CHAPTER ONE

What is ‘Development’?

‘Development’ is a concept which is contested both theoretically and politically, and is inherently both complex and ambiguous … … Recently [it] has taken on the limited meaning of the practice of development agencies, especially in aiming at reducing poverty and the Millennium Development Goals. (Thomas, 2004: 1, 2)

The vision of the liberation of people and peoples, which animated development practice in the 1950s and 1960s has thus been replaced by a vision of the liberalization of economies. The goal of structural transformation has been replaced with the goal of spatial integration….. … The dynamics of long-term transformations of economies and societies [has] slipped from view and attention was placed on short-term growth and re-establishing financial balances. The shift to ahistorical performance assessment can be interpreted as a form of the post-modernization of development policy analysis. (Gore, 2000: 794–5)

Post-modern approaches… see [poverty and development] as socially constructed and embedded within certain economic epistemes which value some assets over others. By revealing the situatedness of such interpretations of economy and poverty, post-modern approaches look for alternative value systems so that the poor are not stigmatized and their spiritual and cultural ‘assets’ are recognized. (Hickey and Mohan, 2003: 38)

One of the confusions, common through development literature is between development as immanent and unintentional process… … and development as an intentional activity. (Cowen and Shenton, 1998: 50)

If development means good change, questions arise about what is good and what sort of change matters… Any development agenda is value-laden… … not to consider good things to do is a tacit surrender to… fatalism. Perhaps the right course is for each of us to reflect, articulate and share our own ideas… accepting them as provisional and fallible. (Chambers, 2004: iii, 1–2)

Since [development] depend[s] on values and on alternative conceptions of the good life, there is no uniform or unique answer. (Kanbur, 2006: 5)

1.1. Introduction

What is the focus of ‘Development Studies’ (DS)? What exactly are we interested in? In this first chapter we discuss perhaps the fundamental question for DS: namely – what is ‘development’? Following Bevan’s approach (2006: 7–12), which has been outlined
in our Introduction, this is the first ‘knowledge foundation’ or ‘the focus or domain of study’.

In this introduction we discuss the opening quotations to this chapter in order to ‘set the scene’. The writers who have been cited are, of course, not unique in addressing the meaning of development, but the selections have been made in order to introduce the reader to the wide range of perspectives which exists.

It would be an understatement to say that the definition of ‘development’ has been controversial and unstable over time. As Thomas (2004: 1) argues, development is ‘contested, … complex, and ambiguous’. Gore (2000: 794–5) notes that in the 1950s and 1960s a ‘vision of the liberation of people and peoples’ dominated, based on ‘structural transformation’. This perception has tended to ‘slip from view’ for many contributors to the development literature. A second perspective is the definition embraced by international development donor agencies that Thomas notes. This is a definition of development which is directly related to the achievement of poverty reduction and of the Millennium Development Goals (MDGs).

There is a third perspective from a group of writers that Hickey and Mohan (2003: 38) broadly identify as ‘post-modernists’. The ‘post-modern’ position is that ‘development’ is a ‘discourse’ (a set of ideas) that actually shapes and frames ‘reality’ and power relations. It does this because the ‘discourse’ values certain things over others. For example, those who do not have economic assets are viewed as ‘inferior’ from a materialistic viewpoint. In terms of ‘real development’ there might be a new ‘discourse’ based on ‘alternative value systems’ which place a much higher value on spiritual or cultural assets, and within which those without significant economic assets would be regarded as having significant wealth.

There is, not surprisingly, considerable confusion over the wide range of divergent conceptualizations, as Cowen and Shenton (1998: 50) argue. They differentiate between immanent (unintentional or underlying processes of) development such as the development of capitalism, and imminent (intentional or ‘willed’) development such as the deliberate process to ‘develop’ the ‘Third World’ which began after World War II as much of it emerged from colonization.

A common theme within most definitions is that ‘development’ encompasses ‘change’ in a variety of aspects of the human condition. Indeed, one of the simplest definitions of ‘development’ is probably Chambers’ (2004: iii, 2–3) notion of ‘good change’, although this raises all sorts of questions about what is ‘good’ and what sort of ‘change’ matters (as Chambers acknowledges), about the role of values, and whether ‘bad change’ is also viewed as a form of development.

Although the theme of ‘change’ may be overriding, what constitutes ‘good change’ is bound to be contested as Kanbur (2006: 5) states, because ‘there is no uniform or unique answer’. Views that may be prevalent in one part of the development community are not necessarily shared by other parts of that community, or in society more widely.

In this chapter we discuss these issues and we seek to accommodate the diversity of meanings and interpretations of ‘development’. In Section 2 we critically review differing definitions of ‘development’. In Section 3 we ask what different definitions
mean for the scope of DS (i.e. what is a ‘developing’ country). Section 4 then turns to indicators of ‘development’ with Section 5 summarizing the content of the chapter.

1.2. What is ‘Development’?

In this section we set up three propositions about the meaning of ‘development’ (see Figure 1.1). It is inevitable that some members of the development community will dismiss one or more of these, while others will argue strongly in favour. Even within individually contested conceptualizations there is space for considerable diversity of views, and differing schools of thought also tend to overlap. This overall multiplicity of definitional debates includes a general agreement on the view that ‘development’ encompasses continuous ‘change’ in a variety of aspects of human society. The dimensions of development are extremely diverse, including economic, social, political, legal and institutional structures, technology in various forms (including the physical or natural sciences, engineering and communications), the environment, religion, the arts and culture. Some readers may even feel that this broad view is too restricted in its scope. Indeed, one might be forgiven for feeling that ‘there is just too much to know now (as, indeed, there always was)’ (Corbridge, 1995: x).

