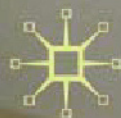


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Eunice N. Sahle



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# World Orders, Development and Transformation

Eunice N. Sahle

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*For Professor Micere Githae Mugo with love:  
thank you for making the power of ideas visible, and a life of  
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# List of Abbreviations

ADMARC	Agricultural Development and Marketing Corporation
AFRICOM	US Africa Command
AGOA	African Growth and Opportunity Act
BOC	Brazilian Organizing Committee
CDC	Commonwealth Development Corporation
CHS	Commission on Human Security
COMECON	Council for Mutual Economic Assistance
CSS	Critical Security Studies
DFID	Department for International Development
EPB	Economic Planning Board
FDI	Foreign Director Investment
FOCAC	Forum on China Africa Cooperation
GATT	General Agreement on Tariffs and Trade
GDP	Gross Domestic Product
HIPC	Heavily Indebted Poor Countries
IC	International Council
IDS	International Development Studies
IMF	International Monetary Fund
IPE	International Political Economy
IR	International Relations
ISI	Import Substitution Industrialization
KPR	Korean People's Republic
KRB	Korean Reconstruction Bank
MCP	Malawi Congress Party
MDC	Malawi Development Corporation
MDGs	Millennium Development Goals
NAFTA	North American Free Trade Agreement
NGOs	Non-government organizations
NIEO	New International Economic Order
ODA	Official Development Assistance
ODC	Oriental Development Company
OECD	Organization for Economic Cooperation and Development
SEZ	Special Economic Zones
TDHB	Transnational development historic bloc

xii *List of Abbreviations*

TT	Tobin Tax
UN	United Nations
UNDP	United Nations Development Programme
WSF	World Social Forum
WTO	World Trade Organization

# 1

## Introduction

From the push for 'Third World' modernization to the current human security development discourse, there has been no scarcity of ideas and practices claiming to represent the blueprint for the march towards cultural, political and economic capitalist modernity for social formations in the global South (South). Overall, in the post-1945 period, ideas embedded in shifting development discourses have emerged as the 'common sense' (Gramsci, 1971) through which this process is imagined and mapped out in policy. This development has made questioning the underpinning philosophy, aims and effects of development discourses in a prevailing conjuncture an act of pure folly in the eyes of most people in the global North (North) and the South. Thus, despite the fact that the history of the last several decades has indicated the limitations of these discourses, the promise of development in the South along Euro-American lines continues to 'gain acceptance everywhere' even though 'the moral duty is fulfilled in the very act of proclamation rather in any actual success' (Rist, 2004: 215).

While the manner in which development discourses translates in a given social formation in the South is mediated by local conditions, including resistance by social forces, historical experiences, religious traditions, social relations such as gender and class, the influence of these discourses cannot be ignored. At the subjectivity level, for instance, these discourses have generated a 'profound ideological shift' (Pigg, 1992: 492) on how political, cultural and economic processes are perceived (Ferguson, 1994; Escobar, 1995a; Mitchell, 2002). In Nepal, for example, the embedding of development discourse by international development institutions and the state has transformed 'the way in which people... conceptualize national society and differences within it', and, in the process, changed 'the meaning of the

village in Nepalese social imagination' and the approach to 'social identities' and processes of social change (Pigg, 1992: 491–492). Overall, as Rist (2004: 214) argues, development discourse 'being eminently social, this belief is a *product of history* ... but it is also an instance that *produces history* ... "Development", like any other belief, has become a historical agent ... Everywhere it wins acceptance' (Rist, 2004: 214–215). As a 'historical agent' development discourse has had significant effects on politico-economic processes in the South as we will argue and demonstrate in various parts of this book. Yet, despite its profound effects, proponents of this discourse have represented it relentlessly as a neutral scientific tool that explains and facilitates understanding of past and future politico-economic processes in the South, and as a set of ideas, that enables the transition of tradition societies to the linear path of universal modernity.

