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The Intellectual History of Development

Towards a Widening Potential Repertoire

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Preface

The Centre for African Studies (CAS), which is part of the School of Global Studies at Göteborg University, has in recent years added international development cooperation to its sphere of teaching as well as research. A masters program (“bredd-magister”) on African Studies with special emphasis on international development cooperation was launched in 2005/2006 and 2006/2007. As part of the Bologna Process the program has now been integrated in the joint two-year masters program of global studies from September 2007.

During the period up to date it has been established that teaching materials with special relevance to Swedish and European development policies are not readily available to the extent that is required. At the same time the students have produced a number of good essays and reports within different fields. To fill the gap we at CAS have decided to produce a series of smaller publications called “Perspectives on...”. Some of them, will after an introduction to the subject by some of the teachers of CAS, include relevant articles on the subject and comments made by masters students at the Centre for African Studies at Göteborg University. Others will include more in depth original material. We plan to publish most of the material in English but might also publish some material which we have readily accessible in Swedish. The idea is to publish these Perspectives on the CAS Website and if necessary to up-date them from time to time. If there is a demand we might also publish a small number of hard copies.

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The Intellectual History of Development: Towards a Widening Potential Repertoire

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The intention of this article is to outline the post-World War intellectual history of development.¹ Needless to say such an undertaking requires bold simplifications. Nevertheless, the paper sets out to grasp some important trends and features of a fascinating history of ideas. In this narrative three basic arguments will be brought to the fore. First, that there has been an *enrichment* of development thinking during the last fifty years or so, and that the notion of development has evolved during this time from something fairly simplistic to something much more complex (Hettne, 1995; Nederveen Pieterse, 2001; Schuurman, 2000; Simon, 1999; Thorbecke, 2006). Secondly, that an epistemic consequence of this enrichment is that the *potential repertoire* – i.e. the backcloth of knowledge and experiences that are available at a certain moment in history and in a certain location - has been widening over time (Liedman, 1997, p. 219). In my view this extension of knowledge, theories and perspectives constitutes a challenge to contemporary students in development related academic fields. Thirdly, the *agents of development* and the *levels of development analysis* have multiplied. In the beginning of the period the nation-state was viewed as the self-evident unit of analysis and agent of development. Due to globalization this is no longer the case (Hettne, 2008, Forthcoming; Nederveen Pieterse, 2001; Payne, 2001).

Historical outlines with resemblance to this one has been carried out in a much more impressive manner by various distinguished scholars (Hettne, 1995, 2008, Forthcoming; Nederveen Pieterse, 2001; Odén, 2006; Rist, 1997; Schuurman, 2000; Thorbecke, 2006). My own particular contribution – if any – lies in the connection of this history of ideas to the epistemic concept *potential repertoire* and thereby to its possible implications for students and learners interested in development issues.

Conceptual clarifications: *development, development thinking and potential repertoire*

First a very basic clarification. What we are dealing with throughout this article is the concept *societal development*, which in turn must be distinguished from e.g. an organism's biological development or an individual's psychological development. These are very different matters although theorizing on societal development often have a certain inclination to borrow biological metaphors (Nisbet, 1969, 1980). Now, the concept *development* – likewise concepts such as e.g. democracy, freedom and justice – must be viewed as an *essentially contested concept*, i.e. although we might agree on the importance of the notion as such we will never be able to reach an agreement on the proper interpretation and application of the concept (Gallie, 1956). In a similar line of reasoning Hettne concludes: *'There can be no fixed and final definition of development, only suggestions of what development should imply in particular contexts'* (Hettne, 1995, p. 15). Accordingly development must be conceptualized in relation to societal aims and how society perceives and intends to deal with societal problems (Abrahamsson, 2007; Hettne, 2008). As will be evident in this historical outline this changes over time, because as society solves some problems new ones tend to emerge. Consequently pondering development is a never ending task. In a very broad and general

¹ This article constitutes a revised version of a chapter in my forthcoming dissertation. I wish to express my gratitude to Lars Gunnarsson, Rune Romhede, Lennart Wohlgemuth and Joakim Öjendal for reading and commenting upon the first draft of the text.

meaning it might be possible to view development as some kind of qualitative improvement of society. However, a crucial component of Hettne's and Abrahamsson's thinking is that development (and development thinking) is never socially neutral. Hence when society changes some actors will find themselves in a more favourable position whereas others are likely to experience some kind of, at least relative, decline. This is why *development* and *conflict* is intimately interrelated.² Thus different conceptions of development reflect different interests (Abrahamsson, 2007; Hettne, 2008; Nederveen Pieterse, 2001). We will return to this line of thought in the next section. A basic distinction could further be made between development viewed as something *immanent*, e.g. Hegelian notions of development as built-in to history, and development viewed as the result of actor's *intention*, e.g. modern notions of social engineering. Obviously modern development thinking is intimately connected to the latter line of thought, i.e. that development is dirigible through human agency. Put differently, that qualitative improvement of society is possible by means of '*societal problem solving*' (Hettne, 1995, p. 263). However, according to Hettne, the degree to which development thinking believe that development can actually be planned has been varying throughout history. This, in turn, can be reflected in institutional tensions between proponents of state intervention and proponents of market solutions (Hettne, 2008). Cowen & Shenton argues that this tension between intentional and immanent development and the difficulties of making the first consistent with the latter contributes to the very difficulty of defining *development* (Cowen & Shenton, 1996, p. 438).

Further, it is important to point out that the approach in this study is foremost *epistemic*. By this I imply that the primary focus of the article is *ideas* – i.e. thinking about development - rather than 'real' development(s) if such a designation could be accepted. In Hettne's Magnum opus *Development Theory and the Three Worlds* an analytical distinction is made between *development theory*, *development strategy*, *development ideology* and the overarching concept *development thinking* (Hettne, 1995, pp. 15-16). *Development theories* are recognized as scientific theories concerned with social change. Development theories can be sub-divided into *normative* theories (i.e. that include propositions of what the world should be like) and *positive* theories (i.e. that deal with the world as it is). Most research incorporates both aspects but there are differences in degree and explicitness. *Development strategies* are understood as practical changes of economic structures and social institutions pursued in order to find long-term solutions to problems facing decision-makers in a society. Development strategies require an *actor*, e.g. a state, an international agency or a non-governmental organization. Since development strategies reflect different political objectives and logics the concept *development ideologies* may also be recognized. However, Hettne underscores that it is difficult to maintain these analytical distinctions between theory, strategy and ideology in real situations since they are intimately intertwined. Thus, one solution to this problem is to apply *development thinking* as a more comprehensive concept, i.e. a concept that sets out to catch the totality of ideas of development incorporating aspects of theory, strategy and ideology. Given the nature of affairs such an approach seems reasonable. Another advantage of applying the more comprehensive concept is that we do not delimit ourselves exclusively to the academic pursuit of development theories. Accordingly the ideas of administrators, development workers, planners and politicians can be brought into the discourse (ibid.). In line with this reasoning the object of study in this article is *development thinking* – or if you wish *ideas* – in the more comprehensive sense. Finally, however, it might be important to point out that my historical review of development thinking will not be entirely separated from 'real' development since ideas must be historically contextualized.

² This logic constitutes one of the theoretical foundations for the discipline *peace and development research*.

From a less epistemic and a more practice-oriented perspective it has however been argued that - despite the enhanced intellectual complexity and enrichment proposed in the preamble of this article - *development* all boils down to economic growth and market expansion which transform and destruct the natural environment and social relations (Rist, 1997). Personally, I find such a post-development standpoint too gloomy and reductionist albeit not altogether erroneous. Notwithstanding it leads us to make some important theoretical clarifications (cf below).

Finally a conceptual remark with a bearing on the process of learning. In his historical exposé of modernity *I skuggan av framtiden* (Transl. *In the Shadow of the Future*) Liedman introduces the concept *potential repertoire* which denotes the backcloth of knowledge and experiences that are available at a certain moment in history and at a certain location (Liedman, 1997, p. 219). According to Liedman the potential repertoire has been widening enormously in most corners of the world since birth of modernity in the late 18th century. This in turn must be understood as a result of both massive knowledge production and a remarkable evolution of information technology. There are in principle no limits to how much the potential repertoire of knowledge can expand or widen in a knowledge producing globalized world and Liedman underscores that the knowledge explosion in modern society implies dilemmas in terms of educational content selection. On the one hand specialisation and theoretical habitat could be encouraged on the basis of efficiency. On the other more comprehensive and common knowledge is important for the sake of social cohesion and public debate (Liedman, 1997, p. 221). In this context, with reference to development thinking, I will argue that the widening of the potential repertoire constitutes a considerable challenge to contemporary students and learners interested in development issues. As the array of knowledge, theories and perspectives have multiplied and grown in complexity – driven by dialectics and war of positions - the inclination to compromise a comprehensive approach is likely to increase. This, I argue, is unfortunate since I find a comprehensive understanding of the plethora of development thinking to be desirable. Getting there, however, is a more complicated matter.

Theoretical and methodological considerations

Two paradigmatic coherent lines of thinking have been important for my understanding of what shapes our notion of development and these make up the theoretical foundation of this historical outline. *First*, and most important, Hettne's theory of *mainstream-counterpoint dialectics* (Hettne, 1982, 1995, Forthcoming). According to Hettne each historical context is characterized by a certain development discourse, or if you wish, a broader academic and public debate on issues of development and under-development. Within the discourse there is a dialectic tension between the hegemonic opinion about development labelled *mainstream* and a critical *counterpoint* which fundamentally questions the predominating values and societal aims of the mainstream. Hence, the counterpoint represents the 'others', i.e. actors who feel marginalized or for other reasons oppose current societal changes, e.g. *organic intellectuals* in the Gramscian terminology. Obviously, as indicated above, development is not regarded as something socially neutral. The intellectual battle between mainstream and counterpoint will affect how development is conceived. Normally, according to Hettne, there is some kind of mainstream co-option of the counterpoint. In such a process the mainstream incorporates certain aspects of the counterpoint ideas and thereby, in a sense, tames it.³ This is one of the explanations to why the history of development thinking involves both elements of continuity and change. However, if the counterpoint ideas are considered to radical, utopian or otherwise incompatible with mainstream notions they will remain in the counterpoint as a competing paradigm or perspective (ibid.) In either case the

³ From a counterpoint perspective I imagine that this process could be interpreted along a continuum from *success* (power is listening and adapting) to *capitulation* (we have sold 'our' souls to power).

practical impact of counterpoint ideas have normally been limited and this is why Rist (1997) is not altogether erroneous, albeit too gloomy and narrow in my view. Put differently: we must neither overestimate nor underestimate the counterpoint. Now, crucial in relation to my argument about a widening *potential repertoire* is Hettne's viewpoint that paradigms in social science tends to accumulate rather than fade away (Hettne, 1995, pp. 17, 64). In relation to development thinking this denotes that old theories and strategies seldom are overthrown and replaced by new ones, thus *scientific revolutions* in Kuhn's vocabulary are rare phenomena (Kuhn, 1962). Instead, in the words of Potter (with reference to Hettne), development '*theories and strategies have tended to stack up, one upon another, co-existing, sometimes in what can only be described as very convoluted and contradictory manners*'. Accordingly, again in the word of Potter, '*change in development studies leads to the parallel evolution of ideas, rather than revolution*' (Potter, 2002, p. 63).⁴ In my understanding mainstream-counterpoint dialectics contributes to the enrichment of development thinking in two ways. Either mainstream development thinking co-opt (and thereby offers a certain adaptation to) the counterpoint whereby the development concept evolves or broadens. Another option is that mainstream development ignores the counterpoint whereby the counterpoint offers an autonomous competing paradigm or perspective. Regardless, from an *epistemic* standpoint, the result will be a widening of the *potential repertoire*. Consequently the possible ways of understanding and approach development is extended. Now, an interesting remark in this context is made by Nederveen-Pieterse. He argues that several decades of development failures have produced a widespread self-criticism within development circles. This, in turn, has led to an accelerating mainstream co-option of counterpoint ideas, i.e. the mainstream-counterpoint dialectics has speeded up in later years to a point where MAD, *mainstream alternative development*, does not seem like such a strange notion⁵ (Nederveen Pieterse, 2001, p. 79). Such increasing co-option (although I am a bit reluctant to the proposed acronym) only underscores my own point about increasing complexity and a widening potential repertoire which poses challenges to the contemporary student. However, as agelast Rist (1997) would be keen to point out, one must keep in mind that this does not necessarily reflect *real* development.

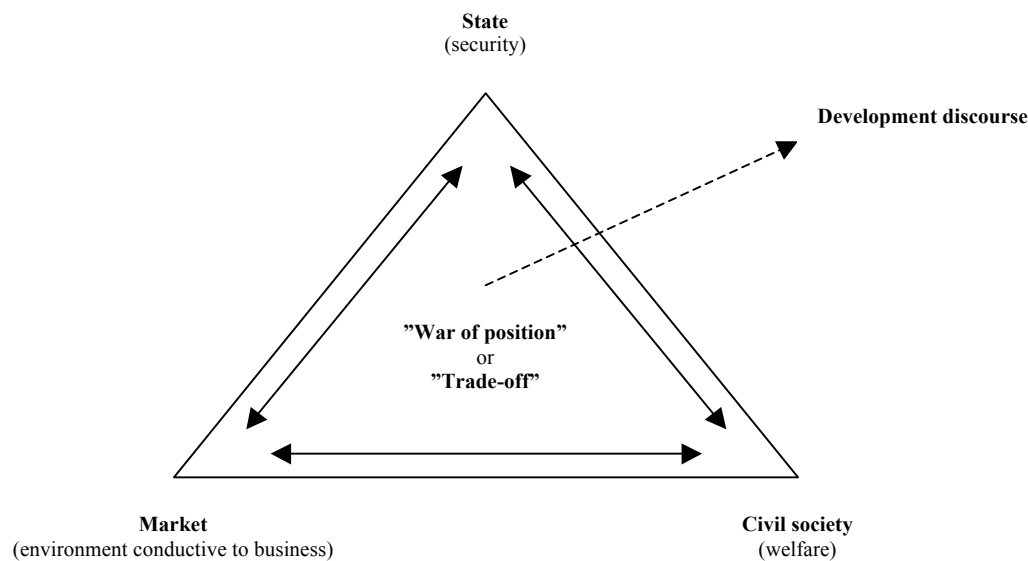
The *second* affined line of thinking upon which the historical outline is built could be traced to Abrahamsson's elaboration of Gramscian theory (Abrahamsson, 2003b; Gramsci, 1971). The complex totality of relations between different actors in society, e.g. state, market, civil society to put it simply, could be termed a *historic bloc*. Within the historic bloc there is an ongoing *war of position*, or if you wish '*trade-off*', between the actors. The term *war of position* refers to a prolonged, 'entrenched' battle within the superstructure in which knowledge, meanings and values becomes the object of struggle. Historically the actors have had different concerns. The main concern of the state has been *security*. The market's main concern has been an *environment conducive to business*. Civil society's main concern has generally been *welfare*.⁶ The outcome of this war of position is a political configuration which generates a *development discourse*, which in turn influences practical strategies and policies. The discourse is determined by the power relations between the main actors: state, market and civil society. The actor with the upper hand is most likely to have the largest influence on the discourse. Figure 1 is an attempt to illustrate this logic.

⁴ Further, regarding the evolution of development studies Hettne – with reference to Gareau – states: '*It is, however, hard to see this intellectual process as an accumulation of wisdom. More appropriately, one could speak of an accumulation of social science sects*' (Hettne, 1995, p. 249).

⁵ Nederveen Pieterse even uses the terms *cavofonic* and *schizophrenic* to characterize development thinking (Nederveen Pieterse, 2001, p. 96).

⁶ In a similar although not identical logic Hettne has recently pictured development as a balancing act between three fundamental values: *freedom, order* and *justice*. These values, in turn, can be related to the three 19th century ideologies: *liberalism, conservatism* and *socialism* (Hettne, 2008). Hence, this could be viewed as another way of conceiving the '*trade off*' within a historic bloc.