We would argue that there are three discernable definitions of ‘development’ (see Figure 1.1). The first is historical and long term and arguably relatively value free – ‘development’ as a process of change. The second is policy related and evaluative or indicator led, is based on value judgements, and has short- to medium-term time horizons – development as the MDGs, for example. The third is post-modernist, drawing attention to the ethnocentric and ideologically loaded Western conceptions of ‘development’ and raising the possibilities of alternative conceptions.

Figure 1.1 What is ‘Development’?
1.2a. ‘Development’ as a long-term process of structural societal transformation

The first conceptualization is that ‘development’ is a process of structural societal change. Thomas (2000, 2004) refers to this meaning of development as ‘a process of historical change’. This view, of ‘structural transformation’ and ‘long-term transformations of economies and societies’, as Gore noted, is one that predominated in the 1950s and 1960s in particular. Today, one might argue that this definition of development is emphasized by the academic or research part of the development community but that there is less emphasis on this perspective in the practitioner part of the development community (as has already been broached in our Introduction).

The key characteristics of this perspective are that it is focused on processes of structural societal change, it is historical and it has a long-term outlook. This means that a major societal shift in one dimension, for example from a rural or agriculture-based society to an urban or industrial-based society (what is sometimes called the shift from ‘traditional’ to ‘modern’ characteristics), would also have radical implications in another dimension, such as societal structural changes in the respective positions of classes and groups within the relations of production for example (by which we mean the relationship between the owners of capital and labour). This means that development involves changes to socio-economic structures – including ownership, the organization of production, technology, the institutional structure and laws.3

In this conceptualization development relates to a wide view of diverse socio-economic changes. The process does not relate to any particular set of objectives and so is not necessarily prescriptive. Equally, it does not base its analysis on any expectations that all societies will follow approximately the same development process.

All countries change over time, and generally experience economic growth and societal change. This process has occurred over the centuries, and might be generally accepted as ‘development’ in the context of this discussion. This perspective on development is not necessarily related to intentional or ‘good’ change. Indeed, in some cases development involves decline, crisis and other problematical situations – but all of this can be accommodated within this wide perspective of socio-economic change.

Despite its generally non-prescriptive nature this approach has a strong resonance with the ‘meta-narratives’ (meaning overriding theories of societal change – refer to Chapter 4 for a more detailed treatment) that dominated DS during the Cold War. These were grand visions of societal transformation – either desirable transformation as modernization, or desirable transformation as a process of emancipation from underdevelopment. These are different perspectives which, generally, sought to prescribe their own one common pathway to an industrial society for newly independent countries. Although these meta-narratives have a strong resonance with the definition of development as structural societal change, they were deemed to be unsatisfactory in explanatory power in the late 1980s. Hickey and Mohan (2003: 4) argue that the failure of this approach to development theory is one reason why there has been a shift away from defining development as being coterminous with structural change.
Hickey and Mohan (2003) take the view that the pressure on international development research to be relevant has undermined this older established definition in favour of a more instrumental one (a fuller discussion of this issue appears in Chapter 2). A long-term, broad view may address the big picture but it may have a limited capacity to meaningfully guide development practice, such as policy-making, which typically focuses on a shorter time period such as a four-to-five-year government term or a three-year cycle in the case of Poverty Reduction Strategy Papers (PRSPs).

1.2b. ‘Development’ as a short- to medium-term outcome of desirable targets

A second perspective on ‘development’ can be seen in the light of some of the criticisms which have been outlined above. Thomas (2000, 2004) characterizes this second approach as ‘a vision or measure of progressive change’ and Gore (2000: 794) relates it to ‘performance assessment’. This view is narrower in definition and is technocratic or instrumental – indeed, some might argue that it is too technocratic. At its most basic level it is simply concerned with development as occurring in terms of a set of short- to medium-term ‘performance indicators’ – goals or outcomes – which can be measured and compared with targets (for example changes in poverty or income levels). It therefore has a much more instrumental element which is likely to be favoured by practitioners within the development community notably in international development agencies. Poverty reduction objectives in general, and the MDGs in particular, now play a major role in the thinking of the international agencies such as the Organization for Economic Cooperation and Development (OECD) Development Assistance Committee (2001), the United Nations Development Programme (UNDP), the World Bank (2000) or the bilateral aid agencies.

The key feature of this second perspective is that it is focused on the outcomes of change so that it has a relatively short-term outlook, leading some commentators, such as Gore, to label it as ‘ahistorical’. This is somewhat problematic to many of the more academic members of the development community because it presupposes a set of (essentially bureaucratic or government) goals or objectives which may not be shared by many of the people who are supposedly benefiting from development. This means that there is a paternalistic assumption as to what is good for people’s well-being based on a set of universal values and characteristics. This raises the question of ‘ownership’ not so much in the context of governments or of countries but more in the context of peoples, and the poor in particular. In other words there is an issue over whose objectives and values are expressed within the context of this second approach to development, and whether the articulation of the objectives is in any sense democratic or involves the effective participation of civil society (this issue is discussed in more detail in the edited collection of PRSP country case studies in Booth (2004)). There is a concern that this short-term and instrumental view of development loses the (grand) vision of societal transformation that Gore highlighted, and separates the conception of development from socio-economic structures, social relations and politics. Harriss, for example, argues that the separation of analysis
from the social processes of the accumulation and distribution of wealth... [lead to]... depoliticisation. ...[What is required is a shift]... explanation of individual deprivation to explanation of inequalities, the distribution of power, wealth and opportunity. (2006: 5)

This echoes concerns that research can act to depoliticize development by taking a technocratic approach (Ferguson, 1994: 19). There is also a major concern that a focus solely on poverty (or, in earlier time periods, on economic growth) will lead to neglect of other important and inter-related dimensions of development.

