



Development and sustainability

3

Learning outcomes

In this section, you will learn the following:

- contested meanings of development, sustainability, poverty and inequality
- interactions of political stakeholders and actors in development and sustainability
- the nature, practice and study of development and sustainability
- debates on globalization, development and sustainability.

Key questions

- How are poverty and inequality related?
- How are development and sustainability related?
- How have perspectives of development evolved?
- How can development and sustainability be measured?
- What are some of the common pathways towards development?
- What are different perspectives on well-being?

Introduction

Many interactions between state and non-state actors take place within the sphere of development and, more recently, sustainability. Until the early 21st century, development in the strictly economic sense has been largely pursued through industrialization and mass production. This required a constant supply of natural resources and labour alongside building infrastructure like roads, dams, shipping ports and railways. The growth of cities, the availability of goods (and markets to sell them), ease of transportation and technological progress have been largely driven by intensive resource extraction, reliance on non-renewables like fossil fuels, and at times, the exploitation of land and labour.

Within the world today, development has resulted in two contradictory tensions. On the one hand, development has led to decreased poverty, improvements in the lives of many globally and the accumulation of tremendous wealth for states, multinational corporations and some individuals. However, it has also led to growing inequalities both within and among states, human rights abuses in some cases and global-scale crises caused by climate change. To reconcile these tensions, sustainability became inseparable from discussions around development, especially in 2015, when the UN Agenda 2030 for Sustainable Development was approved by member states at the UN Summit in New York. The 17 UN **Sustainable Development Goals (SDGs)** serve as a clear example of two important points reflective of global politics today:

- sustainable development requires global effort and cooperation, especially within a globalized and interconnected world
- sustainable development lies at an intersection between peace, equality, environmental protection and respect for human rights.

Hence the goals are interrelated and form the basis for social, environmental and economic sustainability.

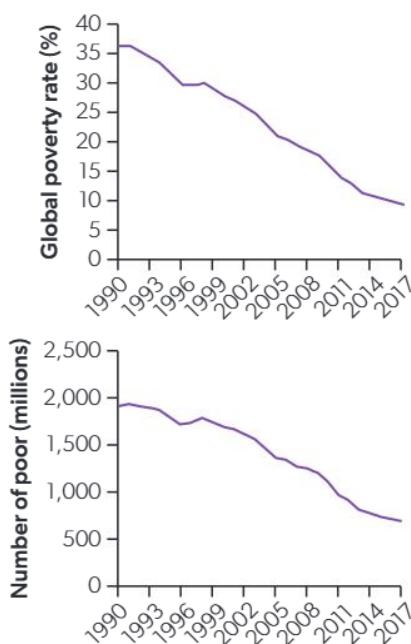
Apart from existing national, regional and international plans for development, different groups and nations continue to envisage different futures for themselves. These may depart from "development" or even "sustainable development" as a framework for "progress". In fact, today there is growing recognition of how alternatives to development can be much more conducive to well-being, good health and harmony with nature (of which humans are perceived to be a part, rather than at the centre). These alternatives are often associated with indigenous ways of knowing and worldviews.

Key term

Sustainable development goals (SDGs): a set of 17 interconnected goals that are part of the UN Sustainable Development Agenda 2030. They provide a universal blueprint for global action to end poverty and protect the planet by the year 2030.

ATL Critical thinking skills

Development should be approached critically, with the knowledge that development, including sustainable development is a system of terms, policies, experts, donors, IGOs and academics, shaped and used by those holding positions of power. The definitions, terms and classifications in this chapter are some of many which exist today, and so you are encouraged to question the underlying assumptions behind classifications like "developed", "developing", "underdeveloped", "least developed". As a global politics student, you should inquire and apply critical literacy throughout this chapter, and explore alternatives and perspectives which align with the future of your generation.



▲ Figure 1 Global poverty rate and number of people below the US\$1.90-a-day poverty line from 1990–2017. Source of data: World Bank

Key terms

Newly industrialized countries (NICs): a term used by economists and political scientists to describe medium income developing countries that have achieved significant economic growth and improvements in standards of living in recent years. China, Malaysia, Brazil, Mexico and Türkiye are often described as NICs.

Extreme poverty: lack of access to basic needs such as water, shelter and food.

3.1.1 Poverty

Poverty is an issue of primary concern to states, peoples and institutions around the world. Poverty can manifest in many ways, including malnutrition, hunger, homelessness, social exclusion, and limited access to healthcare, sanitation and education. Therefore, there are many ways to measure and define poverty.

Ending poverty in all its forms is stated as goal number one of the UN's Sustainable Development Goals (SDGs). Global trends reported by the World Bank show that poverty rates were in decline from 1990 to 2017 (figure 1).

This could potentially be explained by emerging **newly industrialized countries (NICs)**. China and India are NICs that are home to two of the world's largest populations, together making up a third of the world's population. China managed to lift 800 million people out of extreme poverty between 1978 and 2000, and India has lifted over 90 million Indians out of extreme poverty between 2011 and 2015, according to World Bank figures.

Despite fewer people living in poverty, income inequalities are increasing within states. The UN reports 71% of people live in countries where income inequality has grown. This is often regardless of race, gender, ethnicity and geography, revealing a different, perhaps less optimistic, story about poverty. In 2018, Oxfam reported that the 26 richest people in the world held as much wealth as the poorest half of the world's population—equivalent to 3.8 billion people. In 2017, the figure was 43 people.

Those living in poverty also tend to be more vulnerable to climate-induced natural disasters, pandemics like COVID-19 and violent conflict, and are therefore disproportionately affected. For example, in a joint report by the Oxford Poverty and Human Development Initiative (OPHI) and the United Nations Development Program (UNDP), data showed that natural disasters in Kenya had a bigger impact in areas with greater poverty. In 2020, the World Bank forecasted that the global poverty rate would increase for the first time in 20 years due to the COVID-19 pandemic, which is projected to push over 117 million people into extreme poverty.

TOK

Go to your preferred online search engine and search for the keyword "poverty" in the image search. Describe the images you see on the first results page and attempt to answer the following questions.

- Who are the "poor" in these images?
- What in your opinion makes them "poor"?
- Are there any commonalities/differences among these images?
- Do they reinforce or challenge your previously held views on poverty?

Historically, poverty has been defined by international institutions as a lack of access to basic needs such as water, shelter and food. As such, the notion of **extreme poverty** was born as a measurable, consumption-based and solvable phenomenon. If state and non-state actors work together, poverty can be "fixed" by improving access to basic needs such as water, sanitation, food, shelter, electricity, employment and, more recently, schooling and healthcare.

The most common measure of extreme poverty is the World Bank's international poverty line, set at US\$2.15 per day. According to this measure, any individual who lives on less than US\$2.15 a day is said to be living in extreme poverty. According to the World Bank in 2022, "For three decades, the number of people living in extreme poverty [...] was declining. But the trend was interrupted in 2020, when poverty rose due to the disruption caused by the COVID-19 crisis. The number of people in extreme poverty rose by 70 million to more than 700 million people. The global extreme poverty rate reached 9.3%, up from 8.4% in 2019."

Critics have argued that the threshold should be set to at least US\$7.4 or even US\$15 a day. Some also argue that the international poverty line is misleading as it ignores the many dimensions of poverty, such as malnutrition, undignified working conditions or vulnerability to disease.

The concept of **relative poverty** attempts to measure inequality within a society by setting a threshold relative to the average/mean income in that society, instead of focusing on the universal baseline of US\$2.15. According to the International Labour Organisation (ILO) in 2013, relative poverty is when people "cannot afford actively to participate in society and benefit from the activities and experiences that most people take for granted". The relative poverty line can be defined in terms of relative income: when a household makes 50% or less of the average household income in a given country, they are said to live in relative poverty. It is seen as a reflection of deprivation and social inequality, and allows governments to identify groups who are often socially excluded, marginalized or "left behind". For example, China has utilized the relative poverty line to identify income disparities between rural and urban areas.

Unlike extreme poverty, relative poverty cannot be eradicated through **economic growth** alone. According to the ILO's perspective, those living in relative poverty require **social security** and **distributional measures** which promote cohesion, community, harmony and solidarity. The differences between extreme and relative poverty are summarized in table 1.

Extreme poverty	Relative poverty
defined as lack of access to basic needs	defined as when a household receives less than 50% of the average household income
used in absolute/universalized monetary terms	used in relative monetary terms
measured using a universal threshold of US\$2.15/day	measured using an adjusted line usually set at 50% (sometimes 40 to 60%) of the average household income within a specific context/country
focuses on meeting basic needs like food, water and shelter	focuses on feelings of deprivation, social exclusion and inequality
allows insight into global trends/easy to measure global trends, observe and make comparisons between countries	allows insight into inequalities across race, ethnicity, geography, gender within a given society
criticized for being one-dimensional, too low a threshold, and an income-based and consumption-based measure	criticized for being an income-based and consumption-based measure and not capturing different types/dimensions of poverty

▲ Table 1 Differences between extreme and relative poverty

Key terms

Relative poverty: a measure of inequality within a society where the threshold is set relative to the average/mean income in that society.

Economic growth: generally viewed as an improvement in the economy, it is defined as an increase in the amount of goods and services produced by an economy per year.

Social security: protection that society and the government provide to ensure income security and access to healthcare for individuals and households, especially in cases of unemployment, disability, sickness, maternity and old age.

Distributional measures: actions taken by governments to distribute monetary and social benefits in a more equitable way. These could include directing taxes towards social services like healthcare, education, unemployment support and monetary support for those with inadequate income.

Key terms

Multidimensional poverty: when an individual experiences multiple and simultaneous deprivations of basic needs.

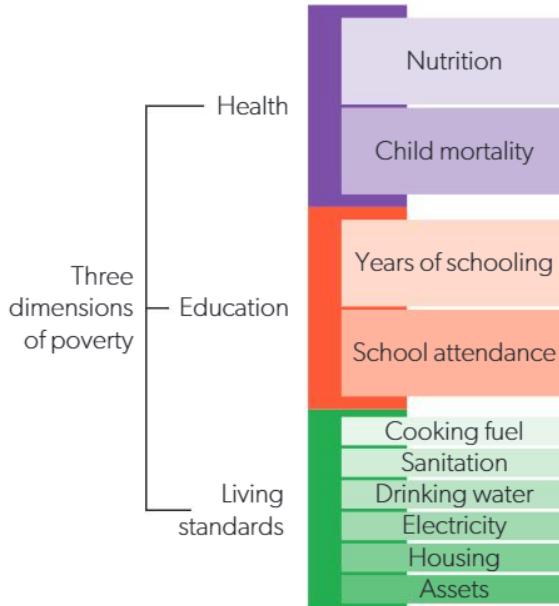
Well-being: a subjective and broad term that generally means wellness and satisfaction in life. It can apply to communities and individuals, and can cover various emotional, physical and psychological aspects of life like having social connections, good physical and mental health, adequate income, enjoyment of life, spiritual connections and rest.

High income countries (HICs): a World Bank lending group used to describe countries that are characterized by high income, high levels of material wealth and high economic growth.

Medium income countries (MICs): a World Bank lending group used to describe countries that are characterized by medium income, medium levels of material wealth and medium economic growth.

Low income countries (LICs): a World Bank lending group used to describe countries that are characterized by low income, low levels of material wealth and low economic growth.

Multidimensional poverty is when an individual experiences multiple and simultaneous deprivations of basic needs. In 2010, the UNDP and OPHI developed an index called the global Multidimensional Poverty Index (MPI) to help capture not only *who* is poor but also *how* they are poor. They examined three dimensions of poverty: health, education and living standards (correlating with basic needs). These three dimensions are further divided into ten indicators (figure 2).



▲ Figure 2 The three dimensions and ten indicators of poverty, according to the global Multidimensional Poverty Index (MPI)

A person is said to be MPI poor if they are deprived in several of these indicators. The index is said to complement the US\$2.15/day standard and to inform better-aimed policies for people-centred development (also known as Human Development) and the eradication of poverty (UNDP, 2020).

Well-being expands the idea of human welfare beyond the parameters of basic needs, consumption and earnings, and is often associated with happiness, life satisfaction, mental, physical and emotional health, rest and leisure, social connections, environmental quality, security and sustainability. It can be both individual and collective, relating to communities and peoples.

Well-being is subjective, meaning that each person, or group, would have different perceptions of what it is, or what constitutes "a good life". Measuring well-being is challenging as there are a variety of indicators that could be used, each producing different results. Some studies and informal reports have produced results that challenge the idea that citizens of **high income countries (HICs)** experience higher levels of well-being than those in **medium** and **low income countries (MICs and LICs)**. According to the *How's Life: Measuring Well-being* report from the Organisation for Economic Co-operation and Development (OECD), certain middle-income, or less economically developed, countries have higher levels of subjective well-being than some high-income states. This suggests a different perspective on poverty, development and human welfare.