Figure 1. The production of a development discourse by means of a war of position within the historic bloc

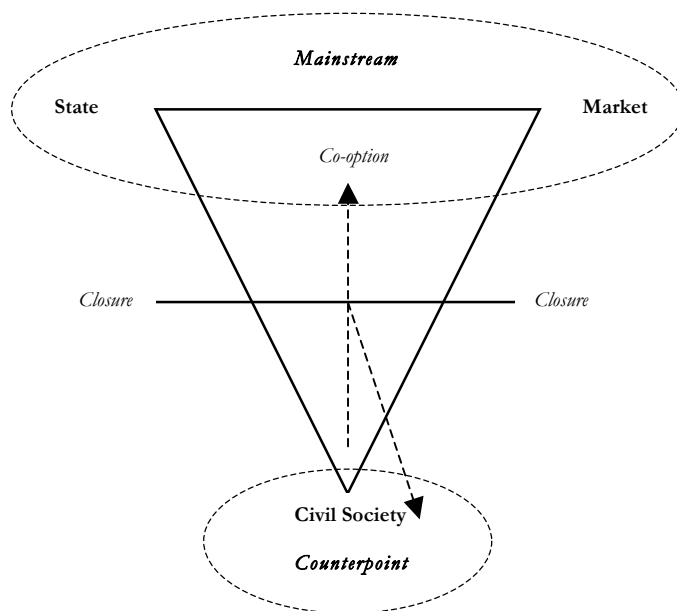


Throughout the larger part of modern history the state has normally had the upper hand, although this seem to have changed since the beginning of the 1980s (Abrahamsson, 2003b). Hettne argues that the state's external security concerns (i.e. fear of other states) have played a crucial role in the development efforts of the modern era. This so-called *modernization imperative* could be boiled down to the catch phrase '*industrialize or perish*' (Hettne, 1995, p. 38). Moving onwards in history it could be noted that a phenomenon such as development co-operation could be legitimized in line with all three logics: security interests (state), commercial interests (market) and altruistic concerns (civil society). Now, if the development discourse that is generated in the historic bloc is generally accepted among the actors – i.e. based on consent - we call it *hegemonic*. If it is found to be illegitimate among several actors – i.e. based on coercion – we call it *dominant*. Since the war of position is an endless endeavour discourses are always challenged. Naturally, however, hegemonic discourses are less challenged and accordingly more durable than dominant ones. Hence how a society conceives development, and what means it chooses in order to achieve it, is to a large part dependent on the interaction between actors within that very society. This means that social change implies transformations of – or at least challenges to – power structures. It should however be noted that in a globalized context different societies are interdependent. Consequently the war of position in one society may affect other societies. According to Abrahamsson the most powerful historical bloc shapes the world order (Abrahamsson, 2003b) This line of reasoning we recognise in concepts such as *Pax Britannica* and *Pax Americana* (Hettne, 2003). The world order further influences mainstream development thinking. As will be evident further on this is why it has become increasingly important to somehow merge Development theory and International Political Economy (Hettne, 1995, Forthcoming; Payne, 2001).

If we allow ourselves to make an admittedly simplified attempt to merge the theories of mainstream-counterpoint-dialectics and the war of position within the historic bloc we might turn to the chorus of an old song by a Swedish band called Blå Tåget. Accordingly the mainstream development discourse is normally predominantly based in some kind of state-market configuration whereas counterpoint challenges normally stems out of civil society (Hettne, 1995, p. 32). Put differently, this denotes that mainstream development thinking is - and has been - framed by foremost security policy and the logics of capitalism (Hettne, 2008).

However, as indicated above, mainstream counterpoint co-option seems to be accelerating (Nederveen Pieterse, 2001, p. 79). Figure 2 is an attempt to illustrate this line of reasoning.

Figure 2. Mainstream counterpoint dialectics within the historic bloc



Comment: The mainstream-counterpoint dialectics within the historic bloc is leading to either mainstream co-option of counterpoint perspectives illustrated by the counterpoint arrow entering the mainstream realm or mainstream closure towards the counterpoint whereby it forms a competing perspective or paradigm illustrated by the counterpoint arrow bouncing back.

This article is methodologically founded on a desk study entailing readings of doctrinal historical reviews and some, if you wish, historically context specific original work. In order to add transparency some remarks as regards periodization, selection and interpretation might be useful. To begin with historical periodization is never *'innocent'*. This, since it delimit and determine the narrative (Kjeldstadli, 1998, p. 212). However, for practical reasons periodic and thematic delimitations are necessary components in the process of studying and writing history. Moreover they serve a certain pedagogic purpose. In the present outline the narrative starts with the end of World War II and ends *inter editio*. This period, in turn, has been sub-divided into six specific periods. Since history is a flux these divisions are of course analytical and approximate. It should further be pointed out that World War II as a starting block for the intellectual history of development is debatable. According to Nisbet an essentially similar reasoning around the concept development could be traced from modern social science all the way back to the ancient Greeks (Nisbet, 1969). Other scholars are inclined to trace the origin of development thinking to the birth of the modern project – including Westphalian state formation and the enlightenment philosophy's idea of progress, as opposed to previous pre-Westphalian political structures and intellectual notions of divine providence (Hettne, 1995, Forthcoming; Liedman, 1997; Power, 2002). Nevertheless I have decided to focus on the post-World War period. There are several reasons for this. First, development was rediscovered after World War II through the reconstruction of Europe and the 'discovery' of world poverty. The inception of new concepts such as *Third World* and *developing countries* underscores the latter. This, in turn, is linked to the rise of international development co-operation, the emergence of development economics - as a separate branch of economics - which viewed problems in the development countries as specific and qualitatively different from the Great Transition in Europe and somewhat later the birth of

development studies as a more normative, interdisciplinary and critical field of research. Second, the end of World War II marks a new beginning of international relations, e.g. the birth of the UN system, the Cold War, decolonization and – again – the inception of international development co-operation.

As regards the selection of texts it should be recognized that the present article resides within a development studies tradition. This disciplinary habitat has indisputably influenced the process of selecting material which, in turn, should be critically recognized by the reader. Finally, being a desk study, the research process must be understood as a hermenutic exercise in several stages. In each of these stages misinterpretation and bias lurks (Prior, 2003). Now, articulating this problem is hardly synonymous to solving it. Accordingly the reader is encouraged to critically scrutinize my arguments and employment of sources.

Each of the following sections attempts to sketch answers to a set of questions in order to grasp the main trends and features in development thinking of that very period. Questions taken on are: *What can be said of the general historical context? What development problems were identified? What development goals were considered? Which means of development were identified? What actor had the upper hand in the historic bloc? Who was identified as the main agent of development? On what levels of analysis was development thinking operating? What can be said of mainstream-counterpoint dialectics? How can we conceive an enrichment of development thinking and, in turn, a widening of the potential repertoire?* The final section summarizes the most important conclusions with regard to my objective.

The reinvention of development thinking: World War II - 1960

The end of World War II somehow marks a new beginning of development thinking. The belief in modernization was surprisingly quickly revived after World Wars, economic depression, fascist irrationality and intellectual pessimism (Hettne, Forthcoming; Nederveen Pieterse, 2001). Moreover, development thinking reinvented itself in relation to former colonial areas through the inception of concepts such as *developing countries* and the *Third World*.⁷ The general historical context in which these ideas took root is important. It involves the emerging Cold War, the post-war reconstruction of Europe, the beginning of what is normally termed the *second phase*⁸ of decolonization and the inauguration of international organisations, e.g. the *United Nations* (UN) and the Bretton Woods institutions the *International Monetary Fund* (IMF), the *World Bank* and the *General Agreement on Tariffs and Trade*⁹ (GATT).

At the end of World War II Europe was literary speaking a bomb site. Hence it is hardly a coincidence that European countries' authority in the world declined nor that the colonial empires were on the threshold of disintegration. In this context two new superpowers – USA and the Soviet Union – filled the power vacuum and established a bipolar world order marked by two economic systems and a worldwide competition for political influence. In this competition poverty and lack of development became interpreted as a security issue. This condition is captured by Hettne in the catch phrase *the geopolitics of poverty* (Hettne, Forthcoming). The immediate security concern for the USA was post-war reconstruction of Europe. The US

⁷ The concept *Third World* was coined in 1952 by French demographer Alfred Sauvy as a label of developing countries with parallel to the *Tiers État* in pre-revolutionary France, i.e. the common people as opposed to priests and nobles (Payne, 2001, p. 6; Rist, 1997, p. 80). The concept became popular in a Cold War context, insinuating that developing countries had common characteristics and interests as opposed to the First World of industrialized capitalist countries and the Second World of industrialized socialist countries (Dodds, 2002; Szirmai, 2005).

⁸ Distinguished from the *first phase* of decolonization in North and South America during in the 18th and 19th century (Hettne, Sörlin, Lundgren, & Østergård, 1998, p. 360).

⁹ Converted into the *World Trade Organization* (WTO) in 1995.

administration feared that communism would exploit the European devastation and accordingly containment measures were prioritized¹⁰ (Abrahamsson, 2003b; Scott, 2001). Consequently in 1947 the Secretary of State, George Marshall, presented before the US Congress an impressive aid plan for the reconstruction of Europe – normally referred to as the *Marshall Plan*.¹¹ The Marshall Plan turned out to be very successful and as such it was to become a statute for future international development assistance.¹² Soon, obviously, the American visual point moved beyond Europe. In the inaugural speech of President Harry S. Truman after his re-election in 1949 the famous *Point Four Program* was presented. The last of his four points concerned the developing world and promoted a substantial increase of international development assistance. Truman concluded: *Fourth, we must embark on a bold new program for making the benefits of our scientific advances and industrial progress available for the improvement and growth of underdeveloped areas. ... Their economic life is primitive and stagnant. Their poverty is a handicap and a threat both to them and more prosperous areas* (Rist, 1997, Appendix I). Two obvious conclusions can be drawn from this speech. First, that (*their*) poverty was considered a threat to (*our*) security within the context of the Cold War and accordingly a motive for development assistance. Second, that modern industrialized countries were viewed as the blueprint for development.¹³ *They* should catch up and become like *us* (Odén, 2006, p. 46). Obviously security interests of the state played important parts in the emerging discourse of development assistance and many would argue that security interests have normally had the upper hand in international aid policy (Abrahamsson, 2003b, p. 155; Ehrenpreis, 1997, p. 15; Hettne, 1995, p. 154). However, economic interests and more altruistic concerns must not be neglected which reminds us of the political configuration between state, market and civil society within the historic bloc (Abrahamsson, 2003b). To this we might add that a frequent notion in the development debate is that the so-called *'like-minded'* countries, including Sweden, has been pursuing a more altruistic, solidarity driven and generous aid policy compared to more powerful donors (Odén, 2006). Swedish development aid in fact emerged out of civil society in this period through the work of different social and religious movements. The first embryonic national organ for Swedish development assistance – *Centralkommittén för tekniskt bistånd till mindre utvecklade länder* (CK) – was established in 1952 following recommendations by the UN (Odén, 2006).

Further, during this period the second phase of *decolonization* was initiated.¹⁴ It begun in Asia, e.g. India 1947, and towards the end of the period it was initiated in Africa, e.g. Ghana 1957. Decolonization implied that a huge amount of new states emerged and that the nation state (or perhaps rather the territorial state) as a principle for political organization became a global phenomenon (Hettne et al., 1998, p. 353). This denotes that state building and development efforts in the South walked hand in hand as two components of modernization just as it had previously done in Westpahlian Europe. In this context the nation state was viewed as the self-evident unit of development analysis and as will become clear below also the obvious agent of

¹⁰ Security interests obviously had the upper hand in the logics behind the Marshall Plan. However, interests of the unravaged american industry and a possible altruistic civil concern for the European mother countries probably also played its part which reminds us of the three main actors in the historic bloc: state, market and civil society (Abrahamsson, 2003b).

¹¹ In real terms the per capita distribution to Europe within this framework was eight times as high as the present per capita distribution of aid to all the countries of the South (Odén, 2006, p. 43).

¹² In this context it might be important to point out that this success probably nurtured exaggerated expectations which neglected the differences between the infrastructural reconstruction of Europe and the socio-structural challenges facing postcolonial countries (Hettne, 2008; Odén, 2006).

¹³ Nederveen-Pieterse maintains that modernization theory became to the American hegemony what Victorian anthropology had been to the British Empire (Nederveen Pieterse, 2001, p. 20)

¹⁴ It might be important to point out that the term *decolonisation* often has a negative connotation in the Third World. This since it appears to neglect the national liberation struggles and create the impression that the process was controlled by the colonial powers (Hettne et al., 1998, p. 362). I have decided to use the concept anyway allthough I fully acknowledge the importance of these liberation movements in the process.

development. It should be noted that both USA and the Soviet Union were promoting the disintegration of the European colonial system. USA wanted to establish a liberal world economy and gain access to raw materials and markets previously controlled by colonial powers. The Soviet Union interests were likewise ideological and geopolitical (Hettne, 2008). Accordingly the new states and national liberation movements of the Third World were able to gain economic and military support from either of the two superpowers, sometimes even switching from one to the other. However it should be noted that the establishment of the *Non-Aligned movement* at the 1955 Bandung conference constituted an attempt by Third World countries to defy Cold War bipolarity, colonialism and articulate common interests of poor countries (Rist, 1997, pp. 80-82).

During this era several important international organisations saw the light, e.g. the Bretton Woods institutions and the UN. Accordingly, although the *structure* of the Cold War world order was blatantly bipolar world *governance* incorporated both multilateral, plurilateral and unilateral dimensions (Hettne, 2003). At the 1944 Bretton Woods-conference in New Hampshire, USA, the forthcoming victors of World War II gathered to imprint the nearby post-war world. The conference brought about the inception of three important institutions and an international monetary system. The institutions consisted of the IMF - concerned with promoting stability of the international monetary system, the World Bank - concerned with promoting long term economic growth through aid and credit, and GATT - concerned with promoting international trade through tariff reductions.¹⁵ Further, the so called Bretton Woods-system constituted an international monetary system in which all countries currencies became fixed at a certain value to the dollar. The US government, in turn, pledged to convert dollars to gold at \$35 per ounce. Accordingly any country which wanted to change the value of its currency had to apply to the IMF. The result was a very stable international exchange rate system (Woods, 2001). Now, the foremost security motivated system that emerged, combining liberal world trade with buffering welfare states has latter been referred to as *embedded liberalism*. Thus the three Bretton Woods institutions and the adherent international monetary system made up the corner stones of the liberal world order under American hegemony as opposed to the Soviet system. In a sense these two spheres could be viewed as two emerging transnational historic blocs (Abrahamsson, 2003a, 2003b). During the period world trade started to grow exponentially and doubled its value approximately every seventh year (Cleaver, 2007; WTO, 2007).

The establishment of the UN in 1945 and the organization's embraced principle of sovereignty further contributed both to the decolonization process and the legitimacy of nation state as the self-evident political unit (United Nations, 1945: Article 2). The UN reflected the multi-dimensionality of world governance. The Security Council was characterized by plurilateralism and unilateralism whereas the less powerful General Assembly was more multilateral in kind. According to Rist the UN decision-making capacity was often severely delimited due to the veto-system in the Security Council. Consequently, the organization was inclined to concentrate more on issues where some kind of consensus could be established – *development* being one of them (Rist, 1997, p. 81). This brings us to the period's conceptualization of development.

The main perception of the development problem of this period could be captured in the concept *backwardness* (Abrahamsson, 2007; Hettne, 1995; Szirmai, 2005). Hence development became viewed as a matter of an imitative process whereby the poor countries were to catch up with the rich. Hence development became more or less synonymous to *economic growth* (Hettne, 1995; Odén, 2006; Thorbecke, 2006). In rear view this notion of development as equivalent to economic growth, measured through GNP per capita, seems extremely simplistic (Nederveen

¹⁵ Although it should be pointed out that agricultural products and textiles – i.e. the only sectors were developing countries might hold a comparative advantage – were not included into the GATT (Hermele, 2002).

Pieterse, 2001; Thorbecke, 2006). *Development economics*¹⁶ emerged as a separate branch of economics concerned with the specific problems of the so-called *backward* areas. According to Gunnar Myrdal the emergence of this new discipline was due to: decolonization, modernization 'hunger' in the newly independent developing countries and Cold War tensions which made world poverty a security issue (Hettne, 1995, p. 35). In this sense Myrdal's reasoning obviously parallels the general logic of this narrative. Basically all development economists in this period shared two fundamental notions: development equals *economic growth* and a large injection of *investment* is crucial in order to achieve it. Thus lack of domestic investment was considered a key obstacle. This could be solved by either domestic savings or international development assistance. The backbone of these theories was the Keynes influenced Harrod-Domar model stating that the GNP depends directly on the investment rate and inversely on the capital-output ratio. This further requires that the growth rate of income is higher than that of the population for GNP per capita growth to be positive. Accordingly Malthusian concerns that economic growth was eaten by population increase also held a quite strong position in this era. Just to mention one example Leibenstein argued for the need of a 'critical minimum effort', e.g. external development assistance, to break the equilibrium. Rosenstein-Rodan, and somewhat later Nurkse, further emphasized the importance of a 'big push' of massive and balanced investment. The idea of 'balanced growth' boiled down to the idea that productive investment was necessary in several sectors simultaneously so that supply and demand increased in parallel.¹⁷ Myrdal held a similar position albeit emphasizing the role of institutions. Another model of importance in this period was Lewis 'two-sector-model' according to which development countries contain two economic sectors. One progressive, modern, industrial sector which must absorb labour surplus from a second stagnant, traditional, agricultural sector. Hence the modern industrial sector was conceived as the engine of economic growth and consequently it should be prioritized. All these different theories and models share a profound belief in planning and an interventionist state. Put differently intentional development or – if you wish - social engineering. This further denotes that the orthodox neo-classical economic tradition – which emphasized the importance of trade and comparative advantages – held a quite weak position in early development thinking (Hettne, 1995, pp. 35-44; Odén, 2006, pp. 49-52; Szirmai, 2005, pp. 78-90; Thorbecke, 2006, pp. 3-6). Two points might be important to add in this context. First, that this state-centred modern development thinking had a strong support among the national elite in most development countries. Thus the modernization model was never forced upon the 'Third World' countries (Hettne, 1995, pp. 38-39). In simple terms it could be argued that the notion that '*they*' should become like '*us*' often had support among Western university educated 'Third World' elites. Second, that the impressive growth performance of the Soviet Union 1928-1940 contributed to the development economists confidence in the state (Thorbecke, 2006, p. 4).