1.2c. ‘Development’ as a dominant ‘discourse’ of Western modernity

A third conceptualization of development takes a radically different approach so that direct comparison with the other two outlined in this chapter is difficult. For this reason we intend to give it more attention than the previous approaches.

The first two of our characterizations of development are based, respectively, on visions of change and on outcomes. The third definition is based on the view that development has consisted of ‘bad’ change and ‘bad’ outcomes through the imposition of Western ethnocentric notions of development upon the Third World. This is the ‘post-modern’ conceptualization of development (one might also refer to this as the ‘post-development’, ‘post-colonial’ or ‘post-structuralist’ position – see Chapter 3 for a more detailed discussion).

This third perspective emerged as a reaction to the deliberate efforts at progress made in the name of development since World War II and was triggered in particular by the 1949 Declaration by the US President Truman that:

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. (cited in Esteva, 1992: 6)

The ‘post-modern’ approach is not so much a conceptualization of development as a frontal onslaught onto the ‘development industry’ (including researchers, practitioners and aid institutions). Box 1.1 summarizes the ‘post-modern’ view.

The ‘post-modern’ approach draws upon, amongst others, Michel Foucault (1966, 1969). The key element of this approach is that, for post-modernists, development (and poverty) are social constructs that do not exist in an objective sense outside of the discourse (a body of ideas, concepts and theory) and that one can only ‘know’ reality through discourse. In this approach there is no such thing as ‘objective reality’. Such a ‘discourse’ approach might be said to:

examine how people use particular types of language and imagery to represent themselves and others in particular ways. The focus is on how these images are underlain by, and reproduced through, power relations, and on what their social, political and economic effects are – rather than whether or not they are ‘true’... ....

The power to define reality is a crucial aspect of power and one of the major means
What is ‘Development’?

by which certain groups … … are silenced and suppressed. (Booth et al., 2006: 12–13)

Our first conceptualization of development includes a broad view of structural change with two strands – one tending towards being prescriptive and the other non-prescriptive. The more prescriptive strand can be associated with development theories which include the concept of ‘modernization’ (i.e. having an ‘ideal type’ to which most countries are expected to develop to in the long-run) with significant contributions from political science (Apter, 1967) and from economics or economic history (Rostow, 1960). It is the first of these two strands (including an element of prescription) within our first conceptualization, and our second conceptualization, which post-modernists would argue imply that some people and countries are ‘inferior’ to other ‘more developed’ people and countries. The post-modernist view would suggest that those who construct the concept or the ‘discourse’ (as, for example, in the perception of the ‘backwardness’ of some rural communities in terms of agricultural production technology) have in mind this inherent element of inferiority-superiority. Indeed, central to the ‘post-modern’ critique is that development has been defined as synonymous with ‘modernity’ which is presented in the discourse as a superior condition. This goes to the heart of the post-modern theorists’ condemnation of development as a discourse constructed in the North as ‘modernity’ and imposed on the South. The ‘discourse’ is socially constructed and places values on certain assets which the South does not have. Thus, it is argued, the South is viewed as ‘inferior’. For example, ‘traditional’ or non-modern/non-Western approaches to medicine, or other aspects of society, are perceived as ‘inferior’. Edward Said, who has developed some of these ideas, argues that Western

<table>
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<tr>
<th>Box 1.1  Post-Modern Conceptualization(s) of Development</th>
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<td>[Development has been] a mechanism for the production and management of the Third World... ... organizing the production of truth about the Third World... ... Development colonized reality, it became reality... ... Instead of the kingdom of abundance promised by theorists and politicians in the 1950s, the discourse and strategy of development produced its opposite: massive underdevelopment and impoverishment, untold exploitation and oppression... ... Development was – and continues to be for the most part – a top down, ethnocentric, and technocratic approach, which treated people and cultures as abstract concept, statistical figures to be moved up and down in charts of progress ... ... The discourse [of development] actually constitutes the problems that it purports to analyse and solve. (Escobar, 1992: 413–4, 419; 1995: 4, 44–5)</td>
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<td>The idea of development stands today like a ruin in the intellectual landscape. Its shadow obscures our vision... ... Delusions and disappointment, failures and crimes have been steady companions of development and they tell a common story: it did not work... ... But above all, the hopes and desires that made the ideas fly, are now exhausted: development has grown obsolete. (Sachs, 1992: 1)</td>
</tr>
<tr>
<td>Development is a label for plunder and violence, a mechanism of triage. (Alvares, 1992: 1)</td>
</tr>
<tr>
<td>Poverty is a myth, a construct and the invention of a particular civilization. (Rahnema, 1997: 158)</td>
</tr>
<tr>
<td>Culturally perceived poverty need not be real material poverty: subsistence economies which serve basic needs through self provisioning are not poor in the sense of being deprived. Yet the ideology of development declares them so. (Shiva, 1988: 10)</td>
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by which certain groups ... ... are silenced and suppressed. (Booth et al., 2006: 12–13)
political–intellectual representations of the ‘Third World’ have been integral to subordinating the Third World through the concept of ‘Orientalism’ (see Box 1.2).