Some argue that poverty arises from inequality, that is, the unequal distribution of power within states and international systems. For example, the current organization of the global economy relies on the exploitation of labour,

contributing to poverty in places where this exploitation is prevalent. There are also historical roots of poverty through colonization, when land and resources were dispossessed from indigenous peoples, who today are among the world's poorest populations. States, multinational corporations (MNCs) and intergovernmental organizations (IGOs) are sometimes criticized for having the mission of eradicating poverty as they often ignore the fact that poverty can be a product of inequalities within their own systems. In other words, the optimistic story of "progress" relating to declining poverty rates globally can be misleading. Instead, it could be interpreted that poverty persists because it is entrenched in the unequal, structural features of global systems.

Case study

Poverty in the DRC

The Democratic Republic of Congo (DRC) is one of the richest countries in the world in terms of natural resources. Deposits of cobalt, coltan, copper, diamonds and gold, among other valuable materials, are estimated to be worth trillions of US dollars.

However, the DRC is one of the five poorest nations in the world. According to the World Bank, in 2022, an estimated 62% of Congolese, around 60 million people, live in extreme poverty.

This is partly due to the lasting impact of one of the most brutal forms of colonization experienced by the DRC. Colonization has disintegrated the very fabric of Congolese society, governance and economy lasting until the mid-20th century. The enduring impact of colonization, followed by Western backing of dictatorships in the DRC after independence, has led to weakened government institutions and little state control over resource-rich territories.

Secondly, and perhaps due to its natural resource wealth, the DRC became a magnet to private mining companies and smuggling networks. Neighbouring states like Uganda and Rwanda continue to exploit resources in the DRC and smuggle them into Europe and Asia, where coltan is used in the production of technological devices like smartphones and laptops. Violence, human rights abuses, gender-based violence and environmental degradation have become widespread in mining regions, leading to displacement of communities and loss of livelihoods,

such as access to land for farming. In this manner, the Congolese are deprived of the benefits of their own wealth and are made poor and vulnerable by a complex network of transnational actors and a global economy that is designed to benefit a minority.

Despite receiving billions of US dollars in development aid, being home to hundreds of NGOs and one of the longest UN peacekeeping missions, the DRC still faces challenges. Critics of such international support have pointed out that these have acted as "band-aid" solutions to issues of poverty, rather than long-term solutions that address deep and persistent structural inequalities within the global economy.



▲ Figure 3 Workers at a cobalt mine in the DRC, 2022. Many of these mines are poorly regulated, with high risk of serious injury

As you will read in the next section, poverty is often treated as a starting point for perspectives on development. Development is sometimes described as a ladder, upon which the poor can climb to escape poverty, whether in the material or multidimensional sense. In the words of Jeffrey D. Sachs (2005), a US economist and advisor to the UN: "At the most basic level, the key to ending extreme poverty is to enable the poorest of the poor to get their foot on the ladder of development. The development ladder hovers overhead, and the poorest of the poor are stuck beneath it."

 ATL Communication skills

1. Write down a definition of poverty using three points from this section.
Read the following definition of poverty by Wera Mirim (2008).

"There are three types of poverty. The first is when you have lost your connection to the spirit. The second is when you have lost your connection to your community. The third type of poverty is when you do not have enough to share."

2. Compare and contrast your definition of poverty with Wera Mirim's.
Would you change your definition on reflection?

3.1.2 Development

As discussed, poverty and development are deeply interlinked, with development viewed as the process by which poverty is eradicated.

"Development", a highly contested term, generally means to make conditions of life better. As Barbanti Jr (2004) states: "Development interventions are intended to move societies from a situation in which they are believed to be worse off, to situations in which they are assumed to be better off." For example, this could mean improving the economy, infrastructure (such as roads, bridges, railways and ports), healthcare and education, political structures/institutions, and more recently, environmental protection.

Key terms

Premodern society: in Europe, a premodern society was one which came before the modern era, loosely defined as a period between 1500–1950. Premodern European society was largely agrarian (based on farming) and feudal (land was exchanged for work).

Progressive society: a society that aims to better the human condition through developments in technology, industry, science and economic development.

Capitalism: an economic system characterized by private ownership, free trade, competition and gaining profits. Most states today exist in a global capitalist economy.

Industrialization: the process of building and advancing industries within a state. Initially, this was thought of in terms of developing factories and technologies to mass produce goods.

Concept: Power

Definitions of development and their implications in the real world are often shaped by those who wield power, such as governments, NGOs, aid agencies, international financial institutions and IGOs. Development can inform policy decisions on a global level, as exemplified by the UN SDGs.

How does power influence the language we commonly use about development?

Development as a concept became widely influential in the latter part of the 20th century as part of a discussion on how to improve or "modernize" the economies of newly independent countries. It was suggested that their development should replicate the European transition from a **premodern** (traditional) **society** to a **progressive** (modern) **society** with a **capitalist** economic system, characterized by **industrialization**, consumption of goods, affluence, high income and technological advancement. In this interpretation, development was thought of as economic progress leading towards a fixed standard or ideal. This standard was HICs, that is, high-income countries. Development was viewed as a solution to poverty, especially in LICs.

Case study

US development policy during the Cold War

In 1949, US President Harry Truman delivered an inaugural speech that influenced many subsequent policies regarding development. In his speech, he set out the basis of what would later become official policies, aid programmes and institutions forming the “development regime”. His speech makes frequent contrasts between “developed” and “underdeveloped areas”, and “scientific advancement, and industrial progress” and “economic life [that is] primitive and stagnant”. The global “threat” could be interpreted as the influence of the US’s rival power at the time, the Soviet Union. Therefore, a purpose of promoting this interpretation of development as monetary growth was to contain the potential spread of communism in newly independent states.

The US’s influence as a global power after the Second World War meant that Truman’s viewpoint was widely accepted by nation-states and peoples around the world. The idea was that the newly independent states should “catch up”, economically speaking, with the more prosperous Western capitalist states (Ziai, 2017). Many terms in Truman’s speech that were used to describe countries with smaller economies are no longer used, but this worldview continues to inform and underpin development programmes and policies on national, regional and international levels—though not without contention. For example, institutes of public policy making such as the World Bank, the US Agency for International Development (USAID)

and the International Monetary Fund (IMF) still primarily describe development with reference to economic growth.

[W]e 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. More than half the people of the world are living in conditions approaching misery [...] Their economic life is primitive and stagnant. Their poverty is a handicap and a threat both to them and to the more prosperous areas. The United States is pre-eminent among nations in the development of industrial and scientific techniques [...] I believe that we should make available to peace-loving peoples the benefits of ours sum of technical knowledge in order to help them realise their aspirations for a better life. And, in cooperation with other nations, we should foster capital investment in areas needing development. Our aim should be to help the free peoples of the world, through their own efforts, to produce more food, more clothing, more material for housing, and more mechanical power to lighten their burdens [...] The old imperialism—exploitation for foreign profits—has no place in our plans. What we envisage is a program for development based on the concepts of democratic fair dealing.

Harry Truman, 1949

In the 1960s and 1970s, development was thought to be driven by economic growth, defined as the increase in the economic output of a state over a period of one year. It is the process by which nation states increase their material wealth and hence was thought to improve people’s access to basic needs like food, shelter and clothing. One of the ideas was to improve economic productivity by abandoning manual labour in agriculture and instead focusing on mass manufacturing and large-scale industry.

For many states and regions around the world committed to the pursuit of economic growth, this meant a cultural and social transition. **Agrarian economies**, which relied on growing crops and manual labour, transformed into **industrial economies**, characterized by large-scale production and consumption of goods, made possible through technological advancement.

The transition to industrial economies led to huge numbers of workers moving into cities where industry was concentrated, and also led to vast consumption of the raw materials and energy required for the production processes. For governments, it also meant a massive effort to rearrange society, restructure the economy, make vast investments in infrastructure, and manage land, people and resources in a manner that would promote economic growth.

Key terms

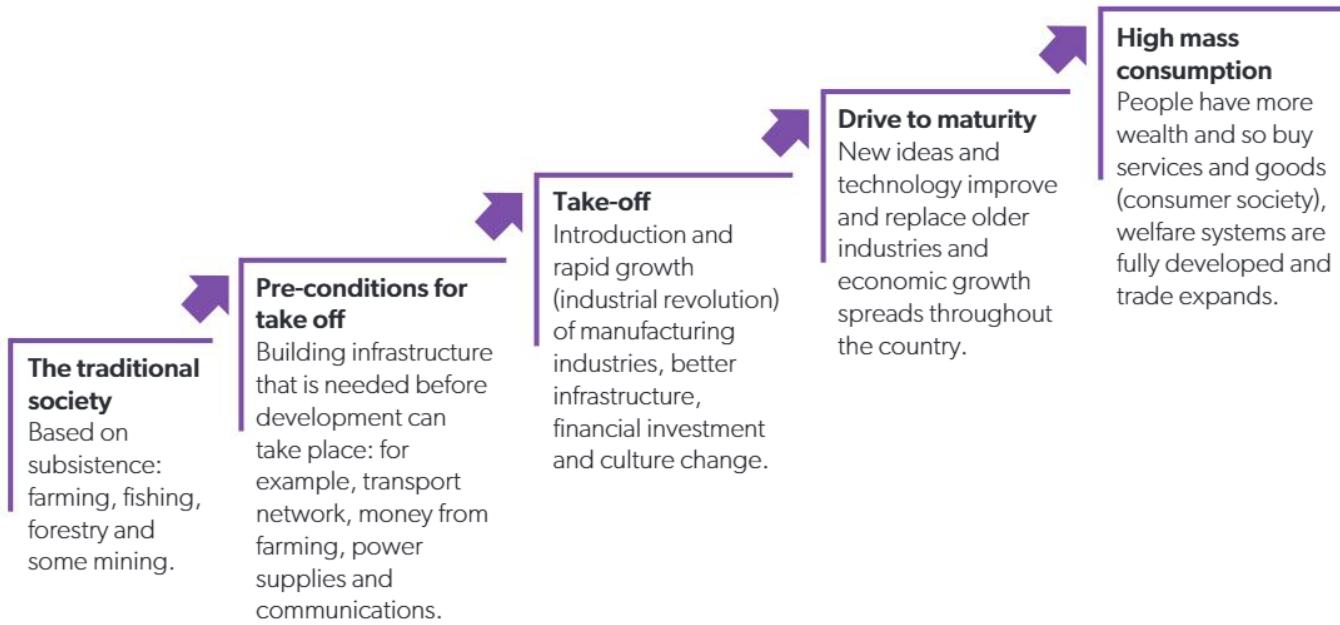
Cold War: the period of political tension between the US and the Soviet Union after the Second World War.

Agrarian economy: an economy that is largely dependent on farming and raising livestock.

Industrial economy: an economy that is primarily dependent on industry, including the production of material goods. Today, advanced industrial economies are said to have shifted away from heavy manufacturing to service and more recently to digital economies.

Modernization and dependency theories of development

Discussions about development in the 1950s and 1960s were conducted largely on the basis of two theories: **modernization theory** and **dependency theory**. The question of how an underdeveloped country could make a shift to becoming a developed and modern society was addressed by Walt W. Rostow, a US economic historian. Rostow propounded a five-step process leading to economic growth in his book *The Stages of Economic Growth: A Non-Communist Manifesto*, published in 1960. According to Rostow, there are five stages of economic growth (figure 4).



▲ Figure 4 Rostow model of development

Rostow's stages of growth

- The first stage of “traditional” society is characterized by a primarily agrarian society, a low level of technology, and a rigid and hierarchical social structure.
- The second stage is marked by emergence of the positive conditions required before development can take place. This could be stimulated by the influence of external actors through improved trade and communication.

- The third and most important take-off stage is said to have been reached when investment and industrial output rise, along with the restructuring of supporting social and political institutions.
- The last two stages involve an establishment and consolidation of development.

It was argued that the developed countries had all surpassed the take-off stage, while the developing countries continued to be either in stage one or stage two. Rostow's model became known as modernization theory. According to modernization theory, obstacles to development such as corruption, distrust, political instability, gender discrimination and civil war are all internally present impediments to development.

The benefits and ideas of development were expected to filter down to the less-developed areas. Capitalism and a **liberal democracy** were considered to be prerequisites of the modern system that these developing countries would aim

to reach for and achieve. The model was widely used for policy purposes. For example, in the Vietnam War, the US used a chemical herbicide, known as Agent Orange, to destroy crops in rural areas of South Vietnam (figure 5). The purpose was to force civilians out of the Vietcong-controlled countryside into government-controlled cities, and to put pressure on rural communities to cut their support for guerilla soldiers. This had a secondary effect of increasing the labour force in cities to work in factories and advance the production of goods, aligning with Rostow's model of development.

Andre Gunder Frank and Celso Furtado were critics of modernization theory, and developed dependency theory as a response (figure 6). This theory states that the Rostow's model of development relies on exploiting underdeveloped countries and restrains them from developing. Imperialist, developed countries such as the US and those in Europe were referred to as the "core". The exploited countries, including those in Latin America, Asia and Africa, were referred to as the "periphery". It was argued that the cheap labour and raw materials of peripheral countries are exploited by the core through historical colonial links. As a result, the core countries become richer and poor countries find themselves being drained.