In sum then, as suggested by P. W. Preston, post-War development thinking was based on three main pillars: economic growth, state planning and international aid (Hettne, 1995, p. 36). Obviously the interventionist state was regarded as the central agent and guarantor of a successful development process which in turn could be interpreted as a reflection of its power position in the historic bloc (Abrahamsson, 2003b; Hettne, 1995; Nederveen Pieterse, 2001).

It should now be obvious that mainstream development thinking in this era was dominated by the modernization paradigm with emphasis on economic growth, industrialization, structural differentiation and functional specialization. This notion of modernity was shared by both Western capitalist and Eastern socialist countries whereby both compose parts of the same

¹⁶ *Development economics* which emerged in 1940s and 1950s must be distinguished from *development studies* as a more normative, interdisciplinary and critical field of research which emerged in the late 1960s and 1970s.

¹⁷ These two authors however had a somewhat more sceptical view on development assistance but agreed on the importance of an interventionist state (Hettne, 1995, p. 43).

mainstream development paradigm, albeit with different economic policies. As indicated above it is striking that both Western capitalist development strategies – notably influenced by Keynesian thinking - and Eastern socialist development strategies at this point paid considerable importance to the role of the state (Hettne, 1995). In my view it is difficult to identify any obvious counterpoint challenges to mainstream development thinking in this initial era of post-war modernization, although Hettne has suggested Gandhism in India and Maoism in China as cases in point (Hettne, Forthcoming). This denotes that a wide spread consensus on a extremely simplistic notion of development as synonymous to economic growth achieved through an imitative process constitutes the departure point for the potential repertoire that will widen as we travel further through history.

Heyday of modernization and development optimism: 1960-1970

The 1960s was foremost a period of widespread optimistic belief in modernization and development (Hettne, 1995; Odén, 2006; Szirmai, 2005). As indicated above the period could be designated the heyday of modernization. In December 1961 the UNs General Assembly proclaimed the 1960s as ‘the first development decade’ during which Member States and their people were to intensify their efforts to ‘*accelerate progress towards self-sustaining growth of the economy*’. Albeit acknowledging every country’s right to set their own targets, a minimum objective of 5 percent annual growth of aggregate national income was articulated (United Nations, 1961). This optimism was accompanied by resumed decolonization, most notably in Africa where not less than 31 independent states emerged throughout the decade (Mazrui, 1999). The Cold War security complex continued to be an ‘*overlay*’ to international relations with focal points in e.g. the Cuban Missile crisis and the Vietnam War. Accordingly development assistance was continuously used as an instrument of security policy by the superpowers (Buzan, 1991; Odén, 2006). However the 1960s further implied a fast increase of new donors on the international scene whereby the three former dominants USA, Great Britain and France were accompanied by multilateral actors such as different UN-organs and the World Bank, and various non-colonial European donor countries, e.g. Sweden. The fast expansion of bilateral donors, in turn, brought about a debate on the problems of coordination which ever since has haunted international development co-operation¹⁸ (Michanek, 1970; Odén, 2006). Moreover, the volume of aid increased quickly during the decade and in 1964 the *UN Conference for Trade and Development* adopted a recommendation that donor countries should allocate 1 percent of their GNI to the development countries (Odén, 2006, p. 63). World trade continued to grow exponentially and doubled its value two and a half time between 1960 and 1970 (WTO, 2007).

In the 1960s Swedish development co-operation was institutionalized through the adoption of two Government Bills and the establishment of a national development co-operation authority. The Government Bill 1962:100 – often referred to as the Swedish ‘*Bible of development co-operation*’ – laid the foundation (Odén & Wohlgemuth, 2007). The Bill articulates *solidarity* as the main motive behind Swedish development assistance but also recognize that other motives are adducible, e.g. commercial interests and security concerns with explicit reference to the Cold War (Prop 1962:100). Further 1962 brought about the establishment of the first national body for development assistance, *Nämnden för internationellt bistånd* (NIB). However, this body lacked the capacity to manage the increasing amounts of project applications and accordingly three years latter, in 1965, the *Swedish International Development Authority* (SIDA) was founded. When SIDA commenced it work in July 1965 the Swedish parliament had approved a concentration to six

¹⁸ The *Paris Declaration* adopted in 2005 is the latest ambitious attempt to achieve better donor coordination and create a ‘*new aid architecture*’ (cf. below) (DAC, 2005a).

recipient countries¹⁹ and three main areas of co-operation: education, health care and family planning (Odén, 2006, p. 68). Soon, however the number of countries and areas of co-operation would expand substantially. In 1968 the second Government Bill concerning development co-operation was passed. It confirmed the commitments of 1962 and added the goal of a 1 percent of GNP allocation to development co-operation by the financial year 1974/75 (Prop. 1968:101).

The general intellectual climate in the end of the decade, symbolized in the 1968 student revolts, might also be important to mention as part of the general context. Not least so due to its effect on social sciences in general and the emergence of development studies as a more normative, interdisciplinary and critical field of research in particular (Bourdieu, 1996; Odén, 2006; Schuurman, 2002; Seers, 1968). This further denotes that the general optimism that characterized the decade was challenged by more critical and pessimistic perspectives towards the end which in turn would imprint the 1970s.

Mainstream development thinking and the economic development models established in the 1940s and 1950s prevailed in the 1960s. This denotes that the notion of *backwardness* as the main development problem remained and that the simplistic notion of development as synonymous to *economic growth* continued to dominate. The difference between development and economic growth was not thoroughly problematized until the end of the 1960s (cf. below) (Odén, 2006, p. 57). In year 1960 a new book of momentous importance – more or less through its *confirmation* of previous thinking – was published. This evidently persistent work by W.W. Rostow was entitled *The Stages of Economic Growth: A Non-communist Manifesto* (Rostow, 1960). The sub-title clearly articulates development thinking's intimate connection to geopolitical security concerns within a Cold War context. Rostow's basic argument – captured in his famous airplane metaphor – was that all developing countries had to proceed through five basic economic stages: 1. The traditional society. 2. The pre-take-off society. 3. The take-off. 4. The drive to maturity. 5. The age of high mass consumption. According to Rostow all societies in the world could be identified as lying within one of these five stages (Rostow, 1960, p. 4). The advanced capitalist countries – USA, parts of Western Europe²⁰ and Japan - had reached the fifth stage whereas most developing countries were still in the first or the second stage. 'The good news' however was that all countries could 'take off' towards the age of high mass-consumption. According to Rostow the preconditions for take off is created in the second stage. Three factors are of importance here: increases in agricultural output, build up of social overhead capital and the emergence of a new political class – the entrepreneurs – who challenge traditional power structures. The common denominator of these three factors is increased *investment*. In the third stage most obstacles to economic growth are removed and the share of net investment in relation to national income rises from 5 percent to over 10 percent, outgrowing population pressure. The fourth stage is characterized by self-sustaining, albeit fluctuating, progress and diffusion of technology throughout the whole economy. Approximately 10-20 percent of national income is steady invested. Finally the stage of Fordist mass production and mass-consumerism is reached (Rostow, 1960). Obviously, an important policy implication of Rostow's analysis is that there is a need for large-scale investments – including state directed formation of social overhead capital. If domestic savings were insufficient this could be compensated through development aid or international credit. Clearly this logic relates to mainstream thinking of the 1940s and 1950s outlined above.

However, Rostow's seminal work has not only inspired but also encountered severe criticism. As articulated by Rist: '*The success of Rostow's book was thus due not to its originality but, on the contrary, to its roots in a tradition that assured for it a certain legitimacy*' (Rist, 1997, p. 103). Accordingly the book

¹⁹ Ethiopia, India, Kenya, Pakistan, Tanzania and Tunisia.

²⁰ Noteworthy is that comparatively large parts of *The Stages of Economic Growth* is devoted to Sweden.

appealed to a long Western tradition of *Universalist* claims, linear development thinking and a fundamental notion that *'they'* must catch up and become like *'us'*. Another share of criticism picks up on the fact the Rostow overlooks *environmental restrictions* to global mass consumption. Hence – in Rostow's world - the only threat to the mainstream Western development model was communism (J. O. Andersson, 2003). However, it should be recognized that Rostow - to a certain extent - identifies a post-materialistic problematic beyond high mass-consumption (Rostow, 1960, pp. 90-92). A third set of criticism was articulated by representatives of the so-called *dependency school* (cf. below) who accused Rostow of being *a-historical*. This since Rostow departed from the 'traditional society' as an original zero-point whereas dependency theorists, e.g. Frank, emphasized that 'internal' structures and institutions had been profoundly influenced and shaped by 'external' forces, e.g. colonial intrusion, Cold War politics and the global economic system (Szirmai, 2005, p. 93). Noteworthy is that Rostow, on the contrary, perceived external intrusion as a progressive force as regards transition. This through technological and intellectual diffusion *and* nationalistic counter-movements (Rostow, 1960, pp. 26-28)

Further as regards the period's conception of development Malthusian concerns about the 'population explosion' continued to hold a quite strong position in the debate. However, towards the end the decade this perspective lost momentum and became more nuanced (Szirmai, 2005). Hence population issues and family planning continued to imprint Swedish development assistance up to the 1970s²¹ (Michanek, 1970; Odén, 2006).

In general the trade-oriented neo-classical economic school retained a subordinate position in development thinking in the 1960s, just as it had done in the previous period. Rather, structuralist viewpoints which strongly questioned the blessings of international trade in the development process prevailed. The Prebisch-Singer thesis is probably the most famous articulation of this perspective. It denotes that primary product export orientation of poor countries results in a decline in their *terms of trade* and thereby income losses. Consequently instead of exploiting their comparative advantage within the existing international structure poor countries should attempt to change the structure by means of protecting domestic manufacturing and industries, i.e. imports substitution (Hettne, 1995, p. 41; Todaro, 1997, pp. 428-429). The *structuralists* could be viewed as a first step towards – or rather a part of - the emergent dependency school which will be dealt with in greater detail in the next section. As indicated above, and as will be evident in the coming section, the perception of development became much more problematized towards the end of the 1960s. The reductionist focus on economic growth would then be expanded and challenged. This, in turn, must be understood in relation to the rise of the dependency school, development studies as an academic discipline and the aftermath of the 1968 student revolts.

Throughout the *'first development decade'* the interventionist state kept its position as the central agent and guarantor of development which, once again, reflects its power position in the historic bloc (Abrahamsson, 2003b; Hettne, 1995; Nederveen Pieterse, 2001). In terms of analysis then the nation-state continued to be the obvious theoretical *'container'* (Beck, 1998). However a more global analysis was slowly gaining ground through the emerging dependency school (cf. below). Thus throughout the larger part of the decade the modernization paradigm continued to dominate mainstream development thinking and it remained quite unchallenged by any counter-point positions. However dialectics would speed up substantially in the 1970s. This denotes that the late 1960s could be viewed as a threshold to a hasty widening of the potential repertoire.

²¹ It should be noted that family planning still compose one of many parts of international development co-operation. However, I would argue that present family planning is more concerned with maternal health and thus more oriented towards creating greater intervals between pregnancies rather than limitation of population growth in the classical Malthusian sense.

Dependency and notions of another development: 1970-1980

The 1970s constitutes a very complex decade in terms of development thinking and consequently what I refer to as the potential repertoire widened substantially during this period. Continued mainstream development optimism, e.g. articulated in the UN proclamation of a '*second development decade*' (United Nations, 1970), shared intellectual space with critical pessimism and the emergence of various alternative counterpoint positions. However, among virtually all actors engaged in development thinking – regardless of vantage point - it became clearer that development could not solely be reduced to economic growth. Before we attempt to unravel some of these new thoughts and the adherent epistemic tensions an outline of the general historical context, processes and formative events will be sketched.

During the 1970s the Cold War went into a period of *détente* whereby the superpowers made attempts to manage their relations within a framework of negotiations and agreements, this however did not prevent them from maintaining support to allied regimes and movements in the Third World. Moreover during this period the USA withdrew from Vietnam and the Portuguese colonies in Africa gained independence. With exception of the white minority regimes in southern Africa the entire continent was now decolonized (Scott, 2001).

International economic interdependence kept accelerating during the decade and this expressed itself in various ways. The inception of sharp increases in oil prices by the *Organization of Petroleum Exporting Countries* (OPEC) had profound consequences. First, it brought about economic crisis in the West marked by stagflation, i.e. simultaneous stagnation and inflation, which contradicted traditional Keynesian theory and thus later contributed to the neoliberal counterrevolution of the 1980s. Second, the oil crisis influenced the general opinion's awareness of national economies vulnerability and dependence towards international trends and events. Third, the main share of OPEC surplus 'petrodollars' were deposited in Western commercial banks, particularly so in the London based Eurodollar market. These banks in turn re-directed deposits through extensive lending to development countries, which in their modernization strives were in great need of credit. This - in many cases irresponsible - lending would later contribute to the debt crisis in the 1980s. Fourth, despite articulated collective demands of the Third World in this decade (cf. below) the revenues of the OPEC countries and the Newly Industrialized Countries (NICs) to a large extent contributed to the dissolution of a the Third World as a political entity with common problems and interests (Abrahamsson, 2003b; E. Andersson, 2001; Hermele, 2004; Rist, 1997).

The course of events in the 1970s must also be understood in relation to the breakdown of the Bretton Woods-system. The maintenance of *Pax Americana* and increasing expenditures in Vietnam had brought about financial problems for the U.S. Administration in the 1960s. The deficits could not be handled through domestic taxation due to refusal by both Congress and public opinion. Consequently the U.S Administration decided to deal with the problem by means of using the printing presses to increase the supply of money and thereby cover the deficits through domestic lending. This proved to be a practicable strategy as long as American industry remained its competitive strength. However, when American industry started to loose its competitiveness the increased supply of dollars did not return to the USA but were used for investments and consumption in emerging industrial powers and by time of the oil crisis a large part ended up in the OPEC countries. Accordingly the U.S Administration was forced to announce that they could no longer guarantee the dollar-gold standard and the fixed exchange rate system broke down. The collapse of the Bretton Woods system brought about a virtual explosion of the deregulated financial market, e.g. the Eurodollar market mentioned above. Soon speculation proved more profitable than industrial production and the emerging power of financial actors would soon challenge the primacy of the state (Abrahamsson, 2003b).

The intensified economic interdependence presented itself in more ways. World trade virtually exploded in the decade and approximately grew seven-folded between 1970 and 1980 (Cleaver, 2007; WTO, 2007). According to Castells the 1970s further brought about the emergence of the so called *network society*. Castells argues that the revolution of communication technology in the period resulted in a qualitative shift from economies of scale towards a different and much more flexible international production system. The grand scale Fordist mode of production was thus replaced by a post-Fordist mode of production in which information became the hub of the economy, production increasingly outsourced and the main part of added value a result of product development, design and marketing (Castells, 1999). In sum then it could be argued that political decisions on deregulation of markets in combination with progress in communication technology in the 1970s brought about a qualitative shift and a reinforcement of the protracted processes known as *globalization*.

In the 1970s the power of the Third World appeared to be growing. Not only due to the outcome of the Vietnam War and the OPEC manoeuvre outlined above, but also through the evolution of the Third World *Non-Aligned movement* to the *Group of 77* and its united demand in the UN of a *New International Economic Order* (NIEO). In the 1960s it had become increasingly clear to the development countries that the structure of the international economy disfavoured them and that the gap between the developed and developing countries was widening. Third World countries found themselves locked in a position of raw material export, industrial commodity import and deteriorating terms of trade. Accordingly they articulated a set of demands to renegotiate their position in the international economy, e.g. a stable and equitable relationship between prices of raw material and manufactured goods; improved access to markets in the developed countries; a new and more equitable international monetary system; improved participation in the decision-making processes of the IMF and the World Bank; and increased volumes of development assistance²² (United Nations, 1974a, 1974b). However, the demands of the NIEO was largely ignored by the developed countries and accordingly it never materialized (Dodds, 2002, p. 4; Hettne, 1995, p. 154). Nevertheless, according to both Hettne and Rist the NIEO never questioned the importance of international trade nor the classic modern notion of economic growth and consequently it was largely incompatible with the core arguments of both *dependency theory* and *another development* (cf. below) (Hettne, 1995, p. 119; Rist, 1997, p. 150 & 164). Moreover – as articulated above – Rist points to the paradoxical fact that in the very moment when the Third World articulated collective demands it ceased to exist as an entity with common interests due to completely different development patterns in OPEC-countries, NICs and *Least Developed Countries* (LDCs) (Rist, 1997, p. 153).