This book has two objectives. The first one attempts to re-think post-1945 development discourses in an effort to move beyond their technocratic and ahistorical representation and to highlight their core sources of power. The book argues that, in the context of shifting world orders (Cox, 1981; 1987), these ideas and other elements of a given world order have greatly influenced politico-economic processes in the South. In addition, it is argued that they have shaped the international development policies of dominant metropolitan states in the world politico-economic order and those of institutions of global governance, from Third World modernization to the current human security development discourse that informs the Millennium Development Goals (MDGs) framework.<sup>1</sup> We discuss the preceding issues in the chapters that form the first section of the book. Following this introductory chapter, the next one discusses the relevance of the neo-Gramscian tradition and Anibal Quijano's 'coloniality of power' (2007; 2008) perspective to our central concerns. Chapter 3 demonstrates the deep embedding of orthodox development ideas in the geopolitics and socio-economic modalities of the post-1945 world order and the politico-economic effects of these ideas. With a specific focus on the role of the state in the economy in Malawi and South Korea, Chapter 4's concern is highlighting the analytical poverty of orthodox development perspectives in the study of politico-economic processes in the South.

While a discussion of orthodox development ideas and their effects is a thread that runs throughout the book, our analysis takes a dialectic and ethical approach to the study of politico-economic processes. Thus, its second objective – the focus of the chapters comprising the second part of the book – is to tease out developments and debates

that are currently calling for or are considered to signal the transformation of the core features of the prevailing neo-liberal and securitizing world order. Utilizing insights from the theoretical traditions underlying this project, Chapter 5 examines debates in International Political Economy and International Relations, and institutions of global governance concerned with the question of the transformation of global governance in the contemporary era. In Chapter 6, we discuss developments in China and Russia in the era of a neo-liberal world order, in addition to the nature of China's involvement in contemporary Africa. The focus of Chapter 7 is an examination of the rise of the human security development discourse and its adoption by institutions of global governance and dominant metropolitan states in the context of neo-liberal development ideas and securitization of development and security. Focusing on the World Social Forum, Chapter 8 traces the rise, contributions and tensions of a global phenomenon, which some scholars refer to as 'counter-hegemonic globalization' (Santos, 2008: xix). The Epilogue's concerns are the implications of the current crisis of the global liberalized financial system and the ascendancy to power of President Barack Obama in the USA to the world order.

Overall, the book hopes to enrich the field of international development studies (IDS) in four ways. The first is by indicating the ways in which the constitutive elements of the post-1945 world order have influenced politico-economic processes in the South. In this respect the book demonstrates how shifts in world orders have generated powerful ideas which, coupled with other elements of a given order, have influenced these processes in the South, including facilitating the reproduction of the power asymmetry between the North and the South in the world politico-economic system and other manifestations of coloniality of power. Such an approach to the study of politico-economic processes in the South interrupts the tendency in dominant approaches in IDS to ignore the influence of global political, economic and intellectual developments on these processes and, importantly, it historicizes the rise of development discourses. Ignoring the influence of the interplay of local and global conditions and representing orthodox development ideas in neutral terms is not only an analytically flawed approach, but also it has marked socio-economic, political and ideological effects. For instance, it enables the de-politicization of the rise of the capitalist world system and the power asymmetry that underpins this system and its conjunctural world orders. Moreover, such an approach treats the South as a marginal rather than a constitutive geopolitical-economic formation underpinning the emergence and evolution of the world



politico-economic order. Overall, as Enrique Dussel (1996) has posited in his critique of what he calls the 'developmental fallacy' embedded in development discourses, the latter's tendency is to ignore the double process that has characterized the rise of the world politico-economic structure: the dominance of Northern metropolitan social formations and the marginalization of the South. Thus, for a comprehensive understanding of the political economies of the South to emerge, at the least, analysts need to recognize that 'since 1492 the periphery [South] is not a "before," but an "underneath": the exploited, the dominated, the origin of stolen wealth, accumulated in the dominating, exploiting "center"' (ibid.: 5). Consequently, from a neo-Gramscian perspective we suggest that politico-economic processes in the South or elsewhere are better examined 'not as a sequence or series of discrete events or moments which when aggregated equal a process of change' but rather as influenced by 'the ensemble of social relations' (Gill, 1993: 24) involving the interplay of local and global economic, ideological and political developments in a given historical moment.

