N. goes further to set specific targets for both the year 2015 and the year 2025, which given the broad nature of the eight ‘goals’, it would be beneficial to add here (Willis, 2005).

1. Between 1990 and 2015, halve the proportion of people whose income is less than US \$1 a day.
2. Reduce by two-thirds, between 1990 and 2015, the maternal mortality rate.
3. Have, by 2015, begun to reduce the incidence of malaria and other major diseases.
4. Halve, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation. (p. 2)

While some regard the MDGs as a refreshing turn from purely economic modes of development, others are not quite as optimistic. One of the reasons is the issue of measurement. Attaran (2005) states that one of the main appeals to the MDGs is that they set clear, concrete targets for overarching issues. However, he questions many of them and their ability to be measured, especially regarding health. The idea that the U.N. can monitor and measure these

modes of development should be regarded with the highest suspicion. Not only do these measures assume that measurement is reliable today, but it assumes that measuring these indicators was not only feasible and well executed in 1990, but also that they used proper indicators that have stood the test of time (Attaran, 2005).

Another criticism is that the MDGs are not a holistic approach to development, and they ignore one rather important aspect of development: politics (Rosen, 2013). Rosen (2013) criticizes Sach's stance toward the political aspect of Africa as being "conflicts of hunger, famine, poverty, demographic pressures." Sach's stance is widely regarded as geographic determinism (Mohan & Power, 2009). This is the concept that underdevelopment is a case of bad latitude (Mohan & Power, 2009). For Rosen, the road to real change is not just a matter of increased aid from industrialized powers to better the lives of billions of victims of geography. Instead, it is a combination of policies promoting human rights and more equal global trade (De Schutter, 2010).

Time will tell whether the MDGs will be met in their given time frame. Whether or not the numbers come back showing the success of the 2015 goals, global inequity is far from solved, and the numbers will be looked upon with skepticism. Humanitarian approaches to development are very noble in principle, but they oversimplify many of the greater issues. There are many criticisms to the concept of aid-based development, because it doesn't necessarily create sustainable, long-term solutions to a developing country's issues.

Chapter VII

Conclusion

This paper has focused on the development policies created and enforced by world powers to develop the Global South. Discussion and implementation of development practices in the last quarter century have been led by western-backed organizations, and have been perpetuated by western thought (Birdsall & Fukuyama, 2011). We are seeing, however, with the emergence of countries such as China and India, that the practice of development is likely to take a turn in coming decades (Mohan & Power, 2009).

The G-7, the group of the six most economically dominant western powers and Japan, found the end of their reign with the financial crisis of 2008. The G-20 replaced the G-7, which included many new emerging economies, giving recognition to new world economic players (Birdsall & Fukuyama, 2011). Countries like Brazil, India and China have not been included as global superpowers until now (Birdsall & Fukuyama, 2011). This is causing a new competition of ideas and models. With these new minds on the global scene, westerners are no longer considered the only innovative minds in terms of social policy (Birdsall & Fukuyama, 2011). It will no doubt be interesting to see if these nations can work together with their conflicting ideology.

For many, the neoliberal model has become synonymous with a failed and degrading system, looking to only better the situation of the policy makers (Shah, 2013). Meanwhile, development of the human condition through aid is seen as limited, idealistic and not actually

feasible when you add the issues of politics and macroeconomics (Rosen, 2013). In the past decade, China has started to pay a lot more attention to Africa (Mohan & Power, 2009). Their loans are not attached with conditions following a neoliberal agenda like those of the IFIs. China is pushing for economic growth in Africa with the focus on infrastructure (Mohan & Power, 2009). China's recent involvement with Africa is concerning to the United States, who worry that China is interested in developing Africa so that it can have a hand in the resource wealth that has tormented the continent (Mohan & Power, 2009). I find this interesting that, given the United State's history of foreign policy, that we are concerned that China is using Africa.

To sum up this paper, it is important to bring in a new concept- the idea of poststructuralism. Poststructuralism has developed for many years, but has never been at the forefront of western thought. Essentially, Poststructuralism rejects the 'Enlightenment' because with the concepts of 'science, reason, and truth' in the west comes the idea of viewing other parts of the world 'barbarian, unevolved, and ignorance' (Peet, 1999, p.132-134). For poststructuralists, this elitist form of thought placing western 'reason' above all else has created a global power dynamic (Peet, 1999). Poststructuralists do not look at development in terms of 'progress, development, and improvement,' but instead look at it as 'control, power and ethnocentrism' (Peet, 1999, p.132-134). The key to poststructuralists when looking at the benefits of global development is to not just assume that it is better, but instead to ask, "Better for whom?"

Criticisms of poststructuralist thought argue that they are just playing intellectual mind games, and that kind of thought is never going to be a force of positive change in the world

(Willis, 2005). The reason poststructuralism made its way into this paper, however, is that world is dense with culture and differing paradigms. As the power shifts from the west to new nations, we see these new nations starting to emerge in discourse about global development. Perhaps all development is at its core is a power dynamic in which the economically powerful impose their will on the economically dependent. Or perhaps new thought will emerge, unifying the world and turning the word 'suffer' into just another vocabulary word in history class.

This paper touched on a few of the many other theories to developing the world, and no doubt more will evolve throughout the years. Development has followed a neoliberal agenda for a long time because of the western minds that make up the Global North. When analyzing the history of modern development strategies, however, it is clear that when reviewing the history of development strategies, something needs to change. Definitions of development are not universal, and policies should not be one-size-fits-all. I'm anxious to see what will come of the next decade in terms of international affairs. The global dynamic is rapidly changing, and when things settle, it will be interesting to see who the new powers are, which economic theories are most highly regarded, and how the world develops throughout the coming century.

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