In connection to the exclaimed second development decade a new international target was set according to which developed countries should allocate 0,7 percent of GNI to development assistance.²³ Moreover aid became more oriented towards poverty alleviation and creation of employment which reflected a more thorough problematization of development as something more than just economic growth. Another trend in development assistance was a growing interest in incorporating representatives from the developing countries in planning and implementation of development projects, captured in the catch phrase '*Aid on the recipient's terms*'. Swedish development aid grew quickly during this period and by the financial year 1975/76 the 1 percent target adopted in the previous decade was met. The overarching goal of poverty alleviation was further emphasized and four objectives of Swedish development aid were expressed whereby development assistance should contribute to *economic growth, economic and social*

²² As pointed out by Odén the comprehensive character of NIEO have many similarities to the *coherence* debate in the 21st century (cf. below) (Odén, 2006, p. 84).

²³ In practice aid volumes remained around 0,35 percent throughout the entire decade (Odén, 2006, p. 79)

equity, national independence and democracy in the recipient countries (Odén, 2006; Wohlgemuth, 1976).

In the 1970s the mainstream notion of *backwardness* as the main development problem survived but it was vigorously challenged by different counterpoint positions. Dependency theory strongly emphasized that the main development problem was rich countries' *exploitation* of poor countries. This analysis - according to which development and underdevelopment are two sides of the same coin - took a strong position in the development debate during the 1970s and contributed substantially to modern social science. Representatives of *another development* - in turn - emphasized the *lack of local popular participation and environmental destruction* in large-scale growth-oriented mainstream thinking as the principal problem (Abrahamsson, 2007; Hettne, 1995, 2008; Nederveen Pieterse, 2001).

As indicated in the previous section the origin of the dependency school can be traced to the Latin American *structuralists*. In fact it is fair to argue that *structuralism* - e.g. represented by Raul Prebisch, Hans Singer, Celso Furtado and Osvaldo Sunkel - and *neo-Marxism*²⁴ - e.g. represented by André Gunder Frank, Paul Baran and Samir Amin - compose different branches of a more overarching paradigm labelled the dependency school. Dependency scholars from both branches share a set of basic notion about development and underdevelopment. Many of these *dependentistas* originated from Third World countries and their vantage point was a critique of Eurocentric linear modernization thinking which they found ahistoric and unable to explain neither the widening gaps between rich and poor countries nor the persistence of poverty in the Third World. According to dependency theorists underdevelopment is not an original state but a created condition. Thus the explanation to poverty and underdevelopment is found in external relationships such as the international division of labour and colonial penetration. The international economic structure is geographically analysed in terms of *centre* and *periphery* whereby surplus in the periphery is drained and accumulated in the centre. Accordingly development in the centre equals underdevelopment in the periphery. Since the international economic structure is based on exploitation of the periphery development countries must breakaway - *delink* - from this structure and strive for national *self-reliance*. Development countries must industrialize and strive for economic growth through an inward-oriented strategy marked by protectionism and a strong interventionist state. In such an undertaking the more reform-oriented structuralists emphasized the need for *import-substitution* and reforms of the international economic system whereas the more revolutionary neo-Marxists opted for socialist revolution to break the chains of dependency (Clarke, 2002; Hettne, 1995; Szirmai, 2005). In sum the writings of dependentistas must be considered largely antithetical to Rostow's linear modernization theory outlined above (Rist, 1997), and according to Hettne the breakthrough of the dependency school denoted an initiation of a paradigmatic conflict between two schools of development theory: '*growth and modernization*' versus '*dependency and underdevelopment*' (Hettne, 1995, p. 98). However, despite the huge differences in problem description - i.e. backwardness versus exploitation - it should be acknowledged that both modernization and dependency theory shared belief in economic

²⁴ According to Hettne *neo-Marxism* denotes an elaboration of traditional Eurocentric Marxism preoccupied with development towards a more Third World-oriented Marxism primarily concerned with underdevelopment. Hettne suggests - with reference to Aidan Foster-Carter - the following distinctions between Marxism and neo-Marxism. 1. Marxism views imperialism in a centre perspective (cf. backward areas being 'dragged into history') whereas neo-Marxism sees it from the perspective of the periphery. 2. Marxism views the industrial proletariat as the obvious revolutionary agent whereas neo-Marxism has a more open mind towards the revolutionary potential of different groups, e.g. the peasantry. 3. Marxism embraces a deterministic notion of objective historical conditions whereas neo-Marxism is more optimistic and sees greater room of manoeuvre for revolution. 4. Traditional Marxism considers the concept of scarcity to be a bourgeois invention whereas neo-Marxists acknowledge ecological limits (Hettne, 1995, p. 88).

growth, industrialization and the importance of state agency. As will be evident below these notions were seriously questioned by representatives of another development in the same decade.

In hindsight the dependency school has been criticized and in large parts its analysis appears to be faulty.²⁵ Various indications point to such a conclusion. First, several Third World countries entered a fast process of industrialization and growing wealth in the 1970s, e.g. NICs²⁶ and OPEC-countries. Accordingly the road to development did not seem as blocked as suggested by the *dependentistas*. Put differently the dependency school seems to have underestimated the dialectics of capitalism, i.e. processes - enforced by the post-Fordist mode of production and globalization - whereby the periphery can become centre and vice versa. Second, although the world entails exploitative relationships and although certain wealth can be explained in terms of exploitation it is far too simplistic to maintain that development and underdevelopment are to sides of the same coin. Wealth in one area simply is not dependent on poverty in another. Third, all countries - including the rich - are dependent on imports of technology and foreign investment. With today's level of technology delinking - and thus reluctance of imports and foreign investment - seems like a completely unrealistic strategy, at least if the aim is industrialization and modern nation-building.²⁷ Many would further argue that it is altogether impossible to delink in world distinguished by global communication and mobility. Fourth, most countries that opted for a self-reliant strategy failed in their development efforts, e.g. Tanzania, Jamaica, Nicaragua and Burma²⁸ (Hettne, 1995; Nederveen Pieterse, 2001; Szirmai, 2005).

Notwithstanding, it would be a mistake to completely reject the analysis of the dependency school. It has played an immense role in the development debate and its legacy lingers on in various ways. The mainstream modernization paradigm was obsessed with internal factors and treated the nation-state as the given unit of analysis. The new challenging dependency paradigm brought about important insights of the importance of external factors and opened up for a more global analysis. It further contributed to the rise of a critical multidisciplinary social science which challenged classical development economics and various centres for development studies emerged at universities in the South as well as the North. Moreover, dependency thinking provided the theoretical foundation for a critique of the existing international economic order and thus stimulated the debate on the NIEO (although - as indicated above - the proposals on NIEO proved more outward oriented than most recipes of dependentistas). Finally, the dependency school has - in a sense - resurrected in more sophisticated forms such as World-system theory and Critical International Political Economy being more preoccupied with contemporary problems of unequal globalization (Hettne, 1995). Further, and in line with this reasoning, it is important to keep in mind that paradigms in social science tend to accumulate rather than fade away. Some dependency scholars, e.g. Samir Amin, have indeed been faithful to the original ideas of voluntary delinking long after the 1970s (Amin, 1990a, 1990b).

²⁵ Although critical postdevelopmentalists such as Rist argues that Rostowian modernization is hardly more viable or successful than policies of self-reliance (Rist, 1997, pp. 136-139).

²⁶ However it should be recognized that the NICs did not choose between industrialization by means of import-substitution or export-orientation. Instead they combined the strategies and shifted at the right moment in time. Today few people regardless of political orientation believe in delinking or national autonomous and controlled development. The issue at stake - rather - seems to be *what kind of integration* in the global economy (Hettne, 1995, pp. 132-134)

²⁷ Not all lines of development thinking subscribe to these goals, i.e. Another development (cf. below).

²⁸ Although some of these failures must also be understood in relation to the Cold War and reluctance from superpowers to accept certain national policies within their sphere of influence (Hettne, 1995, p. 125).

During the 1970s mainstream modernization thinking – and for that matter the dependency school with its emphasis on state-driven industrialization - was further challenged by a critical counterpoint movement labelled *another development*. The departure point of this critique was an emphasis on the environmental problems generated by modern growth-oriented development and the exclusion of certain groups' viewpoints and interests in the very same process. Modern industrial development was considered unsustainable and accompanied by cultural standardization (Hettne, 1995).

The concept *another development* got its breakthrough in connection to the world-wide distribution of the Dag Hammarskjöld report *What now: Another Development* (United Nations, 1975), prepared as an independent contribution to the Seventh Special Session of the UNs General Assembly, and it was further elaborated in the volume *Another Development: Approaches and Strategies* (Nerfin, 1977). These publications took on a set of questions such as development of *what, how, by whom* and *for whom* and through the inception of the new change-promoting concept a redefinition of development was presented whereby Another Development would be: *need-oriented; endogenous; self-reliant; ecologically sound; and based on structural transformation*.²⁹ These different features was considered organically linked and thus development implied a comprehensive integral process (Nerfin, 1977, pp. 10-11). In a sense this counterpoint elaboration of the development concept has a bearing on the gloomy Ristian paradox outlined in the beginning of this article. In a similar fashion Hettne states: *'The concept of development has tended to gain in depth and richness as the ugliness and brutality of actual processes of conventional economic growth or 'actually existing development' are revealed*³⁰ (Hettne, 1995, p. 160).

Nevertheless, Hettne argues that Another Development constitutes a coherent alternative development paradigm – in opposition to the modernization paradigm - based on three principles:

- *The principle of territorialism as a counterpoint to functionalism.*
- *The principle of cultural pluralism as a counterpoint to standardized modernization.*
- *The principle of ecological sustainability as a counterpoint to 'growth' and consumerism* (Hettne, 1995, p. 199).

According to the functional principle development is understood on the basis of aggregated national or international data, e.g. GNP. Societal actors are viewed as highly mobile, inclined towards specialization and profit maximizing without any spatial sense of belonging. Accordingly regional imbalances and local concerns are not highlighted. In line with territorial principle, inversely, actors are rooted in a geographical community with certain natural resources and cultural values. Development thus is understood as needs-satisfaction and improvement in this particular context.³¹ Further, a central notion of mainstream modernization thinking has been that backward areas should become modern, i.e. that *'they'* should become like *'us'*. This in turn implies cultural standardization and the appropriation of modern values. The principle of cultural pluralism defies such a notion and opts for diversity, decentralization, local participation and self-determination. Development thus must be contextualized and understood in relation to the local

²⁹ It should be noted that the features *endogenous* and *structural transformation* could be applied to the modernization paradigm as well albeit with a different normative content.

³⁰ In this context Hettne provides an interesting remark on *Utopianism*. On the one hand a society characterized by Another Development is utopian since it lacks political support. On the other hand it could be argued that mainstream modern development is utopian – albeit its political backing - due to its long-term ecological unsustainability (Hettne, 1995, p. 160). In my view this points to a possible inherent paradox in the coming concept *sustainable development* (cf. below) which simultaneously and vigorously underscores the importance of both ecological sustainability and democracy in sustainable development. Attracting attention to this possible paradox should not be understood as a reluctance towards one or the other but rather as a call for problematizations.

³¹ This distinction could be compared to the 19th century sociologist Ferdinand Tönnies concepts *Gesellschaft* and *Gemeinschaft* (Hettne, 1995; Tönnies, 1988).

community. Finally, mainstream modern development thinking has been largely oriented towards economic growth and mass consumption. Ecological problems and disasters – derived from this very notion of development – have not been considered. The principle of ecological sustainability denotes a critical challenging of ‘growthmania’ and promotion of a development in balance with nature (Hettne, 1995).

Further, according to Hettne a set of perspectives could be identified within the framework of the overarching Another Development paradigm: *basic needs*; *self-reliance*; *ecodevelopment*; *women and development*; and *ethnodevelopment*. The *Basic Needs Approach* (BNA) was a typical reaction against conventional economic growth’s inability to eliminate poverty and inequality. Accordingly it pushed for the importance of direct poverty alleviation and a ‘development guarantee’ for vulnerable groups. There was indeed a certain adaptation to the BNA in the 1970s by various UN agencies and the World Bank complemented its conventional growth models with a number of social indicators. However, a debate was initiated between those who interpreted *needs* as universal and objective (and thus fairly easy to quantify and measure statistically) versus those who viewed needs as contextual and historically relative. Hettne states that the latter approach unlike the first is line with the another development paradigm although it might be difficult in practice to separate them. Another problem related to BNA was that needs normally was defined top-down by certain development institutions despite this being in conflict with the fundamental assumptions of another development. In my view this could be interpreted as a rather typical expression of mainstream co-option of critical counterpoint ideas. The notion of *self-reliance* is a child of the dependency school. However, in relation to Another Development it is more explicitly connected to local and regional levels – and thereby to the convergence of local and regional resource mobilization and needs-satisfaction - whereas the dependency school was more concerned with national or collective Third World self-reliance. *Ecodevelopment* based on environmental concern is a central incentive behind the quest for another development. Modernization theory had been unconcerned with problems of environmental restrictions on development but in the 1970s the ‘*limits to growth*’-debate emerged.³² Slowly people concerned with development issues started to realize that the Rostowian goal of global high-mass consumption would never be achievable.³³ Ecodevelopment, as a branch of Another Development, was primarily concerned with establishing needs satisfaction in a particular local context that is ecologically and socially sustainable by means of local popular participation and local resource mobilization. As indicated above it had become clear in the 1970s that modern development was accompanied by increasing inequalities and exclusion of certain groups of people. One obvious dimension of these inequalities was gender related. As a consequence feminist development theory grew and accumulated a large literature on *Women and development*. There is indeed a grand ideological variety within feminist development theory. However several branches emphasize issues of local participation, empowerment and ecological concern and are thereby intimately linked to the notion of Another Development, as opposed to mainstream modernization which is viewed as a patriarchal project based on domination and destruction. Finally, *ethnodevelopment* emerged in the 1970s concerned with the rights of local minority groups to their own culture, language, self-determination and local natural resources. This, in opposition to modern nation-building’s tendency to exclude, or even worse oppress, minority groups in the name of national homogenization and national aggregated economic growth (Hettne, 1995, pp. 175-206)

³² This debate was initiated by the alarm report *The Limits to Growth* commissioned by The Club of Rome (Meadows, Meadows, Randers, & Behrens, 1972).

³³ However, in this era the debate was predominantly concerned with scarcity of natural resources whereas today’s debate is much more concerned with environmental problems generated by the means we have used to overcome these very resource scarcities (Redclift, 2002).

Now, it has been a topic of debate whether Another Development should be viewed as suggested by Hettne a coherent paradigm *or* as a myriad of loose alternative perspectives³⁴ *or* if it is even more appropriate to take a post-paradigmatic standpoint a acknowledge a complex merging between mainstream and alternative development thinking (Nederveen Pieterse, 2001). However, in relation to my objective I would argue: 1. That positioning ourselves in this debate is not of primary importance. 2. That in an antinomial manner the different standpoints could be valid at the same time. The way I see it the mainstream is challenged by counterpoint perspectives but there is also very often a certain element of co-option and these dialectics have probably accelerated in recent years. Regardless, from an epistemic standpoint, in these processes development thinking becomes more complex and the potential repertoire is widening.

Further, according to Hettne, Another Development was an explicitly normative school of thought but its political relevance in the 1970s must be regarded as quite limited.³⁵ This, in turn, is intimately related to fact that Another Development – unlike the modernization paradigm – lacked a clear institutional base from which a successful war of position could be carried out. Hettne further points to the interesting remark that Another Development which emphasized small-scale solutions, ecological concerns, popular participation and so forth, met some enthusiasm in the rich countries whereas it in large parts was rejected in the poor. He further offers a solution to this paradox. '*Small may be beautiful, but it does not entail power (as far as the ruling élite is concerned)*'³⁶ (Hettne, 1995, p. 162). Though it started to become clear that the masses of the poor countries would never reach the material standard of the rich countries modernization was still viewed as accessible to the urban élite. The reason behind the comparatively greater interest in Another Developments in the North could thus be traced to counterpoint challenges of materialistic values and the dark sides of industrialization, e.g. environmental destruction and alienation (Hettne, 1995, pp. 162-163).

In terms of agency it is probably fair to argue that the state retained its position as the primary instrument of development during the 1970s. The importance of an interventionist state was emphasized by both mainstream development thinking and the dependency school although representatives of the more marginalized notion of another development preferred to opt for the significance of an active civil society. It is further reasonable to argue that the state managed to uphold the strongest position in the historic bloc throughout the larger part of the decade. However, its position increasingly eroded due to the collapse of the Bretton Woods system, financial deregulations, the emerging network society and a perceived inability of the state to bring about development in the poor countries. Consequently it could be argued that the balance within the historic bloc started to move in the 1970s towards a stronger position of the market and to a certain extent also for civil society (Abrahamsson, 2003a; Hettne, 1995).

It should also be clear by now that the 1970s brought about an acceleration of mainstream counterpoint dialectics. Mainstream modernization thinking was vigorously challenged by the dependency school. To an extent it could be argued that mainstream modernization thinking co-opted certain elements of this critical perspective, e.g. through more focus on poverty alleviation, employment, 'redistribution with growth' etc. On the other hand it is beyond doubt that the dependency school offered a competing paradigm in the development debate. Beyond these polar positions a third dimension of dialectics stemming out of the counterpoint emerged. The notion of Another Development – regardless whether we view it as a fairly coherent paradigm or

³⁴ Nederveen-Pieterse points toward possible paradigmatic inconsistencies between e.g. ethnodevelopment – ecodevelopment; self-reliance – ethnodevelopment; and feminism – ethnodevelopment (Nederveen Pieterse, 2001, p. 78)

³⁵ Rist would probably argue that it still is (Rist, 1997) whereas Nederveen-Pieterse argues that alternative perspectives has increased its relevance through accelerated mainstream co-option (Nederveen Pieterse, 2001).