Second, we conceptualize orthodox development ideas through a power analytic in an effort to destabilize the technocratic and apolitical pretensions that have always marked development discourses. In this respect, our analysis departs from the 'positivist methodological individualism'<sup>2</sup> of orthodox development discourses that represent them as being neutral. Third, and at the level of theoretical formation, this project highlights the relevance of the neo-Gramscian critical theory tradition to the study of politico-economic processes in the South. However, even though this tradition forms the analytical foundation for this project, we contend that it is limited. To address some of its analytical gaps, we incorporate insights from the coloniality of power approach. Further, drawing on insights from critical feminist analysis, in Chapters 3, 5 and 7, we provide brief examples indicating the gendered foundations and effects of orthodox development discourses, and other elements of shifting world orders in the post-1945 period. While our focus in this respect is orthodox approaches in IDS, our premise is that the neo-Gramscian and the coloniality of power perspectives also ignore their gendered foundations and the gendered effects of ideas and world orders.<sup>3</sup> Fourth, the book contributes to IDS by discussing the question of transformation. Departing from the positivist and 'problem-solving theory' (Cox, 1981) framing orthodox development perspectives, we engage with the question of transformation of core features and other politico-economic conditions characterizing the contemporary neo-liberal and securitizing order. Such an approach we suggest opens up

discursive and political space that enables critical reflections of normatively grounded questions, such as the 'emancipatory potential' (Santos and Rodríguez-Garavito, 2007: xxi) of contemporary developments such as the World Social Forum (Chapter 8) and the ascendancy to power of President Barack Obama (Chapter 9) in the USA.

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# **Part I**

## **World Orders and Development Discourses**

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# 2

## Analytical Framing

In analytical terms, our premise is that the neo-Gramscian critical theory contributes to an examination of the central concerns of this project in several ways, two of which mark our entry point: its framework of world orders and dialectical approach to world orders and other power structures. In this chapter, we discuss the ways in which analytical insights from these dimensions of the neo-Gramscian tradition and other concepts from Gramsci's work, such as hegemony, organic intellectuals and historical bloc contribute to this project. Nonetheless, as we suggested in the last chapter, even with its robust analytical insights, this tradition can only lead to partial understanding of politico-economic processes in the South. Thus, in an effort to enrich the field of IDS and to broaden the neo-Gramscian approach, our project draws on analytical insights from Quijano's coloniality of power perspective. The first four sections of the chapter provide a discussion indicating the neo-Gramscian analytical framing of this project. In the last section, we highlight the contributions of the coloniality of power approach to the study of political and economic processes in the South.

### **World orders, development discourse and hegemony**

The neo-Gramscian framework of world orders provides an important analytical entry point enabling us to develop one of our underlying claims: that in the post-1945 period, shifts in world orders have generated ideas that have influenced politico-economic processes in the South. In his articulation of the framework of world orders, Robert W. Cox argues that a prevailing world order (1981: 135–136) is characterized by a 'configuration of forces' comprising of ideas, institutions and material capabilities (*ibid.*: 138). Nonetheless, his work does not assume

that this configuration of forces influences political and economic processes in a mechanistic way at a given juncture. As he states, 'no one-way determinism need be assumed among these three; the relationship can be assumed to be reciprocal.... The question of which way the lines of force run is always an historical question' (ibid.: 136) that can only be answered through an examination of politico-economic imperatives and developments of a given world order, and responses from social forces.

Though neglected in development discourses, we argue and demonstrate in Chapters 3, 4 and 7 that the rise of these discourses in the post-1945 juncture is linked to broader developments at the global level, especially shifts in ideas of a given world order. Further, moving beyond the technocratic and neutral representation of development discourses, we consider the latter as embodying the three elements of power articulated in a different context by Stephen Gill and David Law: overt, covert and structural (1988: 73–80). These elements of power in different but complementary ways enable development discourses to influence political, cultural and economic debates and practices in the South. Development discourses are thus considered here as embodying structural and ideological power with significant, cultural, political and economic effects. While characterized by contradictions and tensions at a given conjuncture and mediated by a range of social forces and conditions at the local level, these ideas delineate, for example, the terrain of debate concerning questions of democracy, the organization of economic production and struggles for gender equality.