The dependency theorists called on the underdeveloped nations to break the unequal ties with developed countries and pursue internal growth in order to attain a level of development.

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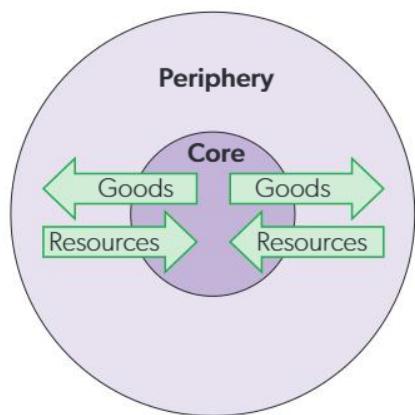
What is the difference between facts, data and theories? Do these terms mean the same thing in all areas of knowledge?

Supporters of economic development argued that wealthier states can provide better services to their people, and wealthier businesses can reinvest and generate more employment opportunities. In more contemporary times, this perspective of development is challenged by various criticisms, with some arguing that the pursuit of economic growth alone is no longer socially, politically and environmentally sustainable within the context of the 21st century. Among these criticisms are:

- although economic growth led to a reduction in extreme poverty, inequality within states continues to grow
- a focus on economic development alone has proven to have destructive consequences on the Earth's atmosphere, biodiversity and natural environment, especially since it is dependent upon extraction of finite resources, burning fossil fuel for energy and the creation of waste (in the form of emissions and waste to drive industry)
- there is a proposed **geological epoch** where humans started to have significant impact on geology and ecosystems, known as the **Anthropocene**. It is argued that the Anthropocene was caused by the pursuit of economic growth through mass industrialization. However, this proposed epoch is shown, in turn, to endanger economic growth. The UN 2022 Special Report on Human Security states that the Anthropocene "is already eroding some foundations of economic productivity, directly affecting more than just the factors of production (labour, natural capital and physical capital)".



▲ Figure 5 US air force jet spraying Agent Orange over an area near Ho Chi Minh City (formerly, Saigon), Vietnam



▲ Figure 6 Dependency theory

Key terms

Liberal democracy: refers to a democratic system of government that is guided by principles of liberal philosophy such as individual freedoms and liberties. Liberal democracies can be republics (US) or constitutional monarchies (UK).

Geological epoch: time periods defined by evidence of rock layers in the Earth.

The Anthropocene: also known as the "human epoch", the term refers to the ongoing period or geological epoch in which human activity has become so significant that it is able to disrupt the Earth's systems, atmosphere, biodiversity and natural processes.

Key terms

Human development: the development of freedoms and capabilities of individuals and groups.

Negative freedoms: freedom from constraints like hunger, intimidation or fear. Negative freedoms entail the absence of barriers.

Positive freedoms: freedom or ability to pursue something, such as education.

Human development is a process of enlarging people's choices. The most critical of these wide-ranging choices are to live a long and healthy life, to be educated and to have access to resources needed for a decent standard of living. Additional choices include political freedom, guaranteed human rights and personal self-respect.

**Human Development Report,
UNDP, 1990**

With time, the economic aims of development were reoriented towards more people-centred aims, with improvements in healthcare, education, political participation and equality. This is known as **human development**. This perspective on development emerged in the 1980s and 1990s, largely based on the groundbreaking work of Amartya Sen (1999). Sen argued that the goal of development is to expand individual freedoms, the choices and the "capabilities" of people. This, according to Sen, was the responsibility of states and societies.

The notion of development as freedom rested upon two categories: freedom *from* conditions detrimental to the quality of life (known as **negative freedoms**) and freedom *to pursue* conditions improving the quality of life (known as **positive freedoms**). An example of negative freedom is freedom from hunger. An example of positive freedom is the freedom to achieve one's full potential and to pursue one's choices. This reorientation from economic to social aims did not necessarily undermine economic development: human development was viewed as the ideal or goal without which economic development would not occur, at least not in an equitable or inclusive manner.

This type of development is often equated with social progress, requiring social and political arrangements that support individuals to realize their potentials. In the words of Keith Griffin (2000): "People are placed firmly in the centre of the stage: they are simultaneously the object of policy and a major instrument of their own development. A commodity-centred view of development is replaced with a people-centred view of development." Therefore, the main aim of governments, IGOs and NGOs is to create conditions that are conducive to human development. The main pillars of human development are:

- access to healthcare and education
- liberty to participate politically
- equal opportunities
- equality (in terms of income and gender).

Case study

Capability theory

The capability theory was proposed by famous economist and Nobel Prize winner Amartya Sen. The approach is based on the premise that economic development in terms of a rise in **gross domestic product (GDP)** does not necessarily guarantee a good quality of life for people. According to Sen, a human being's life is a set of "doings and beings"—termed together as "functionings". According to the theory, the focus of policy should be to ensure a person's well-being and development, and to provide the freedom to live the kind of life they choose or find valuable. There are a range of factors that define well-being, such as health, education and political freedom. All these factors require different kinds of inputs. Some may need economic resources, and others might require a certain social structure.

The capability approach was built on by Martha Nussbaum, particularly with respect to gender issues. She has argued that people across a cross-section of cultures and societies have a few basic capabilities that are required for a good life. She argues that these should be used as a guideline to inform **development policy**. Some of the central human capabilities as listed by Nussbaum include:

- ability to live a life of normal length
- good health, nutrition and shelter
- ability to use senses, imagine, think, reason and to have the education to realize all of these
- ability to live for others and show concern for other human beings
- ability to laugh and enjoy recreation.

In recognition of increasing environmental degradation, as well as gender and income inequality, human development in recent years has evolved to include dimensions of sustainability. In the late 1960s and the 1970s, there was a growing consensus around the problems of economic growth within the realities of environmental constraints. This was evidenced in the essay *The Tragedy of the Commons* (Hardin, 1968) and the report *Limits to Growth* (Meadows et al., 1972), followed by *Our Common Future*, also known as the *Brundtland Report*, from the UN World Commission on Environment and Development (1987). The Brundtland report defines sustainable development as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs".

The political will to address environmental problems began to emerge properly in the early 1990s and into the turn of the century. This was amidst increasing pressures on governments and IGOs to act in response to increasingly alarming natural disasters, greenhouse emissions and global warming. For example, the Intergovernmental Panel on Climate Change (IPCC), the Rio Summit, the Kyoto Protocol, the Paris Climate Agreement and the Millennium Development Goals (MDGs) were all established. This eventually led to the UN establishing the Sustainable Development Goals (SDGs) in 2015.

The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all countries—developed and developing—in a global partnership. They recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth—all while tackling climate change and working to preserve our oceans and forests.

Sustainable development requires global cooperation for two reasons.

1. Problems confronted by state and non-state actors have become global in scale. This is partly due to increased interconnectedness and globalization, but also due to the rise of transnational issues, such as air pollution.
2. Global challenges, such as the climate crisis, require massive transformations in how economies and societies are run. Today, this increasingly popular perspective has inspired calls for a "green economy", "green solutions", "responsible capitalism", "circular economy", "degrowth" and "inclusive growth" as attempts to remodel economies in ways that are more attentive to, and conducive to, sustainability.

One common criticism of sustainable development is that it is underpinned by Western values of democracy, or that it puts too much emphasis on humans (an anthropocentric view). According to critics, proponents of sustainable development rarely challenge the core assumptions of "progress" or the **centrality** of economic growth within a global capitalist economy.

It can also be argued that governments and corporations are yet to show a real commitment to sustainability despite repeated pledges and treaties to uphold its principles. Sustainable development can also be used to justify interventions in LICs in the name of "assistance and development aid", which can be problematic as you will learn throughout this chapter.

Key terms

Gross domestic product (GDP): a measurement of all monetary value of goods and services produced by a country within a specific time.

Development policy: a plan made by a government at the national or sub-national level. It usually translates into economic, social, environmental or political measures taken to improve conditions within the state or meet development aims such as the eradication of poverty, reducing inequality or improving sustainability.

Key term

Centrality: the quality of being essential or of great importance.

Concept: Human rights

Development can create the conditions for the protection of human rights (for example, the rights to health, education and development) and can help overcome existing human rights issues.



Activity

A summary of the SDGs is shown in figure 7.

A detailed breakdown of each goal is available at <https://sdgs.un.org/goals>.

1. Sort the goals into the three categories of development: economic, human and sustainable. Some goals may apply to more than one category.
2. How are the goals interdependent?
3. Look on the UN website and search for the 30 Articles which form the Universal Declaration of Human Rights

(UDHR). Which of the development goals correspond to the Articles?

4. Within the context of your country, which goals would you prioritize and why? Identify the principal actors that would help promote these goals. What might be the obstacles to realizing these goals?
5. Does the SDG framework work succeed as a universal model for development? Justify your opinion.



◀ Figure 7 The sustainable development goals (2015)

3.2

Interactions of political stakeholders and actors

There are many interactions in global politics that are facilitated by development policies. In its strictly economic sense, development can generate employment opportunities, which are often associated with decreased poverty among the population. Economic development can yield economic benefits for governments, which can then be used for other purposes, including the expansion of military and economic capability. In providing better social services and increased satisfaction among the population, governments can enhance their legitimacy.

Development policies including foreign aid or domestic development projects can be used as tools of soft power. Certain approaches to development can facilitate access to global labour and consumer markets. Commitment to sustainable development could potentially encourage cooperation between states, especially in a world that is increasingly confronted with collective problems or dilemmas such as the climate crisis, pandemics and ecological degradation.

Concept: Power and interdependence

As you have learned in *1 Core topics: Understanding power and global politics*, the international political system is dynamic and always changing. This means that the way power operates and the way it is used by various actors changes. Both liberals and realists discuss phenomena related to power distributions, asymmetries, transitions, dynamics and structures.

Interdependence in the 21st century has meant the emergence of international norms and frameworks for cooperation brought about by membership in IGOs and commitments made to international treaties related to development and sustainability. Interdependence is also important within the context of capitalism. Most states and non-state actors today are embedded within a global capitalist economic system. This increases the entanglement of states with one another and with various political actors. It can also mean that the negative consequences of capitalism confront many stakeholders and state actors as well as non-state actors.

3.2.1 States

The state is central to making decisions about development. Their decisions depend on several factors, including national priorities, population needs, the way government is organized and domestic social, political, economic and environmental conditions within a state.

The development of individual states cannot be viewed in isolation from wider global economic and political systems. At the same time, states greatly vary internally, and so their national contexts tend to be very different from one another in terms of population size, histories, cultures, geographic location, governmental system, economic and social conditions, and so on. Though parallels do exist, the pursuit of development and its consequences are not universally applicable in all national or local contexts.

There are many factors that affect the ability of a state to accomplish its development goals. Interactions between various stakeholders and actors may interfere with its ability to exercise sovereignty over development-related decisions. For instance, over-dependence on development aid from IGOs or other states may limit its options in pursuing national development goals due to conditionality of the aid.

If global trade networks experience disruptions due to shocks like wars, pandemics and natural disasters, this could limit a state's ability to import or export. For example, the Russian invasion of Ukraine in February 2022 has led to major disruptions in oil and grain exports and imports globally. With shipping costs soaring, and ports in the Black Sea no longer safe due to the war, wheat exports were heavily disrupted leading to major food insecurity in other parts of the world, especially in the Horn of Africa.

► **Figure 8** In July 2023, the UN Security Council held a meeting to discuss Russia withdrawing from the Black Sea Grain Initiative and its impact on food insecurity. The initiative was a deal brokered by the UN to allow Ukraine to export grain across the Black Sea



Concept: Sovereignty

Both internal and external sovereignty can determine which paths and decisions are made regarding development and sustainability. In other words, states have choices. In international relations, if a state's sovereignty is challenged, this will affect its development trajectories in significant ways. Table 2 summarizes how states can manage their development as a result of their internal and external sovereignty.

As a result of their internal sovereignty, states can...	As a result of their external sovereignty, states can...
<ul style="list-style-type: none">• manage their domestic economy• determine development policies and implement development projects• prioritize certain aspects of development over others• allocate financial, natural and human resources towards infrastructure, social services like schools and hospitals, and expanding industry• regulate the activities of non-state actors, such as MNCs and NGOs, and others through national laws• decide how to protect, conserve or use the natural resources, rivers, forests and land which fall within their borders.	<ul style="list-style-type: none">• engage in cross-border trade and manage economic activity with other states and non-state actors• cooperate with other states to promote economic, human and sustainable development• approach IGOs for membership, development aid, loans and trade agreements• choose whether and how to cooperate on cross-border issues, such as the climate crisis and pandemics• report to IGOs on their progress towards sustainable development goals and other development indicators.

▲ **Table 2** Relationship between a state's sovereignty and its development

If a state is dependent on taxes paid or jobs generated from an MNC operating within its borders, the state can be undermined by the MNC moving business elsewhere. For example, big tech companies like Amazon, Meta and Apple employ various strategies to avoid paying taxes in the EU, the US and elsewhere. In 2018, Amazon was the second largest employer with over 40,000 workers in Seattle, US. The company warned that it would move out of Seattle in response to a proposed tax law which was meant to address the homelessness crisis. Many MNCs use similar pressure tactics to avoid paying taxes, despite making billions in profits annually. Power asymmetries may affect a state's ability to negotiate favourable trade agreements.