³⁶ The quote could be read with reference to a book called *Small is beautiful* by E.F. Schumacher, an important representative of Another Development (Schumacher, 1973).

set of varying perspectives – further challenged mainstream development thinking. Obviously another Development in large had a quite limited impact but a certain mainstream co-option must be recognized in terms of acknowledgement of needs, environmental concerns and women in development. Moreover through the increasing numbers of NGOs involved in development assistance (Hettne, 1995; Nederveen Pieterse, 2001). As will be evident this co-option has tended to accelerate further in more recent years.

Thus from an epistemic perspective the 1970s implied a widening of the potential repertoire through the emergence of challenging perspectives from the dependency school and another development (incorporating basic needs, self-reliance, ecodevelopment, women and development and ethnodevelopment). Moreover in geographical terms both the global and local levels were brought in to the analysis to complement the national level. Slowly it further became clearer that the Third World could not be viewed as a monolith due to completely different development patterns in e.g. OPEC-countries, NICs and LDCs. Further most development thinkers now agreed that development as such could no longer be reduced to economic growth. Moreover that there were environmental restrictions to this growth. A more complex and multi-dimensional view on development emerged. In sum I would argue that these epistemic tensions certainly made pondering development a more complicated matter.

Neoliberalism, sustainable development and the impasse: 1980-1990

The 1980s involved some important changes of mainstream development thinking which, in turn, clearly reflects the political – or if you wish ideological – dimension of this epistemic field. Moreover, the great development optimism that had characterized the previous periods now partly reversed into more pessimistic notions. In rear-view what was intended to be the third development decade has often been referred to as *'the lost decade'* of development.³⁷

A number of historical trends and events are important to put into context. In December 1979 the Soviet Union invaded Afghanistan. The year after Ronald Reagan was elected president in the USA. These two events marks the end of *détente* and the beginning of the *'Second Cold War'*, a period of increasing tensions and armament, including military intervention in several developing countries, mutual deployment of medium-range nuclear missiles in Europe and the American public announcement of the *Strategic Defence Initiative* (SDI), popularly referred to as *'Star Wars'*.³⁸ Reagan was persistently committed to excessive rearmament as a strategy to bring the Soviet Union – referred to as *'the evil empire'* - to a financial collapse (Scott, 2001). However, the revived arms race and the deployment of nuclear missiles in Europe also brought about an explosion of the West European peace movement. In many respects this movement was an outgrowth of the 'new' social movements that had emerged after 1968 and there were obvious connections between this movement and the environmental and the feminist movements. The peace movement organized huge demonstrations throughout the capitals of Western Europe and appealed for a nuclear free zone in Europe. Moreover they started to engage in an intense communication with civil society groups in Eastern Europe which would soon prove important (Kaldor, 2003). By the end of the 1980s the bipolar world order started to dissolve. Internal problems, accelerated by feeble economic development and attempts to keep pace with USA in the arms race, the political redirections initiated by Mikhail Gorbachev after 1985 which

³⁷ However, as underscored by Rist, the decade was hardly lost to everyone. The development of the global economy and the growing possibilities of financial speculation in the decade brought about an enormous accumulation of capital among certain groups (Rist, 1997, p. 178).

³⁸ The SDI threatened to play down the motto Mutually Assured Destruction (MAD) and thereby move the power balance westwards (Scott, 2001, pp. 86-88).

unleashed nationalist and other forces, and the peaceful protests by Eastern European civil society groups would imply the end of the Soviet Union (Kaldor, 2003; Scott, 2001). The consequences of this will be further elaborated in the next section.

The election of Ronald Reagan in USA further coincided with the election of Margret Thatcher in Great Britain and Helmut Kohl in West Germany. These policy shifts towards the Right implied the demise of Keynesianism and the triumph of neoliberalism and monetarism as the new international economic mainstream.³⁹ Economists now became foremost pre-occupied with issues of macro-economic stability, e.g. budget balance, balance of payments and low inflation rates.⁴⁰ The most important instrument for the latter was interest rate increases carried out by the central banks. The neoliberal counter-revolution further reversed the role of the state from being an interventionist agent of development to a *laissez-faire* facilitator of market initiatives. In his 1981 inaugural speech Reagan articulated this notion accordingly: *In this present crisis, government is not the solution to our problem; government is the problem.*⁴¹ Another crucial component of the neoliberal economic recipe was far-reaching trade liberalizations with the long term objective of creating one single global market place.⁴² The rise of neoliberalism further made it more difficult for development economics to assert itself as a distinct branch of economics – and even more so for the multidisciplinary field of development studies. Thus, a monodisciplinary approach based on assumption of universal economic laws prevailed (Hettne, 1995; Odén, 2006).

The international debt crisis became an obvious reality in 1982 when Mexico – soon followed by several other developing countries - suspended the repayment of its debt service due to insufficient foreign exchange. The immediate response by the private banks was a strangled supply of new credits. Accordingly the crisis constituted a threat both to the international financial stability and economic development of the poor countries. There are several integrated explanations to the debt crisis. However, in brief the following could be stated. In the 1970s the developing countries faced declining export revenues, deteriorating terms-of-trade and increased expenditures due to the sharp increases of oil prices. Thus, balance of payments deficits were financed through private lending. At the same time many of the newly independent countries were in need of large-scale investments in their strives for modernization and state-building. On many occasions loans were also used for luxury consumption and military armament by corrupt despots. All these needs were willingly met – often through irresponsible lending preceded by aggressive credit marketing campaigns - by Western commercial banks due to the large surplus of ‘petrodollars’ that they accumulated during the 1970s. Nevertheless, at this point in time the terms of these loans seemed reasonable on behalf of the borrowers due to high inflation and low real interest rates. However, the reorientation towards restrictive monetary policies in the West during the early 1980s implied substantial increases in real interest rate and accordingly debt accumulated very quickly. Soon many developing countries were locked in the debt trap. The consequences of the debt crises were manifold. However, of particular importance in this context is the *Washington Consensus*’ which implied new roles – and increased power – for the IMF/World Bank and the inception of *Stabilization Programmes* and *Structural Adjustment Programmes* (SAP). It

³⁹ The fact that several neoliberal economists, e.g. Milton Friedmann and Friedrich Hayek, were appointed Nobel Laureates indicates the discursive triumph of neoliberalism in the politico-academic war of position (Hettne, 2008).

⁴⁰ Somewhat paradoxically the Reagan administration themselves did not fully practice what they preached since they allowed huge budget deficits in the quest to win the arms race against the Soviet Union. Accordingly the USA pursued a rather peculiar form of neoliberal policy which combined tight monetary policy with a enterprise friendly tax rates and enormous military expenditures (E. Andersson, 2001, p. 143).

⁴¹ <http://www.reaganlibrary.com/reagan/speeches/first.asp>

⁴² Although it should be pointed out that the rich countries remained reluctant to incorporate agricultural products and textiles – i.e. the only sectors where developing countries might hold a comparative advantage - into the free-trade discourse until the establishment of WTO in 1995. Thereafter agricultural products are slowly, but increasingly, becoming treated like any other commodity (Hermele, 2002)

was decided by the creditors that the IMF and the World Bank would coordinate both private and state guaranteed financial claims and – in connection to this – impose political conditions in exchange for balance of payment support and new credits to the developing countries. Accordingly the debt crisis made development countries increasingly dependent towards the IMF and the World Bank. The *conditionality* involved stabilization programmes designed by the IMF including: *reduction of public expenditures*, *tight monetary policy* and *devaluation of the national currency*. Further SAPs imposed by the World Bank including a *reorientation from import-substitution to export orientation*, *deregulation of markets* and *privatization* (Abrahamsson, 2003b; Hermele, 2004; Odén, 2006; Szirmai, 2005). According to Hettne the SAPs further denoted that traditional security concerns were downplayed for economic concerns (Hettne, 2002).

Along with the neoliberal political redirections and the continuation and deepening of the network structures that had emerged in the 1970s international trade and economic interaction kept increasing in the 1980s. Simultaneously the utilization of the concept *globalization* gained momentum in the academic debate only to explode in both the academic and public debate in 1990s (Castells, 1999; Held, Goldblatt, McGrew, & Perraton, 1999; Thörn, 2002).

The new political landscape further imprinted international development assistance. Aid flows stagnated somewhat in this period and in part aid were redirected towards implementation of stabilization and structural adjustment programmes. Simultaneously a certain '*aid fatigue*' started to spread within the international development discourse, not least so due to poor performances in Africa. All these matters, in turn, were largely congruent with the more general neoliberal notions of '*trade, not aid*' or, at least, '*aid for trade*'. It further implied that *conditionality* to a great extent replaced the 1970s idea of '*aid on the recipient's terms*'. It would be an overstatement to suggest that these discursive changes implied a revolution of Swedish development assistance. In large part Sweden held on to altruistic concerns and continued to give support to the various projects that had emerged in previous decades. However, at the same time Swedish development policies were in fact brought closer to the Bretton Woods institutions and the mainstream of Western development assistance. Moreover, as an illustration of this, Sweden launched export-credits as a new aid modality. Nevertheless, another important change in both international and Swedish development debate was a more articulated concern with environmental issues. Thus in 1988 the former four Swedish objectives of development aid were supplemented by a fifth: *to contribute towards sustainable use of natural resources and environmental protection* (Abrahamsson, 2003b; Odén, 2006). The inception of this new sustainability objective must be understood in relation to another important historical event of this decade. In 1983 the General Assembly of the UN asked the Secretary General to appoint *The World Commission for Environment and Development*. The chairmanship was entrusted to Gro Harlem Brundland. Four years later the seminal report *Our Common Future* – better known as the Brundtland report – was published. The commission emphasized the world's responsibility towards future generations and introduced the concept *sustainable development* to a wider audience⁴³ (World Commission on Environment and Development, 1987).

In the 1980s the mainstream notion of the main development problem altered towards an issue of *exclusion* from the global economy. This, new dominating perspective in the development debate were obviously in line with the logics of neoliberalism and it implied that the dependency school had lost the intellectual war of position. Towards the end of the period sustainable development aroused – although it might be suggested that it was co-opted to a great extent by the mainstream – and according to this perspective the main development problem was rather the *unsustainability* of current development patterns and the threat this imposed on both present

⁴³ The British environmental organization *The World Conservation Strategy* is normally referred to as the founder of the concept *sustainable development* (Björneloo, 2007).

and future generations.⁴⁴ According to the more critical post-development perspective – which further emerged in the period – the main problem was in fact the dominating development *discourse*. People's worldviews, knowledge, mindsets and assumptions towards development – which supposedly equalled infinite progress – were considered completely uncritical and 'religious' in character.

Mainstream development thinking in the 1980s – now reoriented from Keynesian influenced logics towards neoliberalism and monetarism – viewed a deeper integration into the world market and macro-economic balance as the best ways to bring about modernization and economic growth, or to be more precise, as the *only* way to achieve these objectives. The famous acronym TINA – originating from the Margaret Thatcher quote: *'There is no alternative.'* – illustrates the later.⁴⁵ As indicated above the most important development means favoured by mainstream development thinking in this era were thus stabilization and structural adjustment programmes. Obviously mainstream development thinking in the 1980s shared the classical notion of modernization and economic growth but it differed in so far as it paid homage to free market-solutions and international trade whereas it were very sceptical towards state intervention. Moreover *Foreign Direct Investment* (FDI) was considered a preferred mode of attracting capital compared to traditional development assistance (Abrahamsson, 2003b; Hettne, 1995; Nederveen Pieterse, 2001; Odén, 2006). It should be underscored that the SAPs and the neoliberal shift in development thinking has been subjected to an abundant set of criticism among critical scholars and political activists in both the South and the North due to the aggravated poverty and maldevelopment – e.g. related to severe cutbacks in education, health care and other areas that particularly afflicted the poor – and the political dependence – i.e. conditionality – that followed in its footsteps. The subsequent references offers only a microscopic selection of such kind of critical literature (Abrahamsson, 2003b; Adedeji, 1993; Adepoju, 1993; Barratt Brown, 1995; Ewald, 1997; George, 1992; Hermele, 2004; Onimode, 2004; Simon, Van Spengen, & Närman, 1995).

The report *Our common future* must be considered a landmark and a catalyst of the *sustainable development* perspective. The so-called Brundtland commission proposed the following definition – or if you wish objective of – sustainable development: *'...to meet the needs of the present without compromising the ability of future generations to meet their needs'* (World Commission on Environment and Development, 1987, p. 8). As indicated in the title *Our common future* approaches unsustainability as a global challenge. Thus, the suggested means by which sustainable development should be brought about are multilateral actions rather than through isolated national pursuits.⁴⁶ The final section of the report offers a set of institutional and legal recommendations on both national and international level to counter the common global problems which, in a complex manner, integrates issues of economic, social and ecological character. Sustainable development was further operationalized in the *Agenda 21* programme adopted at the 1992 Rio conference (cf. below). However, sustainable development is a problematic concept. There are hundreds of definitions in the academic literature and the concept is used in very different manors by different actors in different contexts. In fact it has

⁴⁴ The report *Our common future* provides an extensive global overview of various environmental problems, e.g. deforestation, soil erosion, decreased biological diversity, ozon holes, global warming, demographical problems, food shortages, water shortages, pollution, unsustainable fishery, weapons of mass destruction, only to mention a few. Further, consequently, the report draw attention to both wealth related *and* poverty related environmental threats (World Commission on Environment and Development, 1987).

⁴⁵ Personally I have always found it utmost peculiar that – supposedly – *liberal* people claim that there are no alternatives.

⁴⁶ The post-developmental Rist provides an interesting remark in this context arguing that globalization – although often referred to as favouring the attention of environmental problems – actually hides environmental deterioration since it: *'allows production to be dissociated from consumption and consumption from disposal'* (Rist, 1997, p. 186).

been suggested by many that the ambiguity of the concept owes its success (Blewitt & Cullingford, 2004; Redclift, 2002; Rist, 1997). Put differently it could be argued that the openness of the concept has facilitated mainstream co-option of sustainable development. If we take quick look at the Brundtland commission's original definition Rist argues that its commission's approach to sustainable development only offers a vain attempt to wedlock economic growth and ecological balance: '*it merely expresses a hope that the necessary will become possible*' (Rist, 1997, p. 183). Among several others he suggests the following inconsistencies. The commission fails to identify and define the needs of the present and even more so the needs of future generations. The commission underscores that there are limits to development but at the same time these limits are considered flexible. The commission pins faith to a new era of economic growth and thus fails to thoroughly problematize the unsustainable aspects of growth oriented policies. The commission argues from the perspective of sustainable development that poverty is an evil in itself, but one might also argue from the perspective of environmental protection that development is an evil itself (Rist, 1997). This post-developmental criticism of presupposed internal inconsistencies in the sustainable development discourse provides a sensible crosswalk to the post-development perspective.

In a famous 1985 article entitled *Marxism and development sociology: interpreting the impasse*, David Booth suggested that development thinking – especially the left-wing - had entered an *impasse* whereby no progress could be made due to the inadequacy of accessible intellectual tools (Booth, 1985). This notion of a theoretical and practical cul-de-sac had a huge impact on the development debate.⁴⁷ In rear-view Schuurman has linked the impasse to foremost three underlying factors: 1. The empirical *failure of 'development'* to alleviate poverty in large parts of the so-called developing world and the increasingly widening economic gap between rich and poor countries of the world.⁴⁸ 2. Enforced *globalization* implied that the room of manoeuvre for the state as an agent of development was narrowed down, moreover the nation-state could no longer be considered the self-evident level of analysis in development processes. 3. The burgeoning *post-modern criticism* of a conceited development discourse – viewed as no more than a 'grand narrative' – based on an almost 'religious' faith in human omnipotence and infinite progress. This criticism further pointed to the Western stance towards the developing world as a homogenous entity and the self-righteous notion that (the homogenous) 'they' should become like 'us' (Schuurman, 2000).

The postmodern criticism – in part connected to the 'linguistic turn' in social sciences – brought about a motley crew of development thinking filed here as *post-development* (including *post-development*, *beyond development* and *anti-development*). The core arguments of these schools of thought are that the development *concept* as such, and the prevailing modern development *discourse* – based on an internal logic of its own - leads the Western world to believe that they have the 'solutions' to perceived development 'problems' and a self-imposed right to intervene and rule throughout the South which, in turn, implies destruction of indigenous culture, environmentally sustainable modes of production and diverse ways of living.⁴⁹ In fact, the post-developmentalists suggest,

⁴⁷ Seemingly paradoxically, I might suggest, Potter maintains that the literature on development theory and practice started to burgeon in the mid-1980s, i.e. just as development thinking entered the impasse (Potter, 2002, p. 61).

