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Chronological evolution of Development as a narrative

Anu Verma
Masters, Development Studies

Development is a term whose meanings and dimensions have transitioned with evolving economic and political understanding of growth and its dominant doctrine advancing with time and understanding. Development as a narrative emerged as a term majorly around the war torn decade of 1940 around the Second World War and its recognition is positioned with the unfolding nature of state and its action. State as an actor and the 'result' of its presence becomes crucial further to understand the dominance of the developed over the developing nation, and international organizations' progressing proposals (Chang, 2003). Understanding what development is and what as a process it entails captures not only the journey defining its experience but also the challenges it faces. Both these aspects have mainly come about and been envisaged through the different interconnections of economic and politics of development being prescribed by the relevance of state and market as an agent to development.

As signaled above, the primary focus of development has thus interchanged from economic development to a more humanistic approach to development, rather from top-down to bottom-up approach. Based on this understanding, the modification of the word "development" could be understood on a chronological basis of the dominant economic doctrine of each passing decade. Capitalism which gained momentum during the 1870s in Britain prescribed no government intervention, low barriers to trade and macroeconomic stability to achieve unprecedented growth. Even post the First World War, low interventionist policy with liberalization persisted with the presence of GATT (John, 2003)

However, the early 20th century, especially **around the 1930s** was marked by Stalin's idea of heavy industrialization as the means to industrialization and thus prosperity. This proposal gained further recognition with "great depression" establishing Keynesian theory and its tenets advertising how laissez faire policy has failed to deal with any economy's unemployment crisis. Many economists like Paul Rosenstein-Rodan and Lewis further theorized their understanding around the idea of a great wage differential to propose the migration of laborers from agriculture to industries which needed to be facilitated by the state. This also paved the way for the United Nations to promote the action of developing the 'underdeveloped' areas through the process of structural transformation and fostering industrialization by the use of existing technology. Government engineered social transformation as per the general agreement was considered to attain this.

However, with agricultural stagnation, both the beliefs of viewing agriculture as a sector to extract from and the government's guidance to economic prosperity started losing its luster. This view was furthered by the coming of Green revolution a**round 1960s** promoting idea and politics of agriculture investment. Finally **around 1970s,** the socio-economic commotion around the non-profitability of agriculture brought the intent along with the action of government of action in question and thus refuting its presence. Thus came in "neo-liberalism" as a school of thought promoting market as an alternative to state and its delinquency. The dependence of the developing nation and their 'desire' to follow and catch-up its developed counterpart also got firmly established. This belief to divest from state as the main agent of development was also a by-product of the various studies conducted by OECD, blaming the developing nations' governance and their protectionism based trade policies. This got codified as the "Washington Consensus" proposing policies for the developing nations with the implication that one-size-fit-all. "Poverty reduction" thus gradually became ends to development rather than its means. Considerable 'evidences' were presented through the examples of South Korea, and some other East Asian countries as miracle economies who have succeeded by adapting to new blossoming regime of development.

Finally **by the 1980s**, this understanding of realizing development and thus poverty reduction got backing from international organizations like the World Bank and IMF thus leading to its further proliferation. This was popularly known as "Structural adjustment program" (SAP) whose purpose was to aid countries in correcting their economic structure, improving international competitiveness and restoring Balance of Payment (Deepak, 2003). Aggregate output was intended to be reduced and thus equated with the supply along with shrinkage of the public sector to resuscitate growth and its pace. However, with the effects unfolding of SAP, it was realized that much less was achieved than what it had claimed for. It was further criticized for distracting the focus of the economy from central issues which were more severe cause of inequality, poverty and thus overall under-development.

Thus **by 1990,** acknowledgment of the other means to focus on poverty reduction came through. This was further publicized by the World Development Report that was initiated in 1990, recognizing the importance of other parameters like literacy rate and life expectancy along with an economy's growth rate to recognize human development and thus its index. (Armstrong & Taylor, 2004) Thus the crucial influence of institutions along with market and economics set the trail ablaze for the New Institutional Economics (NIE) where the recognition of transaction cost and its minimization led to "social capital"to start gaining its much deserved place. This further strengthened the call to follow liberalization more religiously with the advent of what came to be known as "New Developing Countries" (NDCs).

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With the NIE bringing in the advent of complications arising in neo-liberals' ideology, studies started in the field of development economics. Many admirable outcomes regarding the growth rates of GDP started highlighting how economy's performance during state intervention in both developed and developing countries were considerably better than the neo-liberal regime. Where the developed nations were growing on an average of 3.2 percent in comparison to the neo-liberal based average rates of 2.2 percent, the developing nation growth rate dipped from an average of 3 percent to 1.5 in this era (Deepak, 2003). While the neo-liberals refused to give the state the honour of social benevolent planner, it itself failed to explain why liberalization was the only way to achieve efficiency and thus growth. Moreover, the sole purpose of economic efficiency not partake the politics influenced allocation was not in consistency with the long run compatibility. The failure of the markets also got highlighted with various contestations with regards to how the failure and success was itself acknowledged. The same markets in certain areas were considered fine and in other a misfit. Furthermore, income inequality took a causal state rather than a central focus in this market based regime. Even in terms of economic growth and the pace of achieving it got a new dimension with the East Asian economies succeeding with providing government the role of a facilitator in their plan of action.

When considering the politics of state as an agent of growth and thus obligated to turn to serve their own vested interest, it was realized how the market itself is a political construct. Further, politics as one of the basis of any agent's existence is crucial to providing voice to the marginalized aspects of the economy like environment, gender, ethnicity and other right-based struggles. This started acquiring momentum majorly around the late 1990s - early **2000s.** State thus gained its noteworthiness to incorporate human motivation and preferences through its constitutive role of an institution. Other forms of institution thus initiated the call for capturing the values and behavior based on incentives and dis-incentives thus meaning to internalize their evolving characteristic and altering themselves. This was the key difference between what the neo-liberals promoted through their NIE policy where the changing dimension was not implicit with the maturing preferences of individuals. This came to be known as IPE or "International Political Economy" where states had its significant role in influencing economic decision making (Deepak 2003)

This significance of state's involvement in the market's affair could further be corroborated with the HDI report of **2011**, indicating how this transition of the development narrative is serving the interest of social capital in this neo-liberal era. The fact that on many important social indicators, the Muslim minority and Schedule classes are converging to the nation's average seems to indicate something is going right in the development progression (Gandhi &Mehrotra, 2012). This however further needs to be presented with the fact that the total values of various other social indicators are inclined towards lower value thus creating scope for further improvement in this development paradigm.

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