▲ Figure 9 A protest demanding fairer taxes and workers' rights at Amazon outside its HQ in Seattle, US

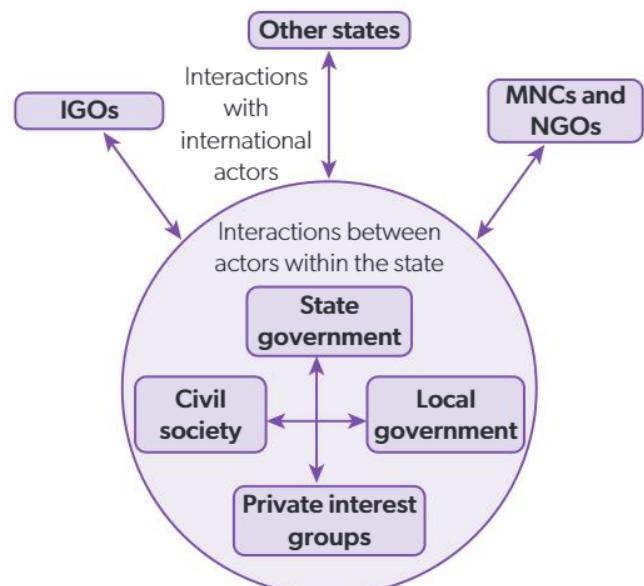
State governments can be influenced by private interest groups who seek to secure their own economic interests at the expense of public interest. Social movements, NGOs, trade unions and local businesses making up civil society may mobilize against government development policies or projects that could harm their well-being. Lastly, development projects can be expensive; a state may lack the financial means and resources required to build infrastructure, spend on social services, or mitigate the impacts of the climate crisis.

States may interact with one another to promote development and establish cooperative relationships with each other. A growing number of states in South America and Africa are interacting with one another to exchange knowledge, skills and resources. This type of cooperation, commonly referred to as **South–South cooperation (SSC)**, is said to be based on solidarity among countries with an experience of colonialism. Examples of SSC include Cuba's medical support team sent to Sierra Leone and other West African states to combat the Ebola epidemic in 2014. Similarly in 2016, Mexico has shared its technical expertise in corn diversification which helped support health and nutrition in Kenya.

Figure 10 summarizes the influences on a state's ability to pursue its development goals.

Key term

South–South cooperation (SSC): cooperation among decolonized countries in the Global South. This is mainly done through an exchange of knowledge, skills and experience in different areas such as agriculture, health, urbanization, climate change and human rights.



▲ Figure 10 The state's ability to pursue development is often dependent upon interactions between stakeholders and political actors both within and outside the state

Development programmes differ from one context to another. For example, humanitarian aid in cases of natural disasters or disease outbreaks can be crucial to saving lives. In other cases, aid can be directed towards purposes other than supporting humanitarian efforts abroad. For instance, in 2023, the UK government spends a significant amount of its aid budget towards refugees within the UK rather than overseas. It is important to note that there are different types of aid, such as bilateral aid (involving two states) and multilateral aid (involving multiple states within IGOs). However, some development programmes can result in political or economic gains for one state at the expense of another, because of power asymmetry.

Key term

Debt trap: a situation in which an indebted state or actor has to borrow more and more money to repay old debts, resulting in a vicious cycle of debt that is often difficult to break free from.

Development aid can come in many forms, such as:

- capacity building programmes
- programmes to promote gender equality
- infrastructure projects
- financial assistance in the form of loans or financial aid
- technical and scientific assistance
- humanitarian assistance
- educational exchange and healthcare programmes.

Case study

USAID and the Belt and Road Initiative (BRI)

Both China and the US have integrated development as part of their foreign policies. The US allocates billions of dollars every year as part of its USAID overseas assistance programmes. As part of its mandate, USAID aims to "promote American prosperity through investments that expand markets for US exports". Despite the mixed results of its programmes, USAID has fallen under criticism for promoting its agenda in developing countries by creating favourable market and political conditions that are in line with US national and corporate interests.

One example of such criticism is exemplified through USAID's continued support of an organization called Alliance for a Green Revolution in Africa (AGRA). According to hundreds of civil society actors across the continent, AGRA has harmed rather than helped farmers in sub-Saharan Africa by promoting higher agricultural yields using chemically intensive processes. USAID was accused also of increasing small farmers' debt and their dependence on large, mostly American corporations through AGRA schemes.

Similarly, China's largest infrastructure development project, the Belt and Road Initiative (BRI), has been instrumental in driving economic growth and reducing poverty across participating countries. However, some have questioned its motives, arguing that it is used

to extend China's influence overseas. Some argue that the BRI is used as a **debt trap**, in which countries indebted to China are forced to give up some of their resources due to the conditions of the BRI agreements.

For example, Sri Lanka was unable to repay its debt to China for the construction of its second largest port, Hambantota Port. As a result, control of the port was granted to a Chinese company with a 99-year lease. However, some economists argue that partnering countries are equally responsible for BRI deals with China, citing that the Hambantota Port project was proposed by the Sri Lankan president, Mahinda Rajapaksa.



▲ Figure 11 Sri Lankans protesting the sale of Hambantota Port to a Chinese company in 2017

3.2.2 IGOs

Development has been at the core of the UN's mission since its inception. The founding charter (1945) includes the aim of promoting "social progress and better standards of life in larger freedom". To fulfil this goal, the aim continues to state that the UN would "employ international machinery for the promotion of the economic and social advancement of all peoples". Besides the main bodies, the UN has an extensive system of programmes and specialized agencies which operate across the world to promote development in its various forms. The UN's role in promoting development and sustainability includes:

- setting up global frameworks for cooperation
- reporting on progress made by states towards development using indicators (for example, the Human Development Index—see 3.3.1 *Dimensions and assessment of development and sustainability*), which in turn, could help shape government policies
- providing national development policy advice
- establishing norms for development and sustainability (for example, the Paris Climate Agreement and the UN SDGs 2030)
- providing relief and emergency aid in cases of natural disasters, war and famine
- operating UN agencies on the ground such as the **UN Development Programme (UNDP)** and the World Health Organization (WHO).

An important treaty within the context of sustainable development is the United Nations Framework Convention on Climate Change (UNFCCC), which is the parent treaty of the Paris Climate Agreement of 2015. The UNFCCC has near universal acceptance with 199 party states committing to reduce emissions and collectively maintain global temperature to under 1.5°C. The overarching objective of the UNFCCC is to prevent "dangerous human interference with the climate system, in a time frame which allows ecosystems to adapt naturally and enables sustainable development".



▲ Figure 12 People demonstrating over climate justice, fossil fuels, human rights and other climate-related issues during COP27 in Sharm El Sheikh, Egypt

Key term

UN Development Programme (UNDP): a UN agency specializing in international development. UNDP's goal is to "end poverty, build democratic governance, rule of law, and inclusive institutions". The UNDP is most famous for its annual reports on human development which help inform policy decisions.

Case study

Conference of the Parties (COP)

Since the adoption of the UNFCCC in 1996, state representatives meet annually at an international conference known as the Conference of the Parties (COP). COP is the largest annual UN conference in the world with over 25,000 attendees, from state representatives to business leaders and NGOs. Despite continued promises by state representatives to uphold the commitments made at COP, global temperatures have continued to rise. Outside the halls of the conference, it is common to see widespread protests and rallies to pressure key actors within COP to commit to the goals of the Paris Climate Agreement (figure 12).

Hundreds of campaigners staged a walkout on the final day of COP26 in 2021, in protest of state actors' inaction around climate change. The protest followed a talk called the *People's Declaration for Climate Justice*, delivered by civil society groups. Ta'Kaiya Blaney, an environment activist from the Tla'amin Nation, told the meeting: "COP26 is a performance. It is an illusion constructed to save the capitalist economy rooted in resource extraction and colonialism. I didn't come here to fix the agenda—I came here to disrupt it."

Key terms

International financial institutions (IFIs):

an IGO created by multiple states to foster international financial cooperation and manage the global financial system. Prominent examples include the IMF, the World Bank and the Asian Development Bank.

Loan conditionality: loans that are granted only when certain conditions are met.

Two of the largest IGOs existing today are the International Monetary Fund (IMF) and the World Bank. They are also known as **international financial institutions (IFIs)**. These twin IFIs were founded by the UN in 1944 to create a framework for economic cooperation and establish global financial stability after the Second World War. Today, the World Bank and the IMF are key actors in influencing development policies.

The World Bank's mission is a world without poverty. As such, it provides aid in the form of loans to help finance development programmes in collaboration with governments and donor states, with the aim of raising standards of living. Aside from development aid, one of the primary roles of the World Bank is to monitor poverty rates globally and to report on development around the world. The World Bank's voting power is criticized for being mostly held by the largest economies (the US, Japan, China, Germany, France and the UK).

The IMF aims to promote economic growth and financial stability within states, while maintaining important trade links between countries and reducing poverty around the world. The theory is that if a state's economy is strong, this ensures the stability of the global economy. As the financial links between many countries are deeply connected, a financial crisis or shock in one state may potentially lead to a global financial crisis.



▲ Figure 13 Social organizations gathered in Buenos Aires, Argentina, on 17 May 2023 to protest against the country's agreements with the IMF and reduced social spending

Typically, states may request help from the IMF during times of crisis, such as during a natural disaster, financial crisis or recovery from war or a disease outbreak. The IMF then may decide to lend financial assistance in the form of loans to the state. In exchange, the state must agree to a set of conditions. This is known as **loan conditionality** and remains one of the most widely criticized aspects of IMF support. The conditions are usually a set of economic reforms and policies which, according to the IMF, are said to encourage development. Loan conditionality has been criticized for including austerity measures and reducing government spending on social services like hospitals and schools.

Like the World Bank, the IMF has a quota system, in which the largest economies have a higher number of votes. With the US having over a 17% share of votes, the highest at the IMF, it has major influence over decision-making and policies. Therefore, the greater a state's economy and its contributions to the IMF, the greater its say within the institution. The US's influence within the IMF is being challenged today by China, due to its growing economy, and within the institution.



Activity

The process for a state receiving financial aid from the IMF is outlined below. Read through the process and answer the questions that follow.

1. First, a member country in need of financial support makes a request to the IMF.
2. Then, the country's government and IMF staff discuss the economic and financial situation and financing needs.
3. Typically, a country's government and the IMF agree on a program of economic policies before the IMF lends to the country. In most cases, a country's commitments to undertake certain policy actions, known as policy conditionality, are an integral part of IMF lending.
4. Once the terms are agreed upon, the policy program underlying an arrangement is presented to the IMF's Executive Board in a "Letter of Intent" and detailed in a "Memorandum of Understanding." The IMF staff makes a recommendation to the Executive Board to endorse the country's policy intentions and offer financing. This process can be expedited under the IMF's Emergency Financing Mechanism.
5. After its Executive Board approves a loan, the IMF monitors how members implement the policy actions underpinning it. A country's return to economic and financial health ensures that IMF funds are repaid so that they can be made available to other member countries.

IMF lending in action, IMF

1. Describe the interaction between IFIs and states.
2. Examining the process above, suggest ways in which IFIs:
 - a** exercise power
 - b** affect state sovereignty
 - c** promote interdependence
 - d** gain/lose legitimacy.

The Asian Development Bank (ADB) is an intergovernmental organization made up of 68 member states aiming to promote inclusive growth and reduce poverty in Asia and the Pacific through investments and loans. The largest shareholders or contributors to the bank are the US followed by Japan, China, India and Australia. The ADB's projects and financing is far ranging, but most of its financing is in the form of loans rather than grants.

In 2022, the ADB provided Pakistan with "climate financing" in response to one of the deadliest floods. The financing came in the form of loans to Pakistan to help with its recovery. The immediate causes of the floods are said to be directly linked with climate change, especially melting glaciers and heavy monsoons. Oxfam criticized the ADB's financing as being contradictory to the principles of climate justice, stating that "pushing loans to poorer countries battling climate crisis will trap them into further debt burden".



Research and thinking skills

Search for the New Development Bank (NDB) using your preferred online search engine.

- a** Identify key differences between the Asian Development Bank (ADB) and the New Development Bank (NDB).
- b** Imagine you are a government minister in an Asian state of your choice. Which development bank would you seek for development aid or loans? Justify your answer based on your state's context.

3.2.3 Multinational and transnational companies (MNCs and TNCs)

With the acceleration of communication technology and expansion of transportation networks across the world in the mid-20th century, it became possible for private companies to grow and expand across borders and to operate in multiple states. Multinational and transnational companies (MNCs and TNCs) are types of companies which often have headquarters in one state, but have business operations across the globe, and, as such, they are significant actors within the discussion on development.