Critiques of the post-modern conceptualization of development typically focus on its perceived nihilism, its celebration of severe deprivation as a form of cultural autonomy, its romanticized notion of the ‘noble savage’, and the assumption that all Southern social movements are emancipatory (for further discussion see Kiely, 1999; Parfitt, 2002; Pieterse, 2000). Post-modernism also suffers from an internal contradiction (Foucault called this ‘the performative contradiction’): that is to say that if we can only know reality through discourse then why should we believe any one account (such as that of the post-modernists) more than any other – each account might be equally ‘socially constructed’.

### 1.3. The Scope of DS

#### 1.3a. DS and the ‘Third World’

Any definition of development will shape the scope of DS and determine the definition of a developing country. Historically, DS has focused on developing countries, which have often been referred to as the Third World – a term which has never been precisely defined. It was a loose grouping of newly independent countries in the 1950s and 1960s which became associated with the ‘non-aligned movement’ (countries aligned to neither the USA nor the USSR in the Cold War) launched in 1955. The term ‘Third World’ has also been associated with an alliance known as the G77 (Group of 77) which was formed within UNCTAD in the 1960s. The term ‘Third World’ is dated by the Cold War, and by a time period when there was a First World (the industrialized countries) and a Second World (the communist block). When the Cold War
ended the ‘Third World’ label became questionable. The use of the term implies that ‘developing countries’ and ‘developed countries’ are qualitatively different.

This positioning of the concept of development would appear to suggest that the scope of DS is limited to poor countries – however defined – such as those with high absolute poverty rates and low incomes per capita. This would be consistent with our second definition of development as being concerned with a set of short- to medium-term targets or outcomes related to objectives such as reducing poverty or raising income. Indeed, the use of the terms ‘Third World’ or ‘developing country’ might imply that developing countries and developed countries are sufficiently different that they cannot be directly compared. The South Commission, led by the former Tanzanian President, Julius Nyerere, argued that the common characteristics of developing countries transcended the differences. For Toye (1987) the characteristic which most developing countries share is the experience of colonization. Controversies include the appropriate terminology for references to the ‘Third World’ and the significance of the extent of heterogeneity within the ‘Third World’ (further elaboration may be found in Box 1.3). Post-modernists tend to argue that any labelling would implicitly or explicitly imply the inferiority of the developing countries, and would thus relate to the control exercised over them by developed countries. In short, the post-modernists would argue that the function of the ‘development discourse’ is to categorize people in order to control them through the creation of problematic categories (Foucault called this ‘governmentality’). The accusation by the post-modernists is that DS has created such problematic categories in order to justify interventions (this issue is explored in more detail in Chapter 2).

A number of descriptions for groupings have emerged in the literature, most of which tend to differentiate between countries which are perceived to have experienced some form of ‘good change’ (i.e. they are ‘developing’) and those which have not (i.e. they are ‘least developed’) (for further elaboration see Box 1.4). These descriptions tend towards placing significance on economic elements of the groupings’ characteristics.

**Box 1.3 Common Labels for Developing Countries and Critiques**

- Developing countries: too counterfactual or optimistic a term for many countries
- Less developed countries: too patronizing a term – strongly suggesting inferiority
- Low income countries: too economically determinist
- The South: not geographically perfect but the term used by both the 1980 Brandt Commission and the 1990 South Commission
- Majority world: too general to say the countries account for 80% of the world’s population
- Post-colonial societies: too historically determinist – are countries that have had independence for, in some cases, several hundred years, still framed by that colonial experience?
- Non-OECD countries: those countries that are not members of the OECD, the body which essentially represents the economic interests of the industrialized countries
There are many acronyms that emphasize this complexity – such as NICs, MICs and BRICs – and an attempt has been made to identify most of these in Box 1.5. By way of further clarification, the grouping described as ‘Low Income Countries Under Stress’ relates to countries which are fragile states with weak institutions as well as having low income per capita.

Since 1990 ‘transition countries’ have been added as another category (World Bank, 1996). These are countries of Eastern Europe, former members of the Soviet Union, and others in transition from a state planned economy to some form of market economy – such as China, Mongolia, Vietnam, Cambodia and Laos.

Other categories include countries in conflict and post-conflict situations, countries with a high HIV/AIDS prevalence, and those with a high aid dependency (the 0.2% club and the 20% club – expressing aid as a percentage of GDP).9

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**Box 1.4  Groupings Used by International Development Agencies**

**Countries with low income per capita**


Countries with low ‘human development’

The UNDP has low, middle and high human development countries based on education and health criteria as well as income in their Human Development Index (a composite measure of income, health and education – see later discussion). (UNDP 2006: 393–9, 413)

Countries which are ‘least developed’

UNCTAD has a ‘Least Developed Countries’ criteria (50 countries in 2006) based on three components – a) Gross National Income per capita or US$750-900 per capita (3 years average 2002-2004), b) indicators for human assets (including nutrition, child mortality, school enrolment, adult literacy) and c) an economic vulnerability indicator (including measures of the instability of agricultural production, population displaced by natural disasters, instability in imports, the share of agriculture in GDP and exports and proxies for economic ‘smallness’ (less than 75 million people) and ‘remoteness’. (UNCTAD, 2006: 25–32)

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**Box 1.5  Acronyms Relating to International Development**