Given their analytical and other shortcomings, the question remains as to what generates the power and resiliency of orthodox development discourses. We contend that a core source of their power lies in their being a constitutive feature of a given world order in the post-1945 period and the normalization and de-historicization of Euro-American transition to capitalist politico-economic modernity. The embedding of these discourses in a given world order provides dominant actors in this order enormous discursive space and other capabilities that enable them to construct 'consent'<sup>1</sup> and gain hegemony for their vision of politico-economic practices. For Antonio Gramsci, hegemony represents a process through which a dominant class or its elements, in a national context manages to make its interests accepted by other classes. Describing the characteristics of a hegemonic struggle, Gramsci states:

Previously germinated ideologies become 'party', come into confrontation and conflict, until only one of them, or at least a single combination of them, tends to prevail, to gain the upper hand, to propagate itself throughout society—bringing about not only a unison of economic and political aims, but also intellectual and moral unity, posing all the questions around which the struggle rages not on a corporate but on a 'universal' plane, and thus creating the hegemony of a fundamental social group over a series of subordinate groups.... [Thus] the development and expansion of the particular group are conceived of, and presented, as being the motor force of a 'universal expansion'. (1971: 181–182)

For Gramsci, ideas articulated by 'organic intellectuals' linked to a dominant politico-economic order play a significant role in the struggle for hegemony. In his view, 'every social group, coming into existence on the original terrain of an essential function in the world of economic production, creates together with itself, organically, one or more strata of intellectuals which give it homogeneity and an awareness of its own function not only in the economic but also in the social and political fields' (ibid.: 5). The success of organic intellectuals stems from their ability to present the ideologies, ideas and political and economic interests of dominant social forces as necessary, natural, inevitable and universal. In the context of shifting world orders in the post-1945 period, leading organic intellectuals have generated hegemonic ideas about politico-economic processes in the South. The ascendancy and embedding of these ideas for instance, those that underpin the neo-liberal development discourse's self-regulating market doctrine (Chapter 3), has been facilitated by organic intellectuals situated in major sites of hegemonic knowledge production such as dominant universities in the North who are also closely linked to ruling elites in the North and the South. For instance, the introduction and implementation of neo-liberal policies by 'the Chicago boys' in Pinochet's Chile was closely tied not only to the writings of Milton Friedman and his close links with Chilean economists trained at the University of Chicago, but also to his personal ties to President Pinochet. Writing to President Pinochet on the question of neo-liberal 'shock-therapy' Friedman for instance advises him as follows: 'if this shock approach were adopted, I believe that it should be announced publicly in great detail, to take effect at a very close date. The more fully the public is informed, the more will its reactions facilitate the adjustment' (Milton Friedman in



a letter to General Augusto Pinochet, 21 April, 1975, quoted in Klein, 2007: 91).

Overall, the hegemonic status of development discourses and their being strongly intertwined with other features of a prevailing world order act as vital sources of their power, enabling them to influence and shape politico-economic processes in the South. Peter Hamilton's seminal observation about the workings of hegemony brings into focus the powerful effects of these discourses given their hegemonic status: 'it is the sheer taken-for-grantedness of hegemony that yields its full effects—the "naturalness" of a way of thinking about social, economic, political and ethical issues' (1986: 8). Essentially, building on early colonial epistemologies and images, development discourses have in the post-1945 period constituted a powerful hegemonic 'representational system' (Hall, 1997: 5) that has historically, and in the contemporary era of securitization (Chapter 7) of development, played a central role in the articulation by dominant metropolitan states and other key actors in the world order of what they consider as the necessary political, economic and cultural trajectory in the South. On the whole, these discourses have come to form a powerful lens through which the South is imagined and acted upon by a range of social forces in the world politico-economic order. Thus, the power of these discourses and the sources of this power need to be illuminated. For while 'the discourse of development, the forms in which it makes its arguments and establishes its authority, the manner in which it constructs the world, are usually seen as self-evident and unworthy of attention' it does 'not arise in a social, institutional or literary vacuum ... [it is] assembled within a vast hierarchical apparatus of knowledge production and consumption sometimes known, with metaphorical precision, as the 'development industry' (Crush, 1995: 6). Overall, as Arturo Escobar posits, in Michel Foucault's sense of discourse, hegemonic development discourses establish 'a space in which only certain things [can] be said and even imagined' and in the main they generate a 'process through which social reality comes into being, ... [and] the articulation of knowledge and power, of the visible and the expressible' (1995a: 40).