MNCs and TNCs play an important role in driving industry, technology, economic growth, job creation and service provision, and the ability to influence states and affect populations. MNCs and TNCs interact with states, civil society and the environment. Therefore, they can affect economic, human and sustainable development in both negative and positive ways. Examples of MNCs include Apple, Samsung, Tata, Huawei, Nestlé and Shell. MNCs are key sources of investment within states, and so they are often viewed by some economists and government officials as necessary for driving economic growth, reducing unemployment and providing services. MNCs can open offices, warehouses and factories, leading to more employment. Depending on state laws, they could also generate substantial tax revenues for governments. Some MNCs can be crucial for providing physical and digital infrastructure, such as internet networks.

TNCs and MNCs are mostly privately owned, but some are partially or wholly state-owned. According to *Forbes* (an American business magazine), "Around three-fourths of the companies in the Global 2000 list are based in just 10 countries. The US and China remain the countries with the most listed companies, followed by Japan, South Korea, Canada and the United Kingdom" (Contreras and Murphy, 2022).

Due to increasing pressures by governments, IGOs and populations worldwide, multinational oil and gas companies have fallen under scrutiny for their violations of labour rights, tax evasion, unsustainable practices including **resource exploitation** and high carbon emissions. In 2019, *The Guardian* published a report revealing that 35% of all **greenhouse gas emissions** released between 1965 and 2019 were caused by 20 oil and gas companies that were either state-owned or privately run. Among these companies are privately owned Chevron, ExxonMobil, BP and Shell alongside state-owned companies like Saudi Aramco and Gazprom.

Though TNCs and MNCs are economically powerful actors in global politics, regional IGOs and states can govern and regulate their activities to ensure sustainability. For example, the European Union (EU) decided to ban new fossil-fuel cars and vans by 2035, and Canada has imposed a nationwide **carbon tax** to encourage investment and transition to **renewable energy**.

Key terms

Resource exploitation: extraction and overuse of natural resources to drive economic growth.

Greenhouse gas emissions: the release of heat-trapping gases like carbon dioxide and methane into the atmosphere as a result of human activity.

Carbon tax: a type of tax that is imposed on fossil fuels and carbon emissions. The idea behind a carbon tax is to reduce carbon-intensive processes and activities by making them more expensive and therefore less attractive to businesses.

Renewable energy: energy that cannot be depleted since it comes from natural sources like the sun and wind.

Case study

Shell in Nigeria

Nigeria is the largest oil producing state in Africa, with most of its GDP growth being attributed to oil production. Since the 1960s, Shell, a multinational oil and gas company, has been extracting oil and building oil transport infrastructure within the state. According to Shell (*Economic Development in Nigeria: Shell Sustainability Report 2020*), the company has been central to driving economic development in Nigeria, creating over 11,000 jobs directly and indirectly, generating almost a billion US dollars in tax revenues annually for the state, providing energy to communities, expanding infrastructure, contributing to social services in education and healthcare.

However, the Niger Delta communities have been devastated by oil leaks and contamination as a result of Shell's operations in the area affecting drinking water, agriculture and fishing, and devastating livelihoods and the health of communities (figure 14).



▲ Figure 14 A Nigerian man showing a contaminated water source in the Niger Delta

In 2011, an independent assessment was conducted by the UN Environment Programme (UNEP) in Ogoniland in the Niger Delta at the request of the

Nigerian government. The assessment was paid for by Shell. The subsequent report revealed that land, ground and surface water, vegetation and air were contaminated by Shell operations, and would require 25–30 years of cleaning and rehabilitation until they are fully recovered.

The National Oil Spills Detection and Response Agency (NOSDRA) is a government agency operating at both national and sub-national levels under the Federal Ministry of Environment in Nigeria. Its role is to coordinate between local communities, oil companies and the government on issues related to oil spills and contamination. The UNEP report further revealed that NOSDRA lacked both the technical expertise and resources to respond effectively to oil spills. The Nigerian government was held accountable for underfunding NOSDRA and failing to regulate the oil industry, while Shell was held accountable for contaminating water sources in addition to failing to clean up the spills effectively.

In 2014, Amnesty International published the *No Progress* report, which concluded that three years since the publication of the original UNEP study, Shell and the Nigerian government have "failed to implement recommendations made in the UNEP report and put an end to the abuse of the communities' rights to food, water and a life free of pollution". Amnesty has called on the Nigerian government, the British and Dutch governments, as well as Shell (who have all benefited greatly from oil extraction), to remedy the damage.

Between 2015 and 2023, over 13,650 individual claims from the Bille and Ogale communities in the Niger Delta were filed against Shell at the High Court in London, where Shell headquarters is based. These included 17 civil society organizations, such as churches, schools and local NGOs (*The Intercept*, 2023).



Communication skills

Map out the interactions between the various actors in the case study above. Identify the following in your map:

- significant actors and stakeholders
- responses by marginalized and vulnerable communities
- interactions between actors on the local, national and international levels.
- the ways in which the oil industry affects economic and human development.

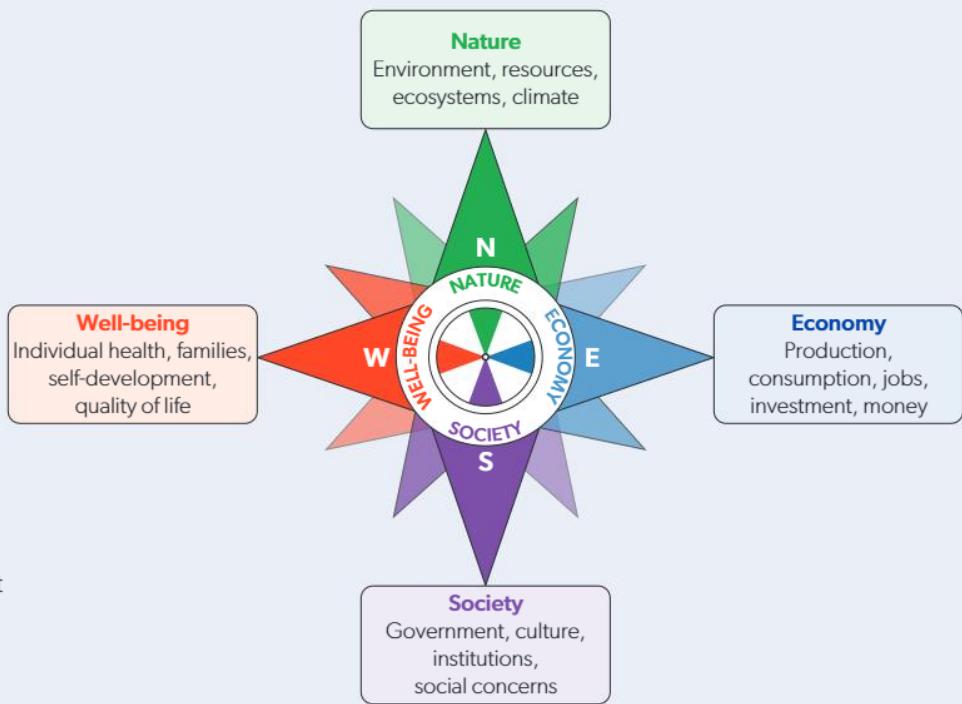
Advantages	Disadvantages
<ul style="list-style-type: none"> They can play a key role in building infrastructure. They can lead innovations in healthcare, agriculture, technology, communications and transportation. They can create jobs. They can drive economic growth and build infrastructure. They can provide goods and services that potentially improve well-being; including food and services like communications and internet technology. Competition between MNCs can potentially lead to cheaper prices, higher-quality goods and more affordable goods over time. They can promote values like human rights, racial and gender equality, and social responsibility among others, through social and cultural power. 	<ul style="list-style-type: none"> They have become increasingly able to affect state sovereignty. They may exercise economic power to influence governments. Most MNCs and TNCs are concentrated in high-income countries, creating a power imbalance. Many have been criticized for exploiting resources and labour. Being that their main aim is profit, they may introduce wage or labour cuts, making workers vulnerable. Some have been criticized for taking advantage of loose labour and environmental laws. This is a major challenge for some MICs and LICs. Some have been criticized for unfair business, eliminating competition from local small and medium businesses in host countries, due to being able to reduce costs and selling at a much cheaper price than local businesses and industries can afford. Some are able to create favourable business conditions, escape legal repercussions for some of their actions, and/or influence laws through bribery. In such cases, MNCs could become implicated in fuelling corruption within states.

▲ Table 3 Advantages and disadvantages of the roles MNCs and TNCs play in development and sustainability

ATL Social and research skills

The sustainability compass model focuses on four aspects of sustainability: nature, the economy, society and well-being (figure 15).

- In groups of four, research an MNC operating in your area or region. Each person should research one of the four aspects of the sustainability compass and how it relates to the MNC.
- Compile your findings using the sustainability compass model and present an assessment of the MNC's sustainability to your peers.
- Based on your assessment as a group, come up with policy recommendations for your government to promote sustainability.



▲ Figure 15 The sustainability compass model

3.2.4 Civil society

"Civil society" is an umbrella term used to describe diverse community groups or organizations within a state that work together towards a common cause. Civil society groups are neither part of government nor the private sector. Civil society groups include labour unions, activists, non-governmental organizations (NGOs), social movements, indigenous groups, grassroots movements, faith-based organizations and educational institutions. The characteristics of civil society differ from one state or region to another, and so it does not operate in the same way everywhere around the world. As such, context is important in understanding how civil society interacts with government and other non-state actors.

Civil society can play an influential role in shaping development policies. It acts as a medium between citizens and the government, whereby needs are expressed in an organized manner to influence, monitor, inform and pressure governments into acting in line with diverse citizen interests. For example:

- environmental activist groups may protest about a government plan to build a coal mine
- local NGOs may provide social services for marginalized communities
- grassroots organizations may monitor the social, economic, or environmental impact of development projects within the state
- labour unions may protest long-working hours or demand fair wages from employers through strikes and protests.

Case study

US labour unions in 2022

In 2022, the number of labour union strikes across the US increased by 50%. Thousands of workers in both private and public sectors unionized and organized walkouts, strikes and protests to demand better working conditions, job security and fair wages. These efforts have been led by teachers, nurses, railway workers and employees in major US companies like Amazon and Starbucks. Protesters achieved victories in unionization despite efforts to restrict their ability to collectively bargain for fair pay and better working conditions.

In September 2022, over 15,000 nurses in the state of Minnesota organized a three-day strike under the slogan "patients before profits". The strike is considered one of the largest private sector strikes in US history, with the goal of better pay and better staffing in the healthcare system. Staffing shortages have led nurses, who are considered frontliners in the healthcare system, to

work long hours in crowded hospitals for low pay. After months of negotiation with hospitals and organized action, the Minnesota Nurses Association were able to reach a collective agreement in their favour. Several hospitals agreed to pay increases and changes to nurse hiring practices to address the issue of understaffing.



▲ Figure 16 Nurses strike in Minnesota, US, 2022

The influence of civil society on a state's development can be described as a bottom-up approach, where a community of citizens shapes development policies, rather than accepts those imposed by governments or IGOs. Since citizens experience the effects of development policies in their daily lives, bottom-up approaches to development are viewed by some as more effective in identifying citizens' needs.

Although civic activists in most places are no strangers to repression, this wave of anti-civil society actions and attitudes is the widest and deepest in decades. It is an integral part of two broader global shifts that raise concerns about the overall health of the international liberal order: the stagnation of democracy worldwide and the rekindling of nationalistic sovereignty, often with authoritarian features.

Examining Civil Society Legitimacy, Carothers and Brechenmacher, 2018

The economic and political systems in place within a state may inhibit civil society's ability to influence development-related policies. In order to exact this influence, citizens must have the right to organize themselves into political groups or associations, and be able to express their views without fear or intimidation. Groups within civil society may have representatives within governments to inform decision making.

Domestic civil society organizations across the world are more able to connect with and support one another. Ties can form between different groups that are geographically dispersed but experience similar injustices or are driven by similar goals. These cross-border solidarities have been strengthened by social media networks and technological advancement. Environmental movements like Extinction Rebellion or Fridays for Future are examples of decentralized, cross-border movements that work together globally to demand climate justice. Extinction Rebellion allows individuals from all over the world to find or even start their own group via their website. In 2023, they had over 1000 local groups across 87 countries. Being a largely decentralized youth-led movement, activists are experienced in using social media platforms like Twitter, TikTok and Instagram to organize, coordinate, educate and promote their digital and physical activism globally, reaching millions of people in the process.



▲ Figure 17 Extinction Rebellion protesters in London, UK, 2023 (left) and in Jakarta, Indonesia (right)

3.2.5 Marginalized, vulnerable or most-affected groups and individuals

Marginalized groups are those who are left out or ignored by government development policies, either intentionally or unintentionally. These groups are often marginalized along class, racial, gender, religious or ethnic lines. Therefore, it can be said that underlying economic, political and social structures underpin their marginalization (see 2.2.4 *Marginalized, vulnerable and most-affected groups and individuals*). This can happen when the benefits of development, such as better standards of living or access to healthcare, are felt only by a section of society, leading to greater inequality within society.