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Definition</th>
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<tr>
<td>BRIC</td>
<td>Brazil, Russia, India and China</td>
</tr>
<tr>
<td>BRICET</td>
<td>Brazil, Russia, India, China, Eastern Europe and Turkey</td>
</tr>
<tr>
<td>HIPC</td>
<td>Heavily Indebted Poor Country</td>
</tr>
<tr>
<td>LDC</td>
<td>Less Developed Country</td>
</tr>
<tr>
<td>LIC</td>
<td>Low Income Country</td>
</tr>
<tr>
<td>LICUS</td>
<td>Low Income Country Under Stress</td>
</tr>
<tr>
<td>LLDC</td>
<td>List of Landlocked Developing Countries</td>
</tr>
<tr>
<td>LMC</td>
<td>Lower Middle Income Country</td>
</tr>
<tr>
<td>MIC</td>
<td>Middle Income Countries</td>
</tr>
<tr>
<td>NIC</td>
<td>Newly Industrializing Countries</td>
</tr>
<tr>
<td>UMC</td>
<td>Upper Middle Income Country</td>
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The concerns of DS extend beyond developing countries. There is poverty and wealth in every country. Further, China is a ‘developing country’ and one of the world’s largest economies, with high poverty levels. Inequalities within high income countries mean that the types of policy analysis applied to poverty reduction programmes in developing countries have a broader relevance. Life expectancy at the beginning of the twenty-first century in the Calton area of Glasgow in the United Kingdom at 53.9 years, for example, is lower than the average life expectancy in many developing countries.\(^{10}\) The socio-economic impact of demographic and technological dynamics (as examples of structural change) requires careful policy-relevant research in industrialized countries just as much as in developing countries. All countries are developing in some sense of the term, and industrialized countries experience structural change of a socio-economic nature just as much as the developing countries. So cross-disciplinary analysis which is familiar to DS researchers is also relevant to industrialized countries (Bown and Veitch, 1986).

The demographic characteristics, to take a very relevant example, of developing countries tend to include comparatively high growth rates, low life expectancy, and a high proportion of children in the population. Industrialized countries tend to have low population growth rates, relatively high life expectancy, and a high proportion of older people in the population. Mortality rates tend to be high in developing countries, and the combination of factors causing deaths is very different to that in industrialized countries.\(^{11}\) The implications of the differences in these structural features are of the utmost significance for education and health policy formulation, and changes in these features over time within developing and industrialized countries are also very policy significant. When combined with technological change the significance is even clearer although, of course, the technological levels in developing and industrialized countries are very different.

A number of other socio-economic issues in industrialized countries are also associated with the concerns of DS. For example, problems of ‘over-development’ in the industrialized countries, such as unhealthy diet and obesity, have complex socio-economic causes and effects. High consumption levels with their associated high CO\(_2\) emissions in the industrialized countries not only have an impact on these countries, but also impact developing countries through the global environmental effects of the emissions. Other examples of increasing interconnectedness between industrialized and developing countries are represented by the globalization of terrorism, security issues and pandemics (HIV/AIDS and avian flu for example) and mean that a crossdisciplinary approach to research and policy analysis is increasingly relevant in an international context (Mehta et al., 2006).

Seers (1963) provided a seminal discussion of the diversity of developed country characteristics, and their divergence from the characteristics of developing countries. On this basis he could justify calling the developed, or industrialized, countries ‘a special case’. The determining characteristics included factors of production (e.g. literacy and the mobility of labour), sectors of the economy (e.g. manufacturing
much larger than either agriculture or mining), public finance (e.g. reliance on direct
taxes), households (e.g. very few below subsistence level and a moderately equal dis-
tribution of income), savings and investment (e.g. well-developed financial interme-
diaries), and ‘dynamic influences’ (e.g. slow population growth and high urbanization).

When Maxwell reviewed Seer’s arguments 35 years later he suggested that they were
really no longer appropriate because of the blurring of boundaries between devel-
oped and developing countries in recent years and although

the poverty line in the UK… … is 17 times the poverty line [the dollar-a-day] estab-
lished by the World Bank for developing countries… the argument [for compara-
tives] rests not on levels of living, so much as on the economic, political and social
characteristics of different groups of countries and on the tools of analysis deployed
to study them. (1998: 25)

Widening the international scope of DS in this way is also consistent with a view of
development as structural change and with the post-modern broad conceptualization
of development within a discourse. It will be recalled that to a large extent the basis of
the post-modernist critique of development is that the dominant discourse of Western
modernity is imposed on the Third World. However, if ‘development’ is defined to
encompass the entire planet (reminiscent of the approach of the Brandt Commission –
Independent Commission on International Development Issues, 1980 – and of the
Brundtland Commission – World Commission on Environment and Development,
1987), to include increased interconnectedness across the planet through globalization
as well as diversity of value systems (for example cultural or spiritual) without any con-
notation of inferior or superior conditions, then the extent of inconsistency between
the first and third conceptualizations which we have established earlier in this chapter
would be considerably reduced. A possible response to this argument from the post-
modernists might be that perspectives of socio-economic change in developing coun-
tries is best left to nationals of those countries and that the expansion of the scope of
DS to cover global development is simply another way of imposing the values of the
industrialized countries on developing countries. However, such a response would
imply a remarkably compartmentalized view of international development at a time
when boundaries are becoming less significant in many spheres of human activity.