⁴⁸ For instance it was estimated in the 1980s that it would take another 150 years for the developing countries to reach *half* of the per capita income of the Western countries. To make things even worse this estimate did not take into consideration that many countries, especially in sub-Saharan Africa did in fact show *negative* growth figures. Further some notes on the widening gap. In 1960 the estimated ratio between rich and poor countries was 20:1, in 1980 it had increased to 46:1 and in 1989 it had went up to 60:1 (Schuurman, 1993, pp. 9-10)

⁴⁹ Thus, whereas previous critical perspectives had highlighted the problems of development (exploitation and global inequality in the case of the Dependency school, lack of participation and environmental destruction in the case of Another Development) these new perspectives rejected the very *idea* of development (Nederveen Pieterse, 2001, p. 100)

these logics only reflects a false colonial notion of Western superiority and geopolitical security concerns. It makes development virtually impossible and it disempower the people of the world. What is required according to the post-developmentalists is first and foremost to disclose the oppressive modern development discourse and open up for much more diverse and rich manors of interpreting the world in which wealth and welfare is not simply interpreted along a linear staircase of more or less *developed*. Post-development thinking generally pins faith to diversity, a vibrant civil society, an adieu to the modern notion of infinite progress and the birth of new ideas (Escobar, 1995; Rahnama & Bawtree, 1997; Rist, 1997). It should be underscored that the post-development logics, in turn, has been subjected to a reflexive criticism and attempts to ‘reinvent’ development. Among such criticism the following arguments could be noted. First, in its emphasis on *diversity* the post-developmentalists depreciate the preposterous *inequality* of the world and the issue of poverty. Second, the post-development logics are *defeatist* and gloomy in kind and thus underestimate the possibility of social *progress* through human agency. Further it could be argued that the post-developmentalists abnegate moral duty or commitment to engagement. Third, in its passion for *civil society* and its reluctance of the state the post-developmentalists avoid noticing that the *state* still can play an important part in the improvement of society, albeit the means at its disposal might have changed due to globalization. Fourth, it has been argued that the general postmodern *critique of enlightenment* easily turns over to an ‘*other enlightenment*’, i.e. romanticism and unreflected praising of tradition and community (Nederveen Pieterse, 2001; Schuurman, 2000; Simon, 1999).

Now, within mainstream thinking in the 1980s the market clearly stands out as the most important agent of development and consequently it overtook the role previously held by the state. In accordance with these logics the state should now only defray the most basic social service and otherwise focus on creating the best possible prerequisites for market actors. Attracting FDI were considered being of particular importance (Abrahamsson, 2003b; Hettne, Forthcoming; Nederveen Pieterse, 2001). In this very process, Hettne argues that the state became alienated towards civil society whereby the conditions for loyalty, identity and legitimacy changed. The state thus lost strength both towards the global and the local level (Hettne, Forthcoming). However at the same time, it could be argued that civil society – at least interpreted in terms NGOs and their rising importance in development practice - also gained a stronger position in the 1980s. Hence – indeed paradoxically – it could be argued that a peculiar consensus emerged between neoliberalism and post-development in their mutual intellectual support for NGOs (Nederveen Pieterse, 2001). These changes clearly reflect a new balance in the historic bloc.⁵⁰ The market now clearly had the upper hand, the state was weakened, and civil society – at least interpreted in terms of NGOs – gained a somewhat stronger position.

As regards levels of analysis the visual field were increasingly globalized. Although it was recognized that the national level played a part in the development process and the neoliberal vision of one common world market vouched for a global field of vision. The sustainable development discourse further emphasized the importance of a global analysis but simultaneously stressed the need for local perspectives. The latter also relates to the post-developmentalists. Thus, slowly a recognition of multi-level analysis emerged which would latter imprint development thinking. Moreover, in line with the *linguistic turn* within social sciences in general and the emergence of various critical post-developmental perspectives in particular, large segments of development thinking became more ‘inward’ oriented and preoccupied with analyses and deconstructions of discourses of development.

⁵⁰ An illuminating quote by Nederveen-Pieterse reads: ‘...*finance capital predominates as the cement of the historic bloc of interests that frames ‘development’*’ (Nederveen Pieterse, 2001, p. 41)

Evidently modern mainstream development thinking was subject to the neoclassical counterrevolution in the 1980s and thus became neoliberal and monetarist in kind. However, modernization thinking was also challenged by environmentalist counterpoints. It could for instance be noticed that the Brundtland Commission invited a large number of representatives of radical ecological movements to public sessions. Nevertheless, it seems fair to argue that the sustainable development discourse was largely co-opted by mainstream development thinking in so far as economic growth – despite environmental concern – still epitomized development (Rist, 1997). Post-development, in turn, must be regarded a critical counterpoint discourse which clearly challenged mainstream modernization thinking. Although – and in line with the internal logics of postmodernism – without offering any alternative prescriptions (Hettne, 2008).

How can we then conceive the widening of the potential repertoire in the 1980s? First, the break with the Keynesian theory and the shift towards neoliberalism in mainstream development thinking marked a certain change of the modernization discourse. Second, the inception and the worldwide breakthrough of the concept sustainable development denote a change which must be taken into consideration. Third, the post-development critique of the development concept per se and the modern mainstream development discourse further implies a widening of the potential repertoire. An emerging recognition of the need of multi-level analysis must also be emphasized.

Human development, good governance, the end of the Cold War, the beginning of the New Wars: 1990-2000

The 1990s constitutes a complex and ambiguous period. The decade took-off in a far more optimistic spirit than the previous. The Malta summit in December of 1989 implied the formal end of the Cold War and when the Soviet Union dissolved less than two years latter this marked the definite end of the bipolar world order (Crockatt, 2001). This, in turn, implied a kind of transitional phase in which world governance could move either towards multilateralism or unilateralism (Hettne, 2003). Triumphant Francis Fukuyama – influenced by Hegel – proclaimed *'the end of history'*, i.e. that mankind had reached the endpoint of ideological evolution whereby Western liberal democracy and market economy had prevailed and would soon be successfully embraced by the entire planet bringing about peace and prosperity (Fukuyama, 1992). However, reality turned out to be more complex. Certainly the 1990s bore evident trends towards democratization and multi-party elections throughout the globe, particularly so in Africa, which nurtured a *'demo-optimism'* among political scientists (Lindberg, 2006; Odén, 2006). On the other hand the decade was also distinguished by increasing velocity and complexity of a magnitude that made scholars such as Lester Brown and Paul Kennedy defy Fukuyama and point to something that inversely resembled an *'acceleration of history'* (Brown, 1996; Kennedy, 1993). Further, rather than the world becoming a more secure and prosperous place the opposite seemed to be happening in many parts of the world. The 1990s was marked by the so-called *New Wars*, intimately interlinked with identity politics and globalization, and characterized by an amalgamation of war, organized crime and systematic violations of human rights⁵¹ (Kaldor, 1999). Another important dimension of these new conflict patterns was an increasing privatization of military activities, operating through a new service industry of private security companies and mercenaries, which made the classic Weberian definition of the state as an entity with *'monopoly of legitimate use of violence'* obsolete (Kaldor, 1999; Weber, 2004). The new wars generated new streams of refugees and as regards Swedish refugee reception the war in the Balkans is one important case in point. In sum the most pessimistic notions of the 1990s was epitomized in Robert D Kaplan's

⁵¹ Some cases in point from the 1990s are: Bosnien-Hercegovina, Nagorno-Karabach, Sierra Leone, Liberia, Somalia, Sudan, The Democratic Republic of Congo, Rwanda, Burundi, Angola, Colombia, Cambodia and Afghanistan (Kaldor, 1999; Ramsbotham, Woodhouse, & Miall, 2005).

apocalyptic article *The Coming Anarchy: How scarcity, crime, overpopulation, tribalism, and disease are rapidly destroying the social fabric of our planet* (Kaplan, 1994). Nevertheless, the human suffering generated by the new war atrocities (sensitized globally via the 'CNN factor'), the perception of certain weak states as 'black holes' in the international system and the end of the bipolar world order, in sum opened up for a new form of *humanitarian interventionism* in conflict areas whereby the traditional UN principle of sovereignty became loosened up⁵² (Hettne, 2008; Ramsbotham, 1997). In a sense it could thus be argued that bending the principle of sovereignty indicated that the world community to larger extent acknowledged its own existence.

Economic globalization continued to accelerate in the 1990s generating huge profits for certain actors and a tremendous economic growth particularly in China and East-Asia. Moreover, the turnover rate on the foreign exchange market increased exponentially – by means of the new computer networks – and outgrew the world's GNI by far. Nevertheless, the global economy also exposed its vulnerability, e.g. articulated in the Asian and Latin American financial crises towards the end of the decade (Castells, 2000). However, and maybe more important, the very notion that we are living in a *globality* quickly spread throughout the mindsets of an increasing number of people (Beck, 1998). At the same time it also became apparent that this globality was marked by huge inequalities. In the famous *Human Development Report 1992* the world was pictured as a champagne glass in which the richest 20 percent of the world population obtained 82,7 percent of the world's income whereas the poorest 20 percent received only 1,4 percent (United Nations Development Programme, 1992). Manuel Castells has, albeit acknowledging the second world as dissolved and the third world as an outdated and irrelevant concept, used the concept the *fourth world* as a label of socially excluded people all over the globe, whether in poor countries in sub-Saharan Africa, marginalized rural districts in Asia and Latin America, or urban ghettos in the rich countries of the North. Accordingly the globalization process simultaneously invites some segments of economies and societies to participate in, and reject others from, the new networks (Castells, 2000). The global restructuring further implied that a distinction between developing and developed societies became harder to make – the 'South' was in the 'North' and the other way around⁵³ (Nederveen Pieterse, 2001). Now, the UNDP's champagne glass initiated a debate whether it was possible by means of expanded production to transform the champagne glass into a tankard. However, the *United Nations Conference on Environment and Development* in Rio de Janeiro 1992 made it painfully clear that this would require not less than four globes and accordingly constituted nothing but a pipedream.⁵⁴ Instead a profound change in our way of living was suggested. In this context President George Bush Sr. blatantly announced that the American lifestyle was not up for negotiation and thus any profound redirection failed to appear. Nevertheless, the Rio conference brought about the inception of the global *Agenda 21* plan of action to direct the world towards greater sustainability by means of e.g. legal instruments, capacity-building, technology diffusion, research and education (United Nations Conference on Environment and Development, 1993). Further in 1997 the *Kyoto protocol*, with binding commitments by industrial countries to a small reduction of greenhouse gas emissions was signed by most countries of the world – the USA being one important exception (United Nations, 1998). Now, Pulling together the threads of the New Wars, the new interventionism, the exclusion of certain areas from the global networks and the environmental restrictions to global mass consumption Mark Duffield has argued that the new wars takes place in the shaddowlands

⁵² Some early cases in point are: Liberia 1989; Haiti, Iraq and Somalia 1991; Bosnia 1992 and Rwanda 1994 (Ramsbotham, 1997)

⁵³ This insight further denotes that development thinking is becoming increasingly relevant to the North (Nederveen Pieterse, 2001).

⁵⁴ In line with these logics it has been suggested by Jan-Otto Andersson that well fare patterns in the developed world (intimately connected to economic growth and mass consumption), global equality, and global ecological sustainability form parts of an unsolvable global ethical *trilemma*. Unfortunately thus one of these three objectives will have to give (J. O. Andersson, 2003).

of the global networks and that *development* and *security* is merging in defeatist attempts by the world community to contain and ease poverty rather than bring about fundamental change for the better (Duffield, 2001). This denotes that the traditional security concerns that had imprinted development thinking in the Cold War era, i.e. in relation to the imagined threat posed by communism, was exchanged towards the end of the 1990s for a new kind of security thinking. The new global security threats – intimately related to poverty and maldevelopment - involved: mass migration; HIV/AIDS and other diseases; environmental destruction; drug trafficking, gunrunning and other transnational criminal activities; terrorism; political instability and civil war. Rather than containing communism development assistance thus became concerned with preventing these poverty-related problems to spill over and affect other parts of the world (Abrahamsson, 2003b). We will soon return to the new logics of development co-operation, but first a few notes on the European Union.

Another important event of the 1990s was the formal establishment of the European Union (EU). The *Treaty on European Union* was signed in Maastricht on the 7th of February 1992 (European Union, 1992). It was put into practice on the 1st of November 1993 and two years later Sweden entered the organization with a full membership (Prop 1994/95:19). The entire process of European integration from the 1950s onwards must be interpreted both in terms of security and economic concerns. Nevertheless it seems reasonable to suggest that the predominant neoliberal discourse of the 1980s contributed strongly to the *Project 1992* of creating a single European marketplace. Nevertheless, in practice the EU has become an ambiguous mixture of federalism and confederalism and it has been a topic of debate whether the organization should be interpreted as a stepping stone for neoliberal globalization or rather as a neomercantilistic regional shock absorber towards economic globalization – similar to the role played by the regulating welfare-state in era of embedded liberalism (Hettne, 1994, 2003). Notwithstanding, the 1990s brought about a substantial increase in regionally based institutionalized co-operation between states in various corners of the world⁵⁵, simultaneously an intense debate emerged on *regionalization* (the processes of regional integration) and the new *regionalism* (the ideology or politic ambition favouring closer regional integration) and their roles in relation to processes of development and world order (Fawcett & Hurrell, 1995; Hettne, 1994; Hettne, Inotai, & Sunkel, 1999). Moreover, as regards Sweden, the membership in the EU has beyond doubt had profound foreign policy effects. Not least so as regards development co-operation which brings us to this very issue.

As indicated above the 1990s constitute an ambiguous and complex decade. This is reflected in the trends of international development-cooperation. To a certain extent the '*aid fatigue*' that emerged in the previous decade combined with the end of the Cold War challenged the idea of development assistance and brought about financial cutbacks. However, towards the end of the decade development co-operation would recuperate, not least through recognition of the new security threats outlined above (Abrahamsson, 2003b; Odén, 2006). Now, the end of the Cold War implied several reorientations of development co-operation. Democracy and human rights got a more central position in the debate, and a greater importance in practice, when the logics of the Cold War no longer legitimized support to authoritarian regimes. Multi-party elections, a human rights-record and 'good governance' thus became important principles in aid negotiation and a new, if you wish, *political* conditionality was added to the previous economic conditionality

⁵⁵ A few examples could be mentioned. In the 1990s a closer regional co-operation could be noticed within old organizations such as *North American Free Trade Arrangement* (NAFTA), the *Association for South East Asian States* (ASEAN), the *Asia Pacific Economic Co-operation* (APEC) and the *Economic Community of West African States* (ECOWAS). Further new organizations such as *Southern African Development Community* (SADC) and *Mercado Comun del Sur* (MERCOSUR) saw the light. However it should be underscored that the EU differed in so far as it was the only regional organization with supranational institutions that could initiate and enforce common politics (Christiansen, 2001).

of the SAPs. Simultaneously the neoliberal discourse – to a certain extent - lost momentum whereby the role of the state became somewhat reinterpreted. It was now recognized that the state ought to provide some basic social services and establish an institutional framework for a functioning market economy.⁵⁶ As indicated above 'good governance' became the new catch phrase.⁵⁷ This further affected the policies of structural adjustment to incorporate social dimensions and a conception of 'adjustment with a human face' emerged. As will be evident below theoretical innovations in development thinking such as *human development* and *pro-poor growth* also played a part in the reorientation of structural adjustment. At the same time it became increasingly recognized that the conditionality that characterized the SAPs resulted in a lack of political ownership in the recipient countries which severely hampered development. Thus, the reorientation of SAPs to incorporate social indicators and the resurrected acknowledgement of ownership converged in the new so called *Poverty Reduction Strategies* (PRS). These national strategies were to be developed by the governments of the recipient countries themselves, incorporate consultations with national civil society groups and finally be approved by the IMF and the World Bank. As indicated by the latter the new so-called ownership hardly implied the end of conditionality. PRS further became important in relation to the debt cancellation initiative for *Heavily Indebted Poor Countries* (HIPC) which were put into practice in the end of the 1990s after persistent pressure from civil society movements, e.g. *Jubilee 2000*. The deal was that LDCs who could present a credible PRS and a 'good track record' to the Bretton Woods institutions would receive a certain amount of debt cancellation (Hermele, 2004; Odén, 2006). However, international development co-operation in the 1990s was exposed to further changes. Due to the end of the Cold War and thus the dissolution of the Second World, somewhat paradoxically, a new category of recipient countries, the so-called *countries in transition*, emerged. This implied a certain security motivated redirection of European aid flows from the South to the former East. Another change was an increasing amount of aid funds oriented towards conflict prevention, conflict management, conflict resolution and post-conflict reconstruction. This kind of development assistance could be interpreted as a gemini of the military oriented *new interventionism*, both being means of handling the *New Wars*. Finally the 1990s witnessed a series of international development conferences. The *United Nations Conference on Environment and Development* in Rio 1992 has already been mentioned. A few others worth mentioning in this context are: the *World Conference on Education for all* in Jomtien 1991; the *World Conference on Human Rights* in Vienna 1993; and the *Fourth World Conference on Women* in Beijing 1995 (Odén, 2006).