Vulnerable groups are those who are vulnerable to exploitation to drive economic, human and sustainable development. For example, in Bangladesh, where the textile industry makes a significant contribution to the country's GDP, women and children are often exploited for their labour in textile factories. Similarly, refugees are often exploited for their labour by being paid less than the minimum wage in host countries.

Like marginalized and vulnerable groups, indigenous peoples are among those most affected by development. Indigenous peoples make up only 5% of the world's population, yet they are said to safeguard 80% of the world's remaining biodiversity (UNEP, 2023). In the name of development, industrial farming, mining, logging and infrastructure projects continue to lead to their dispossession and the destruction of their ancestral lands.

Dispossession of land and natural resources is a major human rights problem for indigenous peoples. They have in so many cases been pushed out of their traditional areas to give way for the economic interests of other more dominant groups and to large-scale development initiatives that tend to destroy their lives and cultures rather than improve their situation.

Report of the African commission's working group of experts on indigenous populations/communities, African Commission on Human and Peoples' Rights, and International Work Group for Indigenous Affairs, 2005

However, some indigenous peoples and communities are able to resist systemic dispossession. One such example is Ecuador's indigenous Waorani, who filed a lawsuit and won the legal battle against government bodies and powerful corporations leading to a ban on oil drilling in their ancestral lands in 2019 (Al Jazeera, 2019).

Key term

Greenwashing: a process of giving the impression that a project, product or service will have a positive impact on the environment. Greenwashing is often done to hide or cover up intentions or harmful actions done by actors.

Case study

Israeli development of the Naqab-Negev

While economic growth is often blamed for affecting people and nature in negative ways, sustainable human development can be equally problematic when used by powerful actors to justify displacement or the harming of populations. For example, the Bedouin community in the Naqab-Negev experience demolitions of their homes and forced seizure of their lands in the name of an afforestation project by the Jewish National Fund (JNF) in collaboration with the Israeli government.

Bedouins of Naqab-Negev are an indigenous people who have historically lived in the Naqab-Negev region. Contrary to common belief, Bedouins in the Naqab-Negev are not nomadic but have settled in villages over the course of centuries where they rely on the land for livestock and agriculture. The Israeli government does not recognize 35 of the villages in the Naqab-Negev that are home to an estimated 100,000 Bedouins, and seeks to move the community into state-recognized cities.

The afforestation project was promoted by the JNF as a sustainable development project which will help reduce the effects of climate change by planting trees. However, the project was met with demonstrations

and strikes by Bedouins and activists who protested against home demolitions and demanded legal recognition of their villages. Many of these protests were met with police brutality and violent crackdown on protesters.

According to the Rosa Luxemburg Foundation (2020), "It is highly important to stress that the overall area of land that is being claimed by the Palestinian Bedouin population is estimated to be only 5.4% of the Naqab-Negev, so it is not an issue of limited resources." Similar tactics of **greenwashing** have been used by MNCs to promote their products and hide the impact their production has had on local populations.



▲ Figure 18 A Bedouin village being demolished by Israeli forces in 2018

3.3

Nature, practice and study of development and sustainability



Activity

In recent years, the gross national income (GNI) has gained momentum as a more accurate tool of measuring economic conditions within a given state. Unlike the GDP, which focuses on total productions within a state, the GNI focuses on income generated by residents both domestically and abroad.

Look up the GNI and the GDP per capita of your country. Which do you think is better at measuring economic development, and why?

3.3.1 Dimensions and assessment of development and sustainability

Gross domestic product (GDP)

One way of tracking development is to measure economic growth. This is often done using a measurement called the gross domestic product (GDP). The GDP calculates the total goods and services produced within a country's borders (such as exports, manufacturing, services and agriculture). It gives an indication of the size of the economy and how much an economy has grown over one year. This number is then divided by the population size to measure the share of the GDP per person—this is called GDP per capita. The GDP is frequently used as one of the main indicators of economic development, allowing for comparisons between states and giving an indication of how productive sectors within the economy are. GDP measurements are often used by governments and central banks especially when shaping economic development policies.

Country	GDP (millions of US\$)	GDP per capita (US\$)
United States	23,315,081	76,398.6
China	17,734,063	12,720.2
Japan	4,940,878	33,815.3
Germany	4,259,935	48,432.5
India	3,176,295	2,388.6
United Kingdom	3,131,378	45,850.4
France	2,957,880	40,963.8
Italy	2,107,703	34,158.0
Canada	1,988,336	54,966.5
South Korea	1,810,956	32,254.6

▲ Table 4 Ten states with the highest GDP in 2021. Source of data: World Bank

As seen in table 4, the US and China topped the list of the highest GDPs globally in 2021. This indicates that they are among the wealthiest nation states in the world, together constituting over a third of the global GDP. The table also shows GDP per capita, which is the GDP divided by a state's population.

Despite being a measurable and quantifiable tool to assess the health of an economy, GDP is sometimes criticized for being a narrow indicator of development and arguments are made that a higher GDP does not lead to improved standards of living. Some of these criticisms extend to the argument that the benefits of economic growth can be restricted to the very wealthy, or not used by the government to improve living conditions.

Key term

Informal economy: economic activities including enterprises and workers that are usually not accounted for, unregulated and unprotected by the state.

GDP does not consider inequality in living standards and income, as GDP per capita assumes that people have an equal share of the wealth. GDP also does not consider the **informal economy**, or unpaid labour, particularly that of women. The measurement does not account for the ecological and environmental costs of economic growth, such as greenhouse emissions, pollution, resource extraction and loss of biodiversity. It also does not necessarily reflect the lived experiences of people.

Human Development Index (HDI)

Another measurement of development is the Human Development Index (HDI). The HDI was developed in 1990 by the UNDP to measure progress based on "whether people in each country have the freedom and opportunity to live the lives they value". As discussed earlier in the chapter, human development is based on a broader perspective of development beyond economic growth,

and, as such, data must be collected from different areas of society. As a result, the HDI is a composite indicator, which means it draws information from several indicators. The three dimensions of the HDI are:

1. access to a long and healthy life
2. access to knowledge in the form of education
3. standard of living (measured using the Gross National Income per capita).

The closer the country's score to 1, the more developed it is assumed to be. As seen in table 5, Switzerland and Norway had the highest HDI in 2021. Table 6 shows the strengths and limitations of measuring development using the HDI.

The UNDP has other measures of human development that also include dimensions of income inequality, gender inequality and sustainability.

- The planetary pressures-adjusted Human Development Index (PHDI) accounts for how much pressure is exerted on the planet by measuring carbon emissions produced per capita. This reflects the idea that development, whether people-centred or growth-centred, must be pursued only within ecological boundaries. This is in line with the idea of sustainable development.
- The inequality-adjusted Human Development Index (IHDI) assesses the distribution of each dimension across the population. If the distribution is unequal, then the score is lower.
- The Gender Inequality Index (GII) and Gender Development Index (GDI) compare inequality between men and women to adjust the HDI score.

Country	HDI
Switzerland	0.962
Norway	0.961
Iceland	0.959
Hong Kong SAR*	0.952
Australia	0.951
Denmark	0.948
Sweden	0.947
Ireland	0.945
Germany	0.942
Netherlands	0.941

▲ **Table 5** Ten states with the highest HDI in 2021. (*Hong Kong is a special administrative region of China, and not officially recognized as a state by the UN.)
Source of data: UNDP

Strengths	Limitations
<ul style="list-style-type: none"> • It is a people-centred measure rather than a purely economic measure of development. • It is viewed as a broader and more holistic measure of development. • It provides insight and a roadmap to governments working to improve institutions and social services. • It accounts for various inequalities within society (in terms of income, share of wealth and gender inequality). • The planetary-pressure HDI acknowledges sustainability as an important dimension. • It has been used for a long time so it provides a detailed data set. 	<ul style="list-style-type: none"> • Quality of education and healthcare is not necessarily accounted for. For example, children in private schools might be experiencing a higher-quality education than their counterparts in underfunded public schools in some areas. • A single number (out of 1) cannot represent the inequalities within a country, since there is much diversity in terms of income, education, gender relations, healthcare access and rural–urban divides. • National measures and statistics, upon which much of the HDI is reliant, are not always accurate. • It treats all areas of human development as equal in weight, assuming they are equally important to various governments and peoples across the world. • Formal education is given higher priority than other ways of learning that may be more relevant to certain communities or peoples. • Focuses on only three narrow indicators: healthcare, education and living standards.

▲ **Table 6** Strengths and limitations of measuring development using the HDI

In 2021, a new measure was developed to measure the performance of 193 UN member states' progress towards achieving the 17 Sustainable Development Goals (SDGs). The SDG indicator calculates progress towards each of the sustainable development goals and gives an overall SDG Index Score ranging from 0 to 100, with 100 indicating that all 17 SDGs have been achieved. Figure 19 compares the performance of the US and Finland (right) in each SDG.



▲ Figure 19 Performance of the US (left) and Finland (right) in each SDG in 2023. The US has an overall SDG Index Score of 76.9 and Finland has a score of 86.8

The SDG indicator includes an International Spillover Index, which recognizes that countries can affect each other's progress in achieving the SDGs. The Spillover Index assesses spillovers in three dimensions: the environmental and social impacts of trade, economy and finance, and security. If a country causes more positive and fewer negative spillover effects, it has a higher score in the Spillover Index. Table 7 compares the strengths and limitations of the SDG indicator.

The US, Canada, France, Singapore and Australia have among the lowest scores in terms of spillover; meaning that their actions have a negative impact on other countries' ability to achieve the SDGs. Despite being ranked sixth in terms of SDG achievement, France is a major exporter of weapons, plastic waste and hazardous pesticides, making it among the worst ranking in terms of negative spillover (*Sustainable Development Report 2023*).

Strengths	Limitations
<ul style="list-style-type: none"> It creates a framework and roadmap for countries to achieve the SDGs. It includes the Spillover Index, recognizing countries can impact each other's progress. It draws on multiple measures and dimensions of development. It includes science-based targets, such as CO₂ emissions in goal 13. SDGs have clear and specific objectives and are time-bound by the year 2030. 	<ul style="list-style-type: none"> SDG indicators have been criticized by some for oversimplifying complex processes. There are major gaps in countries' reporting, so not all indicators are reliable. Tracking progress in some of the goals is challenging, especially biodiversity and environmental goals. They can be misleading, since Nordic countries continue to rank best in the single SDG index (out of 100), despite being major contributors to greenhouse emissions. SDGs have also been criticized for not protecting arts and cultures. For example, UNESCO have had to crowbar their projects to fit SDG sub-criteria and receive funding. Not all countries report their development progress using the parameters set by the SDGs.

▲ Table 7 Strengths and limitations of measuring development using the SDG indicator

Happy Planet Index (HPI)

The Happy Planet Index (HPI) initiated by the New Economics Foundation (a British think tank) measures the extent to which countries are able to provide a happy, long and sustainable life for their citizens and inhabitants. To compute the HPI, the index uses three indicators.

- Life expectancy: drawn from the UN Development Report.
- Experienced well-being: assessed using a question called the “ladder of life” from the Gallup World Poll, in which respondents can rank their lives on a scale of 0 to 10, representing the worst to best possible life.
- Ecological footprint: a measure of the amount of land needed to sustain the consumption patterns of a country per person. It is measured in **global hectares (gha)** per capita. This definition was developed by the World Wide Fund for Nature (WWF).

Countries are ranked on the basis of how many happy and long lives are produced for every unit of environmental output.

Key term

Global hectare (gha): a unit to measure the ecological footprint per person and the biocapacity of the Earth. The ecological footprint generally refers to the impact of human activities including amount of land and water consumption, and CO₂ producing activities, while biocapacity is the ability of the ecosystem to regenerate what people consume and to absorb the waste generated from these activities.

We need new measures of human progress.

The Happy Planet Index offers us an excellent example of how such measures work in practice. It shows that while the challenges faced by rich resource-intensive nations and those with high levels of poverty and deprivation may be very different, the end goal is the same: long and happy lives that don't cost the earth.

We must balance the prominence currently given to GDP with those measures that take seriously the challenges we face in the 21st century: creating economies that deliver sustainable well-being for all.

By signing this charter we:

- call on governments to adopt new measures of human progress that put the goal of delivering sustainable well-being for all at the heart of societal and economic decision-making
- resolve to build the political will needed across society to fully establish these better measures of human progress by working with partner organizations
- call on the United Nations to develop an indicator as part of the post-2015 framework that measures progress towards the key goal for a better future: sustainable well being for all.

The Happy Planet Charter, New Economics Foundation, 2012

The HPI report points out that although it helps to measure significant indicators on the state of the planet, it is not able to factor in issues such as human-rights abuses and ecological issues, which have an impact on the well-being of people and the environment, respectively. The HPI uses a traffic light system for each of the three indicators. These are summarized in table 8. Some examples of countries are given in table 9.