1.4. Indicators of ‘Development’

1.4a. A brief history of indicators

How do we assess whether development and change has occurred, and the extent to
which it has occurred? Any attempt to answer these questions requires sets of statist-
ics and other descriptive data which need to be handled in a systematic way. It is for
this reason that the literature on development indicators has burgeoned over the last
half century, with much of the concern being with the need to treat all such indicators
with caution (further discussion will be found in Chapter 5 – particularly in Box 5.8).
Development indicators have evolved considerably since the 1960s. The search has involved three particular problems. First, many of the developing countries for which secondary data is sought as a basis for indicators have non-existent, incomplete or unreliable data for several of the relevant series. Second, there has been a widely acknowledged mis-match between some of the economic series which are widely available (such as per capita income) and the concepts for which data is sought (such as development, welfare and poverty for example). Third, some of the concepts for which data are sought are inherently non-quantitative in nature so that it has been necessary to find alternative approaches for the identification of rigorous indicators.12

The publication of Kuznets’ major series on the quantitative aspects of the economic growth of nations (1956, 1971, 1979, 1982, 1983), Bauer’s Social Indicators (1966) and Seers’ Limitations of the Special Case (1963), the Meaning of Development (1969) and What are we Trying to Measure (1972) led to a rethinking of development indicators away from reliance on growth in per capita income alone:

The questions to ask about a country’s development are therefore: What has been happening to poverty? What has been happening to unemployment? What has been happening to inequality? If all of these three have become less severe, then beyond doubt this has been a period of development for the country concerned… … If one or two of these central problems have been growing worse, especially if all three have, it would be strange to call the result ‘development’, even if per capita income has soared. (Seers, 1972: 24)

Seers questioned the basic issue of whether growth in the average level of per capita incomes would be an adequate measure of development if development was defined in terms of the satisfaction of basic needs (for greater detail refer to Hicks and Streeten, 1979; ILO, 1976, 1977; Stewart, 1985; Streeten, 1980, 1984). Development indicators were needed for elements of basic needs – physical necessities such as food, shelter and public services, as well as the means to acquire these through employment and income. Progress with these broader measures was reflected in the greater availability of data on health and education, for example, for many developing countries during the 1970s. The fact that research related to distributional issues failed to show that the benefits of economic growth trickled down effectively to lower income groups in both urban and rural areas generated greater interest in this approach (Adelman and Morris, 1973; Chenery Ahluwalia et al., 1974).

Much of the research was led by the International Labour Office, particularly through its World Employment Programme (see, for example, ILO, 1976, 1977). This coincided with the emergence in the 1960s and 1970s of levels of living indicators as a response to the dissatisfaction with the use of income per capita as a measure of welfare and of development. Steady development of statistical indicators of development is discernable from the 1960s into the 1970s and then into the 1990s. The work of Baster (1979), McGranahan et al. (1985), Morris (1979) and UNRISD (1970) set the foundations for Sen’s work with the UNDP on the creation of human development indicators (UNDP, 1990).
1.4b. Contemporary universal and context specific development indicators

The UNDP *Human Development Report* was established in 1990 thanks to the influential work of Amartya Sen, Mahbub ul Huq, Richard Jolly, Frances Stewart and Meghnad Desai at the UNDP. It provided a new framework known as ‘Human Development’ or the ‘Capabilities Approach’ (see Box 1.6) and a related set of composite indicators led by the UNDP’s Human Development Indices (see Table 1.1). For Sen the focus is on the capabilities approach which consists of the means, opportunities or substantive freedoms which permit the achievement of a set of ‘functionings’ – things which human beings value in terms of ‘being’ and ‘doing’. This, according to Sen, is the essence of Human Development. However, because ‘capabilities’ are difficult to measure, many of the components of the Human Development Indices are actually based on ‘functionings’.

The UNDP indices are amongst the most commonly cited development indicators, and the most widely used are the Human Development Index (HDI), the Gender

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**Box 1.6 The Human Development and Capabilities Approach**

Sen (especially 1999), Nussbaum (especially 2000) and UNDP (1990–2007) have argued that development is not, as previously conceived, based on desire fulfilment (utility or consumption measured by a proxy for income – GDP per capita) because this does not take sufficient account of the physical condition of the individual and of a person’s capabilities. Income is only an instrumental freedom – it provides a means for the achievement of other constitutive freedoms. Sen does not ignore income, rather he argues that too much emphasis can be placed on this dimension of development. Instead

> Development is the process of enlarging people’s choices. (UNDP, 1990: 1)

Development consists of the removal of various types of unfreedom that leave people with little opportunity of exercising their reasoned agency. … Development can be seen … as a process of expanding the real freedoms that people enjoy … the expansion of the ‘capabilities’ of persons to lead the kind of lives they value - and have reason to value. (Sen, 1999: xii, 1, 18)

Sen has argued that there is a broad set of conditions (including being fed, being healthy, being clothed and being educated) that together constitute wellbeing. Individuals have a set of entitlements (command over commodities) which are created through a set of endowments (assets owned – physical and personal characteristics – financial, human, natural, social and productive) and exchange (production and trade by the individual). These entitlements are traded for a set of opportunities (capabilities) in order to achieve a set of functionings (outcomes of wellbeing). Sen resolutely refused to name the capabilities although he (1999: 38) did identify five basic freedoms. These are:

- political/participative freedoms/civil rights (e.g. freedom of speech, free elections);
- economic facilities (e.g. opportunities to participate in trade and production and sell one’s labour and product on fair, competitive terms);
- social opportunities (e.g. adequate education and health facilities);
- transparency guarantees (e.g. openness in government and business and social trust);
- protective security (e.g. law and order, social safety nets for unemployed).

There have been numerous other attempts at constructing sets of capabilities (for discussion, see Alkire, 2002).
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The Development Index (GDI) and the Human Poverty Index (HPI). In the case of the HPI two separate versions are provided: one for developing countries (HPI-1) and the other for industrialized countries (HPI-2). HPI-1 relates to absolute deprivation whilst HPI-2 relates to relative deprivation, and Table 1.1 summarizes the components of each. The HDI, GDI, HPI-1 and HPI-2 each take account of wellbeing, which is related to life expectancy, health, knowledge and education, and most of these indices include some form of purchasing-power-adjusted per capita income as an indicator of the standard of living. The UNDP also publishes a gender empowerment measure (GEM) which is a measure of gender equality in politics, business and wages.