Now to some brief notes on Swedish development co-operation in the 1990s. Generally Swedish development co-operation aligned to the international trends regarding e.g. democracy, human rights, good governance, PRS, debt cancellation and conflict resolution. However, some features might be worth pointing out. First, in 1995 SIDA was reorganized, merged with the other separate aid agencies⁵⁸, and renamed the Swedish International Development Co-operation Agency (Sida). Second, the 1 percent target was abandoned and Swedish aid volumes declined to 0,7 percent of GNI, referred to by the then minister for development co-operation Pierre Schori as '*skammens gräns*' (my transl. 'the verge of disgrace'). Third, in connection to the conference on women in Beijing 1995 a sixth objective of Swedish development co-operation was articulated: *to promote equality between men and women*. Fourth, in accordance with international trends several bilateral agreements were initiated with the transition countries of Eastern Europe. Fifth, the concept of *partnership* was brought into the Swedish aid discourse and a particular priority was set

⁵⁶ The fact that Douglas North and Robert Vogel, analyzing the role of institutions in economic development, were appointed Nobel Laureates indicates a certain discursive reorientation in the historic bloc (Odén, 2006, p. 109)

⁵⁷ The 1997 World Development Report *The State in a Changing World* marks a shift in the attitude of the World Bank whereby an *effective* – rather than *minimal* – state was pictured as important for economic development (World Bank, 1997)

⁵⁸ BITS, SwedeCorp, Sandö U-centrum and SAREC.

to develop a closer partnership with the poor African countries. Sixth, the support to NGOs increased particularly in countries where problems of lack of democracy, human rights and good governance prevailed. Finally, the Swedish membership in the EU denoted that approximately 7 percent of Swedish aid became challenged through the organization and a Swedish involvement in the EU's development co-operation both on various levels from policy-, via planning-, to implementation on the local level. This denotes that Swedish influence on the EU has increased. Inversely, however, Swedish development co-operation has also become subordinated to the common decisions of the Union (Odén, 2006).

As argued by Nederveen-Pieterse the 1990s was marked by an acceleration of mainstream-counterpoint dialectics and an increasing complexity which obstructs simple analyses (Nederveen Pieterse, 2001). Nevertheless, the following could be argued. As regards conceptions of the main development problem *exclusion* from the global economy remained an important feature of mainstream development thinking represented, in particular, by the Bretton Woods institutions. Moreover, it was increasingly recognized that this exclusion generated global security threats whereby the world witnessed a new *securitization* of development (Abrahamsson, 2007; Duffield, 2001). At the same time – albeit the sincerity might be up for debate – *environmental concerns* linked to the Rio conference in 1992 and the sustainable development discourse became increasingly mainstreamed. Further, the UNDP - engaged in a war of position with the IMF and the World Bank and challenging the Washington consensus – through their inception of the human development discourse suggested *individual capability deprivation*⁵⁹ (or – if you wish - lack of freedom) as the major development problem (Sen, 1999). However, the fact that the Bretton Woods institutions part wise have co-opted the human development discourse, and the fact that the human development discourse does not challenge the market as such (but the unregulated market), makes matters somewhat complicated (Nederveen Pieterse, 2001).

As regards debate on the *goals* and the *means of development* the following could be stated. The economic growth objective of mainstream development thinking still prevailed but became more sophisticated in kind, concerned with issues of pro-poor and sustainable growth. Thus the *quality* of economic growth was highlighted and social indicators were brought back in whereby a certain resemblance to the 'redistribution with growth' discourse from the 1970s could be conceived. The new PRS, attempting to converge global market integration, good governance, democracy and respect for human rights, were considered important development means. Debt cancellation through the HIPC initiative also played a part.

In the 1990s the *human development* discourse further emerged in intimate connection to the UNDP (United Nations Development Programme, 1990), and the Nobel laureate Amartya Sen whose thoughts are probably best summarized in the seminal work *Development as freedom* (Sen, 1999). As indicated in the title of Sen's book development is foremost conceived as *enlargement of people's choices*, thus people or – if you wish – individuals are at the centre of development. Further the expansion of freedom is viewed as both the *primary end* and the *principle means* of development. Thus the constitutive freedom is in turn related to provision of other instrumental freedoms, capabilities and entitlements which mutually reinforce each other, e.g. *political freedom* (e.g. democracy, freedom of speech), *economic facilities* (e.g. the freedom to conduct business, ownership entitlements, economic redistribution), *social opportunities* (e.g. education, health service), *transparency guarantees* (e.g. public transparency, social trust) and *protective security* (e.g. social safety nets). From this follows that income and development are *not* the same thing although they often are interrelated. Put differently, economic growth can only be considered of importance as long

⁵⁹ The main point being that poverty should be understood as deprivation of basic capabilities rather than merely as low income (Sen, 1999, p. 20)

as it contributes to greater freedom⁶⁰ (Sen, 1999, pp. 36-44). Albeit recognizing an amalgamation I would still argue that this is one of the key differences between human development and modern mainstream development thinking. Generally, however, human development makes a strong case for combining growth and equity which is reflected in the *Human Development Index* (HDI) developed by UNDP. This index – constructed in protest to simplistic economic statistics – measures human development through a combination of life expectancy rate, literacy rate, school enrolment rates and GNI per capita (United Nations Development Programme, 1990: et seq.). Finally, an interesting remark on human development by Nederveen-Pieterse. Although there are differences between another development and human development they are not as wide as between them and the ‘Washington consensus’. However, since human development pins faith to the state, whereas the most important agent of development in another development is local civil society, it could be argued that human development had a stronger institutional base which, in turn, has contributed to its comparatively stronger impact (Nederveen Pieterse, 2001).

Now, within mainstream development thinking the market was still considered the most important agent of development. However, through the demise of the most extreme neoliberal notions, the inception of the ‘good governance’ agenda, and the emergence of the human development discourse, the state recuperated somewhat (Nederveen Pieterse, 2001). Civil society further strengthened its position through successful advocacy and work by NGOs. All this reflects a certain levelling of the power balance within the historic bloc compared to the 1980s, although it should be acknowledged that the market still clearly had the upper hand.

In the 1990s – due to enforced globalization - the importance of multi-level analysis became even more articulated. Moreover, the new patterns of regional integration and the adherent debate on *regionalism* stressed the importance of a more profound focus on both macro- and micro-regional levels. Further, through the *human development* discourse, the global, macro regional, national, micro regional and local levels were supplemented with an *individual* level concerned with freedom of every individual human being. Moreover, partly through the amalgamation of development and security, a similar discussion on individual *human security* emerged, which rejected the classical security discourse concerned with the security of the state (Picciotto, Clarke, & Olonisakin, 2005). Finally, due to the fact that the ‘three worlds’ were disintegrating and development increasingly became interpreted as a global problem Hettne pointed in *Development and the Three Worlds* towards the necessity of merging Development studies and International Political Economy into a – not yet existing - *global social theory* (Hettne, 1995, Forthcoming). The concept of global development would get its official breakthrough in the next period.

Finally it could be argued that the new human development discourse, emphasizing the importance of the individual, contributed to the widening of the potential repertoire in the 1990s. To this the mainstream co-option of environmental and gender concerns might be added. The more general debate on democracy and human rights, further contributed to the perceived complexities of development. Further the disintegration of the three worlds and the inclusive and exclusive mechanisms of globalization whereby the *South* came to the *North* and vice versa must be considered, likewise the new patterns of macro and micro regionalism.

⁶⁰ For instance Sen points out that the deprivation for particular groups in very rich countries (e.g. African Americans in USA) are sometimes in fact lower than for people in the certain developing countries (Sen, 1999). This, again, points to the difficulties of making clear distinctions between developed and developing countries.

Complexity, coherence and global development: 2000 -

Finally we enter the new millennium. So far, I would argue, this period has been distinguished by increasing complexity and - probably more important - an increased *recognition* of this complexity. The decade has brought about a closer consideration of something which has been labelled *global development* and it has been hallmarked by several important formative events and processes that need to be sketched briefly. Most scholars agree that the terrorist attacks of 11 September 2001 and their aftermath have had a profound impact on the world order and mainstream security thinking. As indicated in the previous section the end of the Cold War had opened up a window of opportunities for several potential world orders, however after 9/11 George Bush Jr. decided to pursue the strategy of unilateralism. This implied that the USA independently determined to take on world leadership and proclaimed a new security doctrine which contained the principle of *pre-emptive action*. As a consequence both Afghanistan and Iraq were invaded by military troops. The general consequences of this policy re-orientation has been deteriorated conditions for international co-operation and increased tensions in the world, including a widening gap between USA and Europe which appears to have brought the traditional western consensus to an end (Hettne, 2003; Odén, 2006; Ramsbotham et al., 2005). Currently the USA and a small group of allied countries (some on the basis of mutual values and solidarity, others on the basis of some kind of barter e.g. aid, debt relief, tariff reductions, lifted sanctions et cetera) labelled *the coalition of the willing*, are engaged in a global 'war on terror'. This is obviously a very complicated endeavour because – in the words of Hettne – how do you wage war on an abstraction? Another matter that must be taken into consideration is of course the potential war loot in Iraq's oil reserves. Regardless, another dimension of this new political context is an increased and spreading pre-occupation with perceived internal security threats throughout the countries of the world, epitomized in the new ministry of *homeland security* in the USA (Hettne, 2003). It remains to be seen whether the American presidential election in 2008 will denote a re-direction in international security politics.

Another important feature of the present decade has been intensified globalization and the impressive economic growth figures in the world's most populous countries, China and India. This economic growth implies that power relationships of the world are under transformation, moreover it has generated a substantial reduction in the absolute number of the world's poor, (Mahtaney, 2007; Odén, 2006; World Bank, 2006). However, huge and increasing internal income inequality have also been an effect and it should further be noted that other regions of the world – particularly Africa – seriously lag behind in terms of both growth and poverty reduction (United Nations Development Programme, 2005). Nevertheless, the impressive economic growth figures in Asia – in combination with 'business as usual' in the West - have generated an increasing global demand for raw materials and energy. One effect of this demand has been an increasing interest for the resource rich – and yet poor – African countries. It has been a topic of debate whether this constitutes a window of opportunity for the continent or if it is exposed to a new '*scramble for Africa*' (Melber, 2007). Another obvious consequence of the increased demand for energy and raw materials *and* the overwhelming evidence of climate change and ecological imbalances brought by the *Intergovernmental Panel on Climate Change* (IPCC), has been a growing environmental concern. In this context the United Nation's *World Summit on Sustainable Development* in Johannesburg 2002 might be mentioned which expressed continuous concern and emphasized the need to further integrate the economic, social and ecological dimensions of sustainable development (United Nations, 2002b). One innovative aspect of the Johannesburg meeting – which in large did not bring about many binding promises – was the *Type 2 Partnership Initiatives* which differed from traditional UN interstate co-operation by including private companies and civil society organizations and thus points to the need of multi-dimensional strategies (Odén, 2006). It was in the fall of 2006, however, that the issue of climate change got a

substantial breakthrough in media coverage and public debate, not least in connection to the *Stern Review* and Al Gore's film *An Inconvenient Truth* (Björneloo, 2007).

Another interesting feature in beginning of the new millennium has been the increasing activities of the so-called *global justice movement*, a loose network of individuals and groups which, despite very diversified agendas, share a concern with the dark sides of neoliberal globalization, such as poverty, inequalities, unemployment and environmental destruction. This articulation of the counterpoint has many similarities with the new social movements of the 1970s albeit operating and identifying more globally, not least through the inception of *World Social Forums* (WSF) in different parts of the world. In connection to massive protests at various meetings of the Bretton Woods institutions, G8 and EU in the early 2000s, this '*movement of movements*' was often labelled the '*anti-globalization movement*' by mainstream media which, in turn, is quite misleading since globalization is a fundamental prerequisite for the very existence and identity of the movement. More correctly a different kind of globalization is the objective of the network. Further, the global justice movement engaged in large anti-war demonstrations throughout the capitals of the world in connection to the invasion of Afghanistan and Iraq (Abrahamsson, 2003a; Kaldor, 2003; Thörn, 2002). What I find particularly interesting in this context is the various ways that technological and economic globalization simultaneously affects, and to large extent connects, the war on terror, the economic growth in China and India, the new scramble for Africa, the intensified debate on climate change and the mobilization of the global justice movement. This, in turn, points to the importance of recognizing the global complexity.

The international discourse on development co-operation in the current period has been imprinted by foremost three features: the *Millennium Development Goals* (MDGs), the so-called '*new aid architecture*', and the issue of *policy coherence*. In year 2000 heads of states from 189 countries gathered in New York to agree on a global compact for poverty alleviation and more effective development co-operation. The outcome was the *Millennium Declaration* and the articulation of eight MDGs:

- 1) Halve extreme poverty and hunger
- 2) Achieve universal primary education
- 3) Empower women and promote equality between women and men
- 4) Reduce child mortality by two-thirds
- 5) Reduce maternal mortality by three-quarters
- 6) Reverse the spread of diseases, especially HIV/AIDS and malaria
- 7) Ensure environmental sustainability
- 8) Create a global partnership for development, with targets for aid, trade and debt relief

The innovative aspects of the MDGs are that they are measurable, time-bound (to be reached year 2015) and that the responsibility of the rich countries is made explicit in goal 8. The eight goals are supplemented with 16 targets and 48 progress indicators (United Nations, 2000, 2002a). In 2002 the UN Secretary-General commissioned the so-called *Millennium Project*, headed by Jeffrey Sachs, to develop a concrete action plan to achieve the MDGs. The final recommendations were presented in 2005 in the report *Investing in Development: A Practical Plan to Achieve the Millennium Development Goals*. Two important recommendations were: 1. A substantial increase of aid flows. 2. Ambitious design and effective implementation of the recipient countries' PRS (Sachs & United Nations Millennium Project, 2005). Accordingly national PRS and attempts to create a global partnership intersects in the strive towards the universal MDGs (Craig & Porter, 2006, p. 5). In fact aid flows have increased and in the early 2000s several countries reached the completion point of HIPC. However, in many cases these debt reliefs proved insufficient and at the G8 summit in Scotland 2005, and latter in the same year within the

EU, decisions on further debt relief and increased aid volumes were taken. However, these commitments turned out to be difficult to live up to (Odén, 2006; Odén & Wohlgemuth, 2007). It should finally be noted that the inception of the Millennium Declaration in large part could be interpreted as a political response towards the new poverty related security threats outlined in the previous section (Abrahamsson, 2003b, p. 139).

Now, whereas the Millennium Declaration has been important as regards the *content* and objectives of development co-operation in the new millennium, the debate on the '*new aid architecture*' - culminating in the *Paris Declaration* – has been important as regards the *methodology* of development assistance. In 2005 the second High-Level Forum on Aid Effectiveness was held in Paris. It brought together ministers and officials from 91 donor and recipient countries, supplemented by representatives of civil society and private companies. The problems which were to be addressed at the meeting were related to: lack of ownership, inclinations towards externally imposed solutions, fragmentation, parallel systems and high transaction costs (Odén & Wohlgemuth, 2007, pp. 4-5). The meeting resulted in the Paris Declaration which proposed a new aid architecture based on five key components:

- **Ownership.** Implying that recipient countries should exercise effective leadership over their development policies, strategies and co-ordinate development actions
- **Alignment.** Implying that donors should base their overall support on recipient countries' national development strategies, institutions and procedures
- **Harmonization.** Implying that donors' action should be more harmonized, transparent and collectively effective
- **Managing for results.** Implying managing and implementing aid in a way that focus on desired results and use information to improve decision-making
- **Mutual accountability.** Implying that both donors and recipients are accountable for development results (DAC, 2005a).

All of this points towards *General Budget Support* (GBS) as the preferred aid modality, i.e. donor support to the national budget channelled through the national budget structures and linked to a donor approved national PRS. In many respects this denotes a resurrected recognition of 'aid on the recipient's terms'. However, so far the actual share of GBS is delimited – not least due to the political controversies surrounding it – although the trend is pointing upwards (Odén, 2006).

A third important feature in the present debate on development co-operation has been the complicated issue of *policy coherence*. There is no universal consensus on how to define policy coherence and accordingly several conceptions circulate in the debate (DAC, 2005b; European Commission, 2005; Lundquist & Odén, 2007; Stokke & Forster, 1999). However, the basic idea of policy coherence is that policy actors in one political field should take into consideration what policy actors in other political fields do, in order to be able to avoid contradictory outcomes. Inversely, thus, *incoherence* is taking place when political actions in different political fields collide. The overall argument of policy coherence is that a development profile should permeate policy making and interventions of all different political fields (Lundquist & Odén, 2007). The notion of policy coherence reflects the insight that development assistance alone can not solve the development problematique, and that development co-operation is only one of many relations between the rich and the poor countries. It further denotes a recognition that the world is complex and interdependent and thus, that different policy areas must co-operate towards a common objective.⁶¹ This, in turn, requires a global field of vision.