Life expectancy	Well-being	Ecological footprint
Less than 65 years	Less than 5/10	Above 3.12 global hectares
65–75 years	5/10–6/10	Between 1.56 and 3.12 gha/person
75 years or more	6/10 or more	Below or equal to 1.56 gha/person

▲ Table 8 Traffic light system of the HPI

	Costa Rica	India	Senegal	US
HPI rank	1	128	34	122
HPI score	62.1	36.4	51.2	37.4
Life expectancy (years)	80.3	69.7	67.9	78.9
Well-being	7/10	3.25/10	5.49/10	6.94/10
Ecological footprint (gha/person)	2.65	1.22	1.15	8.21

▲ Table 9 Examples of countries' scores from the 2019 HDI data

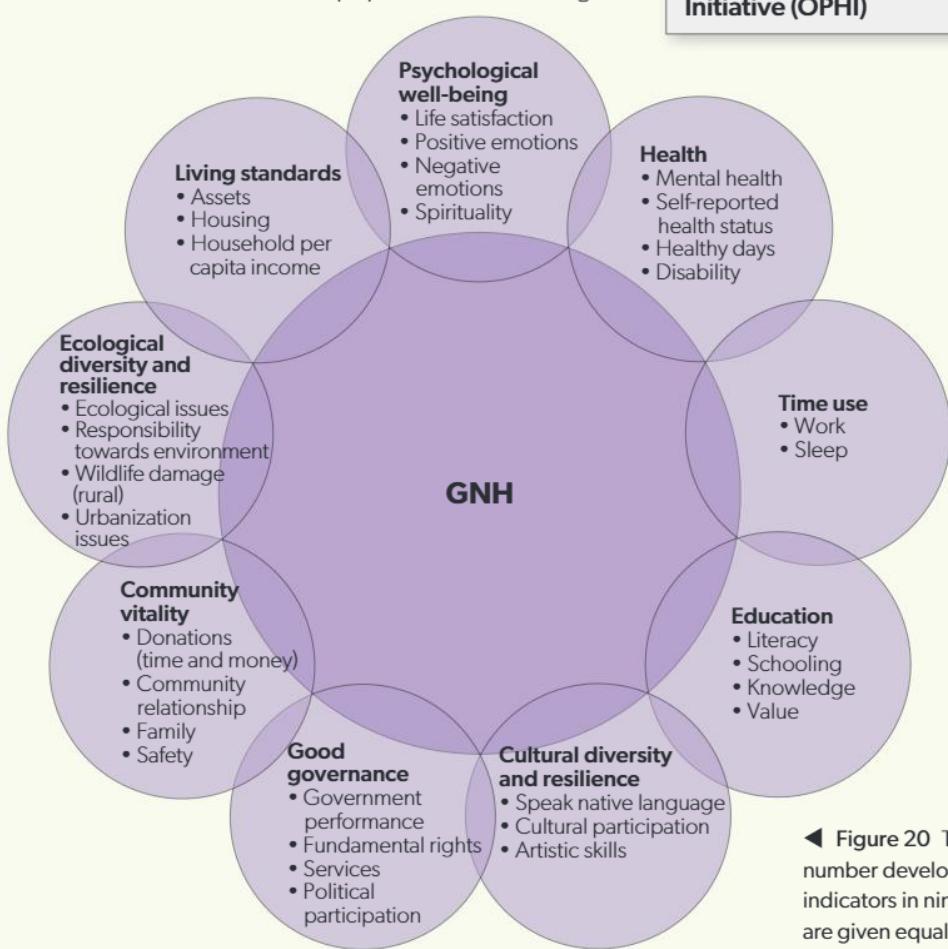
Case study

Gross National Happiness (GNH) index

In 2008, Bhutan formally adopted the Gross National Happiness (GNH) index into its constitution. The index is underpinned by a holistic view of a nation's well-being and happiness and has helped guide Bhutan's social, economic and environmental policies. The GNH Index is very different from conventional ways of measuring development and combines socioeconomic domains like living standards, along with well-being domains like cultural values, ecological diversity and spirituality (figure 20). The GNH is not a ranking of subjective happiness but is a holistic measure of the population's well-being.

[T]he idea of Gross National Happiness (GNH) has influenced Bhutan's economic and social policy, and also captured the imagination of others far beyond its borders. In creating the Gross National Happiness Index, Bhutan sought to create a measurement tool that would be useful for policymaking and create policy incentives for the government, NGOs and businesses of Bhutan to increase societal wellbeing and happiness.

Bhutan's Gross National Happiness Index, Oxford Poverty and Human Development Initiative (OPHI)



◀ Figure 20 The GNH Index is a single number developed from 33 different indicators in nine key dimensions, which are given equal importance

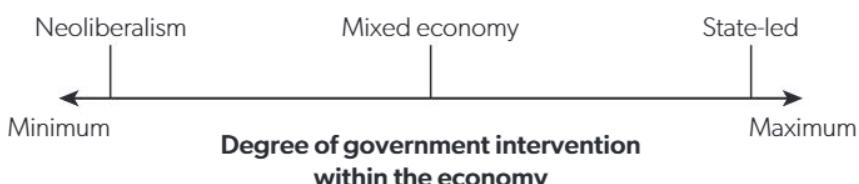
TOK

Is there a universal concept of happiness? Think of real-life situations that relate to the question.

3.3.2 Pathways towards development and sustainability

There are many pathways towards development, which are often pursued based on a state's circumstances and their vision of progress. For instance, a state government that perceives economic growth as its top priority will allocate resources towards infrastructure, attracting foreign investment and expanding industry. Another government in a different context may implement policies to improve education for its citizens or redistributive measures through taxes to reduce income inequality. Governments that prioritize sustainable development may implement strict environmental regulations on projects which may threaten forests or wildlife. A single, universal pathway simply does not exist, and attempts to impose one pathway onto other states have usually ended unsuccessfully.

Capitalism is the dominant economic system in the world today, and in most states, both the **free market** and the government are involved in shaping the economy. However, the degree of government involvement in the economy can vary from one state to another. These degrees of government involvement can be divided into three common pathways towards development: **neoliberalism**, mixed economy and state-led development (figure 21).



▲ **Figure 21** Spectrum showing the degree of government intervention in three development pathways

With little government oversight of their economic activities, private enterprises can lead innovation, create jobs and expand production and industry. In this pathway, private enterprises require freedom from government constraints like high taxes, strict labour laws or environmental regulation. With fewer restrictions, an MNC can extract resources more cheaply, outsource factory jobs to states where wages are less expensive and trade with states where there are minimal government tariffs. Proponents of neoliberalism believe that the free market is naturally balanced, and competition among private companies will produce outcomes for people like higher employment, higher standards of living, better access to technology and higher-quality social services.

Common policies associated with neoliberalism include:

- tax reforms: reduced taxes
- austerity measures: reduced public spending on social services
- trade liberalization: minimal barriers to free trade and foreign investment
- privatization: transfer of public enterprises to privately owned ones
- deregulation: limited government intervention in the market by the removal of strict regulations.

Key terms

Free-market economy: an economy in which the factors of production—land, labour and capital—are controlled and at times owned by private individuals or groups (such as businesses or MNCs), rather than by the public sector (government enterprises). In a free-market economy, there are minimal barriers to trade, private ownership of property is protected, competition is encouraged, and prices are controlled by supply and demand rather than set by the government.

Neoliberalism: an economic theory and model that emphasizes free markets and limited government intervention in the economy. The assumption of this theory is that private enterprises like companies and multinational corporations are better equipped to drive economic growth than governments.

Efforts to set these conditions in place were first pioneered by the World Bank and the IMF in the form of Structural Adjustment Programs (SAPs). SAPs are a set of policies that were initially agreed upon in the 1980s in what was known as the “Washington Consensus” because there was agreement between the US, the IMF and the World Bank (the last two of which are both headquartered in Washington, D.C.) to export this economic model globally, especially in South America, Africa and central Asia. The way this model was “exported” was done by attaching policy conditions (known as loan conditionality) to loans taken by MICs and LICs.

Contrary to the stated objectives of SAPs (economic growth, poverty reduction and reducing government deficit), these policies have often failed to create sustainable economic growth and have contributed to greater inequality and vicious cycles of debt. In some cases, neoliberal policies have led to serious political, social and economic instability.

Other criticisms include:

- while agreement to these policies is seen as voluntary, this pathway is criticized for undermining state sovereignty
- they limit a government’s ability to protect its people
- it leaves vulnerable populations at the mercy of market fluctuations and shocks with very little security
- it encroaches on workers’ conditions and labour rights
- there is little accountability for environmental damage caused by private enterprises.

Case study

Jordan and the IMF

Jordan, officially the Hashemite Kingdom of Jordan, is a state with a population of 11 million. Over 60% of the population are under the age of 30. It is classified by the World Bank as a lower middle-income country in the Middle East. Since 1989, Jordan has developed several interactions and a largely positive relationship with the IMF and the World Bank. In 2018, following a series of IMF-mandated austerity measures and price hikes, the IMF proposed a reform of the Jordanian income tax system as part of loan conditionality. This meant that even those who were making low wages would be subjected to significant tax increases. This led to the outbreak of some of the largest protests and strikes across the country since the Arab uprisings of 2011, creating social, economic and political instability. The conditions and subsequent protests led to the resignation of the prime minister at the time.

Despite the government’s adherence to IMF conditions and an ongoing largely positive relationship between the government and the IMF, public debt did not decrease. In fact, since implementing SAPs and subsequent loan conditions, such as reducing government spending, tax reforms, privatization and

removal of subsidies, Jordanian debt continued to grow, increasing from a record low of US\$11 billion in 2006 to US\$39 billion in December 2022. On the other hand, some argue that public debt did not increase due to IMF conditionality alone, but rather due to regional instability, mismanagement of loans and external shocks like the global financial crisis of 2008 and the multiple refugee crises especially after 2011.



▲ Figure 22 Jordanian protesters at an anti-austerity rally in 2018

A mixed economy combines both free market and government control of the economy. Often referred to as “the Nordic model” of development, the main objective is to balance the benefits of free-market capitalism with the benefits of government protection of people to ensure social welfare, decrease income inequality and address market failures.

In a mixed economy, a government usually maintains control of some key industries and sectors while leaving others to the free market. The government also controls the activities of private companies by establishing regulations or rules to protect labour rights or the environment from company misuse and abuse. Wealth accumulation by individuals and enterprises is also controlled through high taxes, which are then redirected towards public services and social development. By doing so, the government can establish some equality within society and protect the most vulnerable through social spending. The Nordic model exists in states like Norway, Denmark, Finland, Sweden and Iceland to varying degrees. These are often the states who perform the best in human development metrics (see 3.3.1).

Proponents of a mixed economy often argue that governments can counter the negative aspects of free-market capitalism with their interventions. Despite this, mixed economies like that of Norway are not without problems. When it comes to sustainability, Norway, along with other Nordic countries, produce some of the highest levels of greenhouse gas emissions and resource consumption in the world. Jason Hickel, Professor at the Institute for Environmental Science and Technology, wrote the following in an article called *The Dark Side of the Nordic Model*.

This raises the question of whether human development should come at the expense of nature. Proponents of sustainable development (figure 23) argue that neither economic growth nor human development should exceed the constraints of the environment.

“State-led development” is an umbrella term used to describe a mixed-economy approach but with a greater degree of state involvement. This comes in the form of controlling key industries, resources and economic activities, with the state playing a stronger role in leading economic growth than private companies. This stands in sharp contrast with a neoliberal pathway, in which the free market is left with little government regulation or control.

By taking a state-led approach, the state can direct its resources towards national goals such as increasing trade, or promoting rural to urban migration to drive industry. Additionally, the state can control what it imports from other states by placing trade barriers in the form of tariffs to protect its industries from competition.

Although the pathway is characterized by a state’s leadership of development efforts, this does not entail the absence of a free-market economy or private enterprises. In fact, states like China and Singapore, who are famous for state-led development, engage quite actively with the free-market economy, but on their own terms. This is perhaps one of the main reasons why China has come under scrutiny as it can export freely in an integrated and global free market, but other states cannot engage with China’s economy in the same way due to their restrictions.

Some Western scholars like Ian Bremmer have used the term **state capitalism** to describe this approach to development. The term, however, can be misleading, since “state capitalism” has also been used by Noam Chomsky to describe the US’s support of corporations through government bailouts during the 2008 financial crisis.

These countries are worth celebrating for all they get right. But there is a problem. They are an ecological disaster. [...] For decades we have been told that nations should aspire to develop towards the Nordic countries. But in an era of ecological breakdown, this no longer makes sense. If everyone in the world consumed like Scandinavians, we would need nearly five Earths to sustain us.

The Dark Side of the Nordic Model, Hickel, 2019



▲ Figure 23 Elementary, high school and college students at a climate protest in Norway, 2019

Key term

State capitalism: a contentious term used to describe a state that exerts significant control on economic activity to advance its own agenda.