Since the late 1990s there has been an internationally agreed set of development indicators in the form of the United Nations MDGs (see Box 1.7). The MDGs are the product of agreements at international conferences led by UN agencies, giving them some legitimacy as desirable development outcomes or targets. The signing of the Millennium Declaration (United Nations, 2000) by UN members at the UN Millennium Assembly in New York, on 18 September 2000 was the basis for a ‘road map’ – the MDGs – prepared for the UN General Secretary by a Working Group including the UNDP, other UN-specialized agencies, the IMF, the World Bank and the OECD (Poston et al., 2004). The Millennium Declaration (United Nations, 2000) lists six ‘fundamental values’ some of which are only partially represented in the MDGs (Maxwell, 2006: 3) consisting of: freedom (MDG 1, 2, 3, 4, 5, 6); equality (MDG 2); solidarity (MDG 8); tolerance (no corresponding MDG), respect for nature (MDG 7) and shared responsibility (MDG 8). The MDGs themselves comprise eight goals with 18 targets and 47 indicators (refer to Box 1.7 and United Nations, 2007).

Table 1.1 Human Development Indicators

<table>
<thead>
<tr>
<th>Longevity</th>
<th>Knowledge</th>
<th>Living Standard</th>
</tr>
</thead>
<tbody>
<tr>
<td>HDI</td>
<td>Life expectancy</td>
<td>Adult literacy (two-thirds weight) and combined enrolment rate (one-third weight)</td>
</tr>
<tr>
<td>GDI</td>
<td>Life expectancy (male/female)</td>
<td>Adult literacy (male/female) and combined enrolment rate (male/female)</td>
</tr>
<tr>
<td>HPI-1</td>
<td>Probability at birth of not surviving to age 40 years</td>
<td>Adult illiteracy rate</td>
</tr>
<tr>
<td>HPI-2</td>
<td>Probability at birth of not surviving to age 60 years</td>
<td>Percentage of adults lacking functional literacy skills</td>
</tr>
</tbody>
</table>

The MDGs are, of course, not without critics. Saith (2007: 1184) has argued strongly that the MDG ‘scaffolding’ ‘ghettoizes’ the problem of development by locating it exclusively in the ‘third world’ with an agenda created almost exclusively by industrialized countries without adequate consultation and based entirely on absolute standards of living. As well as a trenchant methodological critique Saith argues that there is a potential distortionary MDG effect through a diversionary impact on the orientation of the social science research agendas – which are themselves largely dependent upon funds provided by government-funded research councils or from development agencies which are ‘MDG driven’. He also argues that there is a potential distortion of practice through the behaviour of international aid agencies and government bureaucracies which tend towards the ‘misuse and manipulation of statistics and the misrepresentation of outcomes… so that perverse incentives and behaviour can result’ (Saith, 2007: 1174). He continues with the points that data availability and quality are very uneven or weak and that many of the MDGs fail to capture dimensions of wellbeing adequately (for example, what do primary enrolment/completion rates really say about educational achievement?). He suggests that the MDGs significantly understate the new dimensions of development (i.e. participation, democracy, sustainable livelihoods, vulnerability and risk). White and Black add the view that the MDGs deal problematically with gender equality and sustainability and have a general ‘top-down’ approach (2004).

A number of context-specific or ‘specialist’ development indicators have also been created in response to the realization that universal development indicators may contradict subjective perceptions of wellbeing and development. This approach is particularly associated with Chambers (1983, 1997) who argues that the perceptions of poor people (rather than of rich people, of aid agency officials, or members of the development community) should be the point of departure because top-down development indicators may not correspond with how poor people themselves conceptualize changes in their wellbeing. Security, dignity, voice, and vulnerability may be more important than consumption in some circumstances for example. These arguments have led to a significant increase in participatory research (discussed in more detail in Chapter 6) including the World Bank’s *Voices of the Poor* study (which is discussed in Chapter 5). Kingdon and Knight argue that

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**Box 1.7 The United Nations Millennium Development Goals (MDGs)**

| MDG 1. | Eradicate extreme poverty and hunger. |
| MDG 2. | Achieve universal primary education. |
| MDG 3. | Promote gender equality and empower women. |
| MDG 4. | Reduce child mortality. |
| MDG 5. | Improve maternal health. |
| MDG 7. | Ensure environmental sustainability. |
| MDG 8. | Develop a global partnership for development. |

Source: UN (2007).
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an approach which examines the individual’s own perception of well-being is less imperfect, or more quantifiable, or both, as a guide to forming that value judgement than are the other potential approaches. (2004: 1)

These psychological elements of development indicators have shifted discussion from objective wellbeing to subjective wellbeing and from physiological conditions (namely the objective physical condition of the individual) to psychological conditions (the subjective psychological experience of the individual). In short ‘what a person has, what a person can do with what they have, and how they think about what they have and can do’ (McGregor, 2006: 1).

1.5. Chapter Summary

In this chapter we have addressed three areas.

1.5a. The meaning of development

The definition of development has been a major area of controversy. Implicit value assumptions and associated policy responses are logically linked to the nature of the definitions employed. Values are central to disputes about the definition of development – what to improve, how to improve it and, especially, the question of who decides? For much of the post-WWII period development has been defined in terms of a long-term view with an emphasis on socio-economic structural transformation (for example the shift from an agrarian economy to an industrial economy). However, since the 1990s development has come to be defined with a shorter horizon related to policy objectives and performance indicators (such as growth of income per capita and poverty reduction). The United Nations poverty reduction goals for 2015, known as the MDGs, are prominent in this latter context amongst international agencies.