For over 60 years hegemonic development discourses have set the parameters of debates and practices concerning a range of issues pertaining to core areas forming the 'web of life' (Harvey, 2006: 88)—economy, politics, environment and culture—in the South, and with powerful effects. Though mediated by domestic social forces and conditions, and structural, political and economic factors that underpin the 'uneven geographies of capitalism' (ibid.: 69–116) that have emerged in the rise

of the world politico-economic order, the language and concepts of these discourses represent and facilitate the reproduction of national and global power asymmetries. Yet, even with their significant effects hegemonic development discourses continue to be portrayed in technical and neutral terms; as being geared solely to aiding the process of economic and political progress and to containing, in the age of the global war on terror (Chapter 7), the various threats to national and global security posed by the South's 'underdevelopment'. To be sure, the nature and extent of the influence of the elements of power underpinning hegemonic development discourses and other features of a prevailing world order on a given social formation in the South is an empirical question, but historically, prevailing world orders have generated political and economic ideas that cannot be theorized away, ignored or passed off as neutral or universal scientific forms of knowledge. As Cox has argued, theories or ideas are 'always for someone and for some purpose.... The world is seen from a standpoint definable in terms of nation or social class, of dominance or subordination, of rising or declining power, of a sense of immobility or of present crisis, of past experience, and of hopes and expectations for the future' (1981: 128).

This project's focus on the nature and power of the hegemonic development discourses, however, does not mean that social forces in the South have no agency in their encounter with these discourses and other elements of a prevailing world order. Thus, while we use the concept of hegemony to illuminate the power of orthodox development discourses, we do not claim that these discourses and the drive for their global embedding by dominant actors in the world order and their allies in the South is total, that is, it leaves no room for alternative ideas and counter-consensus movements to emerge. This kind of claim would be a misinterpretation of Gramsci's dialectical thinking in his formulation of hegemony and other concepts. For Gramsci, the struggle for hegemony among political forces is dialectical, thus the possibility always exists for the formation of counter-hegemonic discourses and practices. Further, as Cox argues in relation to ideas characterizing a given world order, 'different groups of people... [hold] differing views as to both the nature and legitimacy' of these ideas and other constitutive features of such an order. He goes on to argue that 'rival collective images' of a given world order 'provides evidence of the potential for alternative paths' (Cox, 1981: 136). Arguing along these lines we suggest that examples do exist of states and social forces in the South challenging the world economic and political order. In the 1970s, for instance,

a bloc of Third World states attempted to challenge the world order by calling for the establishment of a New International Economic Order (NIEO).<sup>2</sup> Further, in the contemporary world order underpinned by neo-liberal ideas and securitizing logics, ‘new social movements’ (Escobar, 1995b; 2008) and movements and organizations linked to the World Social Forum (Chapter 8) are contesting core practices of this order and the nature and effects of its hegemonic development discourse. Further, these movements and other new social movements are seeking alternatives to hegemonic politico-economic ideas and practices, and defending their views of the social.