⁶¹ It should be noted that policy coherence is not an entirely new idea. Both the debate on the NIEO in the 1970s and the report of the *Parliamentary Commission on Swedish Development Co-operation* (SOU 1977:13) pointed towards the need of harmonization between different policy areas (Lundquist & Odén, 2007)

The Swedish response to the fulfilment of the Millennium Declaration has been the inception of a coherent *Policy for Global Development* (PGD) (Prop. 2002/03:122). PGD includes all Swedish policy areas and accordingly traditional development co-operation constitutes only one area of PGD. The overall objective of this new policy is to contribute to *equitable and sustainable global development*. Two perspectives permeate all parts of the policy – and this is in my understanding the policy’s elegant (albeit questionable) way of avoiding conceptualizations of equitable and sustainable global development - *a rights perspective* based on international human rights conventions; and the *perspectives of the poor*. The content of the policy is formulated with respect to eight central thematic areas:

- respect for human rights
- democracy and good governance
- gender equality
- sustainable use of natural resources and protection of the environment
- economic growth
- social development and social security
- conflict prevention and management
- global public goods (ibid.)

In comparison to the previous objectives of Swedish development assistance the following could be noted. First, the overarching goal of PGD is to contribute to equitable and sustainable global development. However this general policy aim is supplemented by a more specific, albeit general, goal of Swedish development co-operation, namely *to contribute to an environment supportive of poor people's own efforts to improve their quality of life*. This, in turn, implies that poor people themselves are considered the most important agent of development.⁶² Development co-operation should foremost support this agency. Second, the previous six objectives of Swedish development assistance have been replaced by the eight thematic areas outlined above. Five of the old objectives could be found in these thematic areas. However the old objective of national independence has been adaeemed. Moreover, the objective of economic and social equity has been reformulated into social development and social security. Third, the eight thematic areas and the two perspectives should not be understood as different targets but rather as building blocks towards the overall objective (Odén, 2006). Simultaneously Sida introduced a new multi-dimensional conception of poverty. Poverty is thus considered a multi-dimensional, context specific and dynamic phenomenon. Sida states that *poverty deprives people of the freedom to decide over and shape their own lives* and accordingly the essence of poverty is not only to be found in lack of material resources but also in lack of power and opportunities to choose.⁶³ It is further stated that poverty is manifested in many different ways in different contexts, e.g. hunger, bad health, lack of education, denial of dignity et cetera. Moreover, poverty is viewed as multidimensional – incorporating economic, social, political, environmental and conflict related dimensions – and thus caused by many and varying aspects in different contexts. Finally, poverty is not neutral to gender, ethnicity, disability and age (Prop. 2002/03:122, ; Sida, 2002). Lastly it could be noted that the Swedish volumes of aid increased in the period and by year 2006 the 1 percent target was resumed (Odén, 2006).

In his impressive work on modernity *I skuggan av framtiden* Sven-Eric Liedman cites Hegel, stating that *'the owl of Minerva spreads its wings only with the falling of the dusk'* (transl.), which implies that a historical period becomes comprehensible to philosophy first towards its end (Liedman, 1997, p. 121). Thus, attempts to carry out historical analyzes of the contemporary are very difficult

⁶² This analysis corresponds with the notion of *human development*.

⁶³ Once again the correspondance to *human development* is obvious.

endeavours. The fact that we seem to find ourselves in a transitional period, in which a new world order has not yet fully materialized, makes matters even more complicated (Hettne, 2003). Notwithstanding, I will sketch some reflections that will, hopefully, make the contemporary somewhat more comprehensible.

In the present period it is reasonable to suggest that development problems have become increasingly recognized as complex and that the mainstream development discourse has said farewell to simplistic problem descriptions. Rather, it is becoming customary to talk about complex webs of mutually interdependent problems such as poverty and capability deprivation; inequalities; global economic shocks; delimited governance; human rights abuse; new security threats; and environmentally unsustainable patterns of production and consumption (Abrahamsson, 2007; Hettne, 2008; Singer, 2002). According to Hettne one indication of mainstream recognition of the interdependence – or even merging – of peace and security issues, development issues and environmental issues are that several Nobel Peace prizes in the 2000s have been appointed for development related and environmentally related activities (Hettne, 2008). Further, the perception of poverty has become multi-dimensional in kind and it is recognized that globalization creates new patterns of inclusion and exclusion. Simultaneously globalization has generated a compression of time and space. This in turn implies a narrowing down of global social space – indicating a potentially emerging global historic bloc - in which a huge number of actors express their concern with different development problems. Accordingly, in a sense, there is an increasing competition as regards the privilege of defining the problem. Further, the time space compression makes it possible to compare yourself with others in a way that was not possible before. This affects the global perception of a decent life and increases the risk of relative deprivation. In this sense problem descriptions must also be understood as relational (Abrahamsson, 2007; Castells, 2000; Nilsson, 1999; Sida, 2002).

As regards the mainstream perception of the ends and means of development this too has become increasingly complex. Not least so due to the acceleration of counterpoint co-option, which denotes that classical mainstream ideas of modernization and growth are supplemented with tamed versions of more radical ideas (Hettne, 1995; Nederveen Pieterse, 2001). Hence the goal of contemporary mainstream development thinking seems to be a complex merger of poverty reduction, economic growth, enhanced capabilities, human rights, security, democracy, gender equality, environmental sustainability and so on and so forth, whereby different schools of thought such as modernization, sustainable development, human development and global development becomes largely mixed up. Obviously such complexity imprints the suggested means. The following defeatist quote by Pierre Fröhling captures, I would argue, the complex and multi-dimensional problematique facing development thinking and development-oriented policy making in a globalized world: *'Everything depends on everything and everything is important'* (Fröhling, 2001, p. 7). Apparently we find ourselves in a period which rejects the notion of simple solutions. Broad based national PRS that incorporate a wide range of local and national stakeholders connects to the global MDG agenda and the idea of establishing a global partnership for development incorporating aid, debt relief, fairer trade et cetera. At the same time it has become increasingly accepted that development assistance alone can not solve the development problematique and that development co-operation is only one of many relations between the rich and the poor countries. This, in turn, points to the importance of a holistic approach, e.g. policy coherence. The fact that globalization has blurred the old North-South dichotomy further points to the importance of coherence. There are simply no backyards in a globalized world, which again, the Fröhling quote points out.

Now, as indicated above the present period has brought about the inception of the concept *global development* in various contexts. Recently Hettne has elaborated this perspective so far that it

deserves to be treated in its own right. He states that global development is an emerging discourse that does not yet permeate social practice. The definition of global development, Hettne suggest, is '*an improvement of the quality of international relations*' (Hettne, 2008, Forthcoming). This, in turn, with the objective of creating a global political *community* as opposed to the traditionally 'anarchic' state system. This qualitative dimension of global governance must further be based on a set of basic human values that can be shared globally, e.g. freedom, equality, solidarity, tolerance, respect for nature et cetera. The means to achieve global development, Hettne suggests, lies in intercultural dialogue, more symmetric power structures and a strengthening of global welfare, e.g. through multilateral global governance, respect for international law and provision of global public goods. In this sense Hettne views the emerging global development discourse as a dialectical reaction on the market driven economic globalization (but also a refutation of the anarchic dimension of the state system). Global development thus, with reference to Polanyi, implies a strive for a second '*Great Transformation*', or re-embedding of the market on a global level. Now, Hettne maintains that global development appears both in the shape of mainstream and counterpoint whereby the mainstream may be illustrated by the MDGs and Sweden's PGD whereas the counterpoint can be illustrated by the WSFs and the global justice movement. All of which – albeit their internal differences - share a concern with global justice. Hettne further states that the aftermath of 9/11 and the unilateral strategy of the present American administration obstacles a breakthrough of the global development discourse, but he further adds that this can not go on forever (Hettne, Forthcoming). As mentioned above the outcome of the 2008 presidential elections might prove very important in this context.

Many scholars would argue that the market still has the upper hand in what I here refer to as the historic bloc (Bello, 2002; Harvey, 2005; Klein, 2007). Others, however, point to a recuperation of the state and thus a development beyond neoliberalism (Craig & Porter, 2006). The emerging *Third Way* ideology in Europe similarly points towards a certain statist 'catch up' (Giddens, 1998; Hettne, Forthcoming). Likewise it could be argued that civil society – at least interpreted as NGOs – has continued to grow in importance in the development debate in the present period. The bottom line thus seems to be that there is has been a certain levelling of the power balance in the historic bloc, at least in comparison to the heydays of the state in the 1950s-1960s and the heydays of the market in the 1980s. As regards agency of development the debate further points to a notion that no single actor can play the role of a development guarantor. Rather, it is increasingly recognized – in accordance with the coherence doctrine - that *all* actors are important in the creation of conditions whereby people themselves can achieve development (Prop. 2002/03:122). One example of this state of affairs is the UN inception of *the Global Compact*, a framework for co-operation between private corporations and the UN in which the corporations align their operations and strategies with principles of human rights, labour and environmental concern, and further, towards support of broader UN goals such as the MDGs. This is the largest initiative of so-called *global corporate citizenship* in the world (United Nations, 2007). Another example is the *Type 2 Partnership Initiatives* from the Johannesburg summit outlined above which differed from traditional UN interstate co-operation by including private companies and civil society organizations (Odén, 2006). All of this points to a situation where the state – albeit recognized as one important actor – can not play the role of a development guarantor, while at the same time the market needs to, somehow, be regulated and embedded.

The debate on global development and policy coherence points towards a recognition that development is taking place in a global context. As pointed out previously all levels - global, macro regional, national, micro regional, local and individual – are important to take into consideration while analysing development. Further, as previously indicated Hettne, likewise Payne, has suggested that a proper analysis of the current world, in which development need to

be reinterpreted as a global problem, requires a merging of development theory and IPE into *Global Social Theory*. Moreover an institutionalization of the interdisciplinary field *Global studies*, bringing together IR, IPE, development studies, cultural studies, security studies, environmental studies et cetera (Hettne, 1995, Forthcoming; Payne, 2001). This would further imply a break with the classical '*methodological nationalism*' that according to Beck permeates the social sciences and an inception of a '*cosmopolitan vision*' (Beck, 2005; Hettne, 2008).

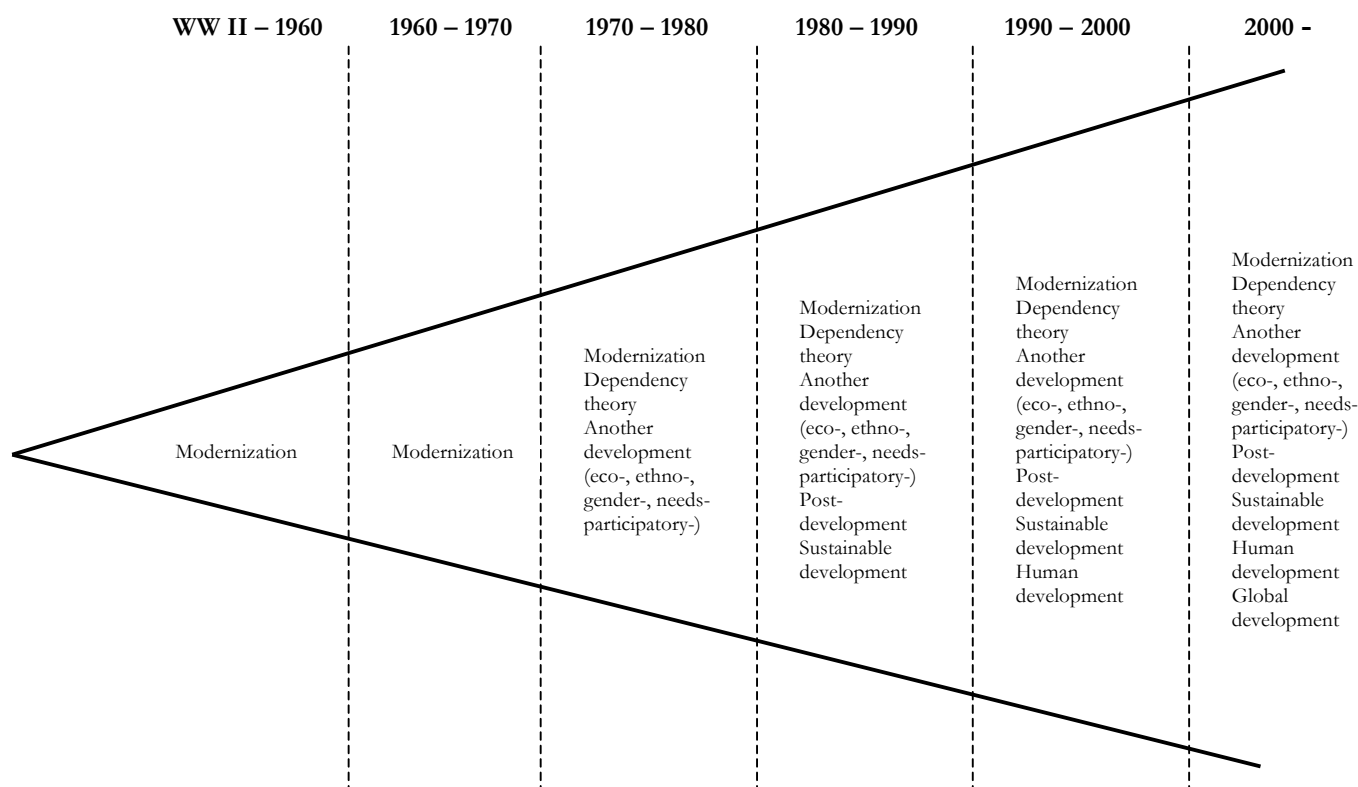
From an epistemic perspective the present period has brought about a continued widening of the potential repertoire. The notion of global development entered the development discourse and thus stacked upon previously outlined perspectives. Further the accelerated mainstream co-option of counterpoint perspectives has turned mainstream development thinking into something extremely enriched, complex and multi-dimensional. The new recognition of the need of policy coherence further points to this complexity. In an era where 'everything depends on everything and everything is important' it seems reasonable to suggest that studying issues related to development becomes a very difficult task.

Concluding remarks

'In a brief time span there have been profound changes in the Gestalt of development' (Nederveen Pieterse, 2001, p. 158). Evidently this study nod agreement to such a conclusion. I have argued that there has been a tremendous *enrichment* of development thinking since World War II. This, through processes of mainstream-counterpoint-dialectics and war of position between various actors in the historic bloc. The epistemic consequence of this enrichment has been a widening of the potential repertoire which in turn constitutes a challenge to contemporary students within development related academic fields. The widening of the potential repertoire could be interpreted in two senses. On the one hand new schools of thought on development has emerged through out history and stacked up, one upon another, co-existing and often contradicting each other, implying a parallel evolution of development thinking. The process is illustrated in figure 3. These perspectives tend to accumulate rather than fade away and thus scientific revolutions in Kuhn's terminology are rare phenomenon in development thinking. On the other hand there has always been a certain element of mainstream co-option of critical counterpoint ideas, and these processes seem to have accelerated in later years. This denotes that the potential repertoire has also been widening in the sense that mainstream understanding of development has become increasingly complex and multi-dimensional. However, it is important to keep in mind that the enrichment of mainstream development thinking does not necessary reflect an enrichment of *real* development. Moreover, in cases where the counterpoint is considered to radical by the mainstream it remains in the counterpoint as an autonomous competing perspective. Regardless, from an epistemic perspective, both the parallel evolution of development thinking and the mainstream counterpoint co-option implies a widening of the potential repertoire whereby the notion of – and thus the studying of - development becomes a more complicated matter.

Moreover, due to globalization, the modern understanding of the state as the self-evident agent of development and level of analysis has become obsolete. It has become increasingly recognized that development is a process, or a set of processes, that include, and require, a broad selection of stakeholders, including states, local governments, international organizations, market actors,

Figure 3. Parallel evolution of development thinking in post World War II decades



civil society organizations and representatives et cetera. Further, that a proper analysis of development processes requires multi-level analysis including the global, macro-regional, national, micro-regional, local and individual level. Globalization and the new network society has further made traditional dichotomies such as North and South increasingly outdated. The South is in the North and the other way around which denotes that development ought to be interpreted as a global affair. It has also become recognized that development assistance alone will never be able to solve the development problematique, that development co-operation is only one of many relations between the rich and the poor in the world, and – somewhat defeatist – ‘that everything depends on everything and everything is important’. All this points to the importance of policy coherence, which, in turn, is an admittedly complicated endeavour.

Let me end this article with a quote by Nederveen-Pieterse which I think captures some of the central arguments of this article: *‘It remains attractive to understand development as improvement, but which improvement and how? Understanding development as improvement virtually inevitably invites a one-dimensional perspective, privileging one or another dimension, and a managerial approach, while actually what constitutes improvement never is and never can really be settled. Consequently, development unfolds in a peculiar ‘as if’ mode: while everybody knows that development-as-improvement in any form is open to question, it seems necessary to proceed as if there is a consensus. Wouldn’t it be more appropriate to make this contingency part of the understanding of development? It would mean redefining development as a collective learning experience. This includes learning about different understandings of improvement, as a collective inquiry into what constitutes the good life and sensible ways of getting there. Learning is open-ended. This also makes sense as a point about development methodology, in action and inquiry.’* (Nederveen Pieterse, 2001, pp. 158-159). Such processes of collective learning, inquiry and debate is likely to be more fruitful on the basis of

knowledge of precedent logics (and their shortcomings) and an explicit recognition of increasing complexity. Hopefully this article has made a small contribution to this cause.

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