1.5b. The scope of DS

The context for international development has been changing fast. While previously reference was made to an apparently homogeneous Third World there is now an emphasis on diversity, including groupings such as the newly industrialized countries (NICs), middle income countries (MICs) and Brazil, Russia, India and China (BRICs). There is also a focus on the least developed countries and on low income countries under stress (LICUS). The study of development has often concentrated on the Third World, but we have argued that in a broader view the analysis of socio-economic change (including demographic, technical and cultural change) in higher-income industrialized countries is not analytically significantly different to comparable analysis in developing countries as well as in other global groupings, so that all countries are developing in this sense. There is a concern for poverty reduction
in the industrialized countries as well as in developing countries, with a focus on the poor and the marginalized. In a broader view the rich and powerful within ‘poor’ countries have a disproportionate influence on the prospects for the adoption and implementation of robust poverty reduction policies just as the rich and powerful industrialized countries (and particularly the G8 countries) have a disproportionate influence on international prospects for the advancement of developing countries.

1.5c. Indicators of development

Development indicators have evolved considerably since the 1960s. This evolution has been inter-woven with disputes on the meaning of development. A major feature of this has been the contrast between economic indicators such as per capita income on one hand and broader views of development and wellbeing which include social and psychological dimensions at their centre on the other hand. Most recently a newly emerging focus is on the distinction between universal or objective wellbeing and subjective or context-specific wellbeing.

References


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Throughout this book we have abbreviated ‘Development Studies’ to the acronym ‘DS’.

Post Modernism (see Chapter 3) can best be understood in contrast to, or as a reaction to ‘modernity’. It is an adverse reaction to rationality, faith in progress and the perception that science is precise. One main concern is that universalistic claims to ‘truth’ or ‘metanarratives’ have a tendency to exclude and repress people (Parfitt 2002: 13).

For an example of this perspective see Deane (1965).

For example, this type of approach is written into the mission statements of the UK donor, the Department for International Development (DFID). DFID’s Public Service Agreement with the UK Treasury sets out its key aims and objectives. These are ‘to eliminate poverty in poorer countries in particular through achievement by 2015 of the Millennium Development Goals’. The full version of the DFID Public Service Agreement can be found on the DFID website http://www.dfid.gov.uk/aboutdfid/psa-sda.asp

However, even within international development agencies there is some diversity of views. For example, the Drivers of Change approach used by the DFID has more resonance with the structural societal change definition of development. This is a framework for identifying factors that lead to country-specific ‘change’. It has three components which are (i) structures (‘underlying economic, social and political fabric of the country and its resource endowments as reflected in the distribution of assets, economic processes, social relations and ingrained political legacy and form of government’); (ii) institutions (‘frameworks of rules governing the behaviour of agents – i.e. markets, cultural patterns, legal and administrative frameworks, and norms’) and (iii) agents (‘individuals and organisations that pursue particular sets of interests’). The full version of Drivers of Change can be found on the DFID website http://www.gsdrc.org/go/topic-guides/drivers-of-change

‘Modernity’ refers to a ‘condition’ of being modern or being like the industrialized countries of Western Europe and North America in particular. It encompasses industrialization, urbanization, increased use of technology and application of rational thinking and scientific principles to the understanding of progress and of medical, legal and political systems (Willis, 2005: 2–3).

In most of this book we have labelled the richer, developed countries as being ‘industrialized’, and the poorer countries as being ‘developing’. All such labels have their limitations. In the context of the discussion of the post-modernist school of thought we have thought it most effective to adopt the respective labels of ‘North’ and ‘South’.

The term ‘Third World’ was coined by the French economist and demographer, Alfred Sauvy in 1952. It was based on the concept of the ‘Third Estate’ from the French revolution – a division of society between nobility, clergy and commoners. For Sauvy ‘Third World’ was intended to reflect ‘exclusion’ rather than ‘inferiority’ (Scheyvens and Storey, 2003: 13). We have generally avoided the use of this term, preferring to use the term ‘developing countries’.

The Group of 77 has since grown to 131 countries but retains its original name. Further detail may be found on the G77 website: http://www.g77.org/

“The ‘20% Club’ consists of countries which derive around 20% of GDP from aid. These countries will be major beneficiaries of the commitment in 2005 to double aid. Their agenda will cover such topics as absorptive capacity, political development and the use of aid to achieve both growth and human development. They will want to hold donors to account for delivery against commitments and will have a strong interest in streamlining the aid architecture. The ‘0.2% Club’ consists of countries in which aid plays a much smaller role. Here, the issues are more to do with managing the changing challenges of
globalization, with regional and inter-regional collaboration, and with linkages to non-aid development issues like security and the management of the global commons” (Maxwell, 2006: iv).

10 See http://politics.guardian.co.uk/publicservices/story/0,11032,1691742,00.html

11 The long-term change from the demographic characteristics of the developing countries to those of the developed countries is usually referred to as the ‘demographic transition’.

12 Many of the technical questions associated with development and poverty indicators are comprehensively and rigorously reviewed in the Technical Notes in the appendices to Volume I of the PRSP Sourcebook (Klugman 2002: 405ff).

13 Since 1990 the original Human Development Index has been modified in the light of critique and has been joined by a wider range of specialized indices which are summarized in Table 1.1.

14 Some of the specialized terminology used in this context is that of Sen (1999).

15 A substantial amount of research based on this approach has been undertaken by the Wellbeing in Developing Countries (WeD) Research Group, Bath University, UK and information about publications and working papers can be found at http://www.bath.ac.uk/econ-dev/wellbeing/