### **Institutionalizing world orders and development discourse**

The post-1945 world order has emerged as a major source of power for hegemonic development discourse in other ways. For instance, the evolution of this order has seen the concentration of power not only in social formations in the North but also in the institutions of global governance that have emerged during this period. Like other processes of institutionalization, the rise of these institutions has been aimed at providing ‘a means of stabilizing and perpetuating’ (Cox, 1981: 136; 1987; see also Arrighi, 2005) the post-1945 world order. As the architectural core of the world order, these institutions play a pivotal role in the production and embedding of hegemonic ideas about state formation, human security, economy production and democratization in the South. The leading institutions of the post-1945 world order—the World Bank, the International Monetary Fund (IMF), the United Nations (UN) and since 1994 the World Trade Organization (WTO)—have over the years not only appropriated development ideas generated by leading organic intellectuals of the world order such as Deepak Lal (1985) in the contemporary era of neo-liberalism and Samuel Huntington (1967 and 1968) in the era of Third World modernization discourse, but also they have emerged as key producers of hegemonic development knowledge. These institutions are the primary avenue the hegemony of the world order is constituted and consolidated in post-1945 for ‘they [a] embody the rules which facilitate the expansion of hegemonic world orders . . . are themselves the product of the hegemonic world [b] ideologically legitimate the norms of the world order [c] co-opt the elites from peripheral countries and [d] absorb counter-hegemonic ideas’ (Cox, 1993: 62).

The material capabilities they command as providers of loans and their being a constitutive feature of the post-1945 world order are key features that have enabled institutions of global governance to play a major role in politico-economic arenas in the South. Further, their role as producers of development knowledge has contributed to their emergence as key actors in the framing of international development policy. As a core institution of the contemporary world order for instance, the World Bank is a pivotal actor in the training of potential advocates of the neo-liberal ideas marking this order. The Bank does not shy away from identifying itself as a key player in this respect, as the following quotation from one of its training seminars on contemporary neo-liberal inspired environmental economic discourse for participants from various African countries, Russia and Chile indicates:

The purpose of this training seminar is to try to create an epistemic community in Africa so that you can have more power with your governments when negotiating for institutional reform. You won't feel alone. We'll help you set up networks and share information. You will be able to say to your bosses: 'Hey, but that's how they're doing it next door, and look how successful they are.' We are prepared to offer you support. . . . And when you return home after this workshop, we would like you to initiate your own training workshops on environmental economics. This way we can change decision-making in your countries. (World Bank, 1995, cited in Goldman, 2005: 1-2)

Given their positioning in the world order, these institutions constitute the central pillar of the post-1945 global development knowledge production and dissemination apparatus. For the past six decades, these institutions have played an important role in the evolution of an internationally linked 'epistemic community' that includes development experts in leading ministries such as finance and economic planning; central banks in the South and their counterparts in the North; private actors, especially those involved in global finance; owners of multinational corporations; and, increasingly, non-governmental organizations involved in functions that have historically been the preserve of the state. In their discussion of 'epistemic communities' Emanuel Adler and Peter M. Haas argue that these communities are engaged not only in the production of intellectual innovations but also in their dissemination:

under specified conditions, we can view international politics as a process by which the innovations of epistemic communities are

diffused nationally, transnationally, and internationally to become the base of new or changed international practices and institutions and the emerging of a new world order. . . . Once the expectations and values injected by epistemic communities into the policy process are internationally shared, they help coordinate or structure international relations (1992: 373).

Essentially, the structural power that institutions of global governance command has facilitated the formation of a global development epistemic community and made these institutions central producers and controllers of development knowledge, a social reality that has significant consequences in, for instance, the current promotion of a human security development discourse (Chapter 7). Because of their positioning in the world order, they are key actors in the global development knowledge apparatus, for while 'knowledge is power' these institutions have enormous power in the world order and 'power is also knowledge' for 'power decides what is knowledge and what is not knowledge' (Alvares, 1992: 230). Discussing the World Bank's power and effects in the global development epistemic community under neo-liberal conditions, Michael Goldman states:

To drum up continuous business in a circumspect world, the Bank depends on its capacity to generate the ideas of new global problems as well as on its own global expertise, new mechanisms for intervention as well as new reasons for countries to borrow, new development subjects and subjectivities as well as new forms of its own legitimation. The Bank works hard to create its own demand through the production of new transnationalized institutions, networks, norms, beliefs, and professionals (who have become a class in itself). In this odd space of 'transnational society,' some government agencies and civil servants can participate in a potentially lucrative neoliberal agenda even while their peers in governments and society do not. (2005: 34)

### **World orders' material capabilities and transnational development historical bloc**

As well as from ideas and institutions, hegemonic development discourses derive their power from the material foundation of shifting world orders. The conjunctural world orders that Cox theorizes, and which form an important analytical entry point for this project, are