Case study**US–China trade war**

In 2018, US President Donald Trump blamed China for the increased imports and decreased exports in the US, known as trade deficits. He subsequently imposed tariffs or barriers to trade in the form of taxes on Chinese products entering the US. With China responding with similar trade barriers and tariffs, this launched a commercial conflict between the two states known as a **trade war**, in which each

state would use its economic power to undermine the other. It is worth mentioning that since 2018, the trade wars have not reduced Chinese economic growth (as intended by the US at the time), nor did they address the issue of trade deficits in the US. Many argue that the conflict has harmed global trade, people and bilateral relations between China and the US.

Key term

Trade war: a type of non-violent conflict in which states try to damage each other's trade by placing barriers to trade known as tariffs.

The Chinese government does not use "state capitalism" to describe its pathway towards development. Instead, it uses the term "socialism with Chinese characteristics" and insists on the uniqueness of its pathway towards development. Xi Jinping, President of China, stated at a speech in 2014 that "The uniqueness of China's cultural tradition, history and circumstances determines that China needs to follow a development path that suits its own reality. In fact, we have found such a path and achieved success along this path." The use of different terms to describe state-led development is reflective of the wide range of differing perspectives on the matter.

Critics of state-led development argue that states use this pathway to increase their power or dominance instead of working for the interests of citizens. Another argument against this pathway is its frequent association with non-democratic political systems. Thirdly, like other pathways, state-led development can greatly undermine sustainability when economic growth is prioritized above all else. Despite these criticisms, China's model is becoming increasingly appealing to other states. This has been largely due to China's position today as one of the world's leading and fastest-growing economies in the world. The state has also lifted over 800 million people out of extreme poverty within just 30 years.

What the three development pathways have in common is that they operate under the forces of capitalism, and so economic growth is a primary objective. David Harvey, a British anthropologist and economist, argues that capitalist economic systems require a growth rate of at least 3% per year to function without generating crises.

Due to growing public pressure and criticism around the world, governments, IGOs and business leaders have popularized terms like "green growth" and "inclusive growth" which imply that economic growth can be pursued in a sustainable and socially inclusive manner. However, some critics argue that the notion of "growth" altogether is contradictory to ecology. This is because growth can be pursued without limits, while nature has its limits, as the current climate crisis has proven to us. Hickel (*Al Jazeera*, 2019) states, "Politicians talk about making growth 'green'—but scientists reject this strategy as inadequate. The evidence is clear: the only way to build a truly ecological economy is to stop chasing GDP growth." A growing movement among economists, environmentalists and individuals is the idea of "degrowth". Degrowth, or non-growth, is a radical critique of capitalist economies, and argues for reducing consumption and production. It can also be described as the shrinking rather than the growing of an economy. According to proponents of degrowth, this would help in avoiding the catastrophic social and ecological consequences of rising global temperatures.

3.3.3 Factors affecting development

Factors affecting development can be grouped into political, economic, social, institutional and environmental factors (table 10). Some factors are perceived to be universally positive for development such as education, good governance and political stability. While others, such as corruption, violent conflict, disease or high levels of debt, are perceived to be universally negative for development. However, while this can be true in many cases, these factors rarely act in isolation from others. Different factors interact with one another to produce largely positive, or negative, development outcomes. This is known as the **interplay of factors**. For example, the presence of high debt (economic factor) will inevitably lead to reduced spending on education (social factor), thereby affecting both economic and human development. An economic factor, like building infrastructure or extracting a natural resource, may promote economic growth but may simultaneously hinder sustainability.

Key term

Interplay of factors: how two or more factors affect each other.

Factor	Examples
Political	<ul style="list-style-type: none"> • governance: stability, accountability, legal frameworks, transparency • ideology and political systems • corruption • history of and persistence of conflict (interstate/intrastate wars) and spillover effects of violent conflict • political consequences of different development paths • political culture and bureaucracy, mismanagement and vested interests
Economic	<ul style="list-style-type: none"> • debt • infrastructure • access to capital and credit • foreign direct investment (FDI) • economic consequences of different development paths • foreign aid
Social	<ul style="list-style-type: none"> • gender relations • migration (voluntary and forced) • values, cultures and traditions • education • population • exclusion/inclusion of different social groups
Institutional	<ul style="list-style-type: none"> • UN • IMF • World Bank • World Trade Organization • partnerships between developing countries • efficacy of national and local institutions
Environmental	<ul style="list-style-type: none"> • geographical location • resource endowment • consequences of the climate crisis • climate justice/injustice • loss of habitats/biodiversity • disease outbreak

▲ Table 10 Possible factors affecting development

Each factor or group of factors may impact development in different ways depending on the context. A factor which may promote development in one state may also inhibit it in another as states vary greatly in terms of governance, national priorities, histories, populations, social systems, geographies, values and cultures. For example, there might be different outcomes for communities and states depending on the type of education people receive. While it is difficult to conceive of war as potentially positive for development, in some cases, weapon sales may boost economic growth in countries that export arms to actors involved in war.

Key term

Populism: a political approach that tries to appeal to the masses and to appear supportive of their common concerns. Populist leaders attempt to make a clear distinction between the ordinary working class and established political elites.

Factors affecting development can be highly politicized, meaning they are used for political and economic gain. For instance, it is not uncommon for **populist** leaders to blame government failures of development on refugees or migrants. Similarly, proponents of the neoliberal pathway defend the need for neoliberal policy interventions in MICs and LICs using justifications like the presence of corruption within governments. Aid is another highly politicized factor which is often used to explain why development succeeds or fails. As for culture, it is often used in xenophobic ways to justify why some states are behind in terms of their development. In a similar manner, overpopulation in MICs and LICs is often blamed for widespread poverty when, in many cases, it is economic and political structures that are the main cause, and a fairer system would accommodate the increasing population.

Not all factors are necessarily politicized, but it is important to keep in mind that some justifications are reflective of different viewpoints and shaped by actors in positions of power. Therefore, it is important to develop critical thinking skills when studying how these factors affect development.

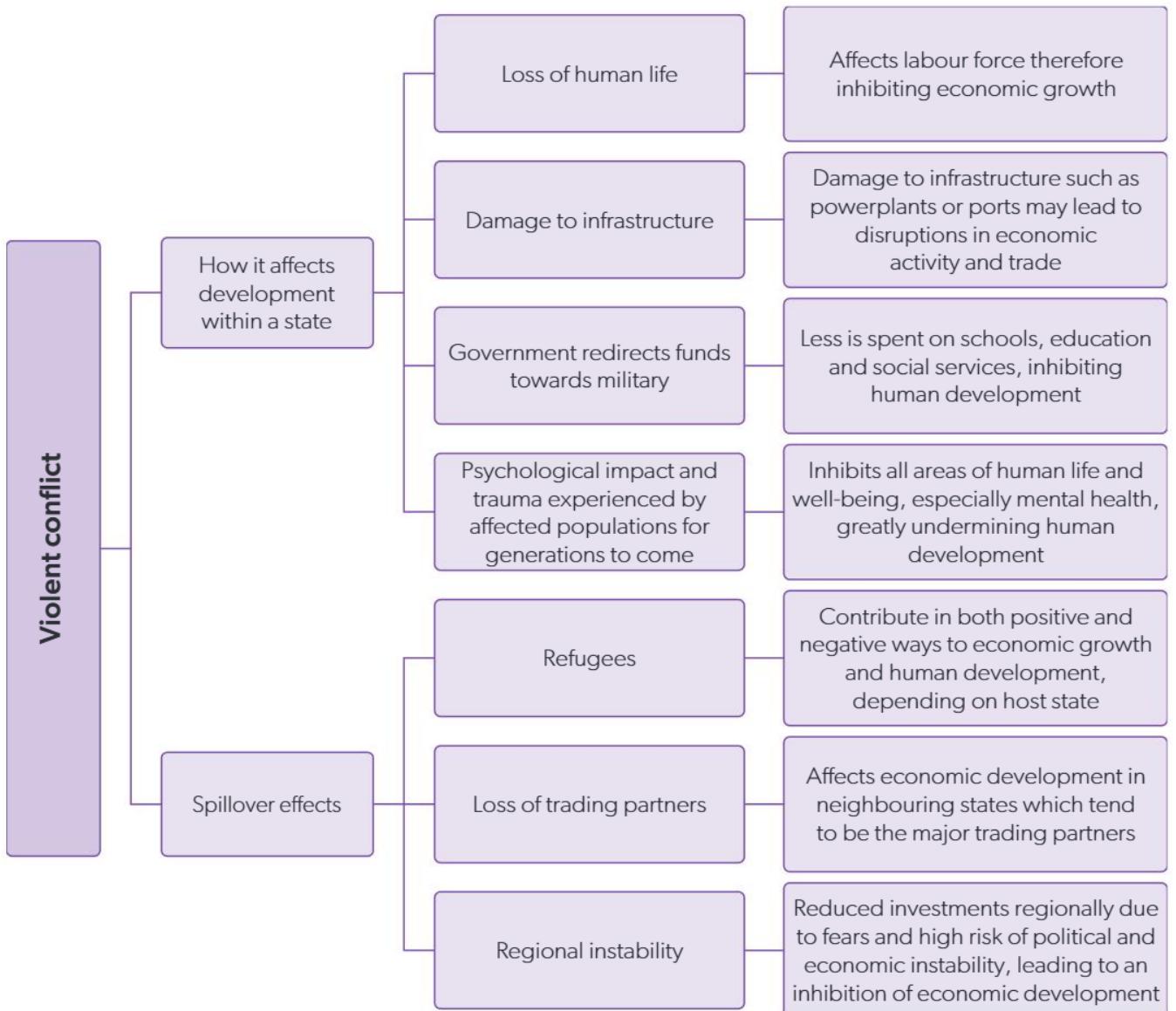
Political factors

Political factors are about how the government works to promote or inhibit development. Governance is largely about making decisions and setting policies regarding development. For example, allocating resources towards infrastructure, education and healthcare, and establishing rules for environmental or social protection are all key to promoting different types of development. Many variables come into play when discussing the role of governance, including stability, legitimacy, accountability, transparency and the presence or absence of legal frameworks.

The presence of high levels of corruption or lack of transparency may affect how government funds are being spent, and whether they are directed towards development aims. Corruption mainly benefits individuals and interest groups rather than the public. One of the key findings of a study conducted in 2018 was that “Approximately \$455 billion of the \$7.35 trillion spent on health care annually worldwide is lost each year to fraud and corruption” (National Academies of Sciences, Engineering and Medicine, 2018).

Another political factor affecting development is the ideology a government believes in. Previously discussed pathways such as neoliberalism and capitalism are examples of ideologies. Socialism is an ideology in which the economy is controlled by the state, and resources and industries are government-owned. The mixed-economy approach of the Nordic states is an ideology known as social democracy, which combines elements of both free-market capitalism and socialism. Authoritarianism involves the possession of power in a state by a single leader or a small group of elites. Each of these models exhibits both successes and failures, and so a single system or ideology cannot be blamed for development outcomes.

Since development depends on the stability of economic, political and social life, violent conflicts tend to inhibit development greatly. They may lead to a loss of human life and severe damage to infrastructure and the environment. Conflict entails the risk of "spilling over", whereby trade is disrupted between neighbouring states and refugees are forced to travel between states. Conflict can result in governments redirecting their funds from development projects, such as social welfare and poverty alleviation, towards other sectors, such as maintaining the military or managing these conflicts. The effects of violent conflict on development are summarized in figure 24.



▲ Figure 24 The effects of violent conflict on development

Case study

Sanctions in Syria

The possibility of imposing sanctions on states because of violent conflict may further obstruct their development efforts. Even though some economic sanctions are justified in the name of protecting human rights, they can have a damaging effect on a population's standard of living, housing and access to much-needed food or medicine. For example, the Caesar Syria Civilian Protection Act of 2019 was a set of wide-ranging unilateral sanctions imposed on Syria by the US. These sanctions have inhibited the country's ability to produce life-saving medicine and vaccines, and have crippled the Syrian economy. Critics, including the UN Office of the High Commissioner for Human Rights (2020), have raised concerns that these sanctions could risk destroying any chances of recovery in Syria.



▲ Figure 25 A shopping district in Damascus, Syria, a day before the Caesar Act came into force (17 June 2020). The UN Human Rights Office argues that US sanctions could jeopardize the Syrian economy's chances of recovery

Key terms

Debt: borrowing sums of money to be paid at a later stage, often with interest.

Gender relations: refers to a specific type of social relations between men and women within a particular community, society or context. This includes how power, access to and control of resources, decision making and opportunities are distributed between the two.

A gender wage gap refers to the difference between what men and women earn. The higher the gap, the greater the income inequality between men and women.

Economic factors

Foreign aid can either support or hinder development in several ways. External assistance in areas such as food, education and health are directly related to the basics of human development. For a country that is in the process of recovering from a natural disaster or conflict, aid is required to ensure relief and stability. Similarly, aid can be in the form of creating infrastructure facilities, which can help to establish a solid foundation for industrialization and growth.

However, aid can also obstruct development. It can promote the tendency for states and governments to develop a pattern of reliance. Aid can prove to be harmful when combined with poor governance, such as corruption or a lack of transparency. For example, a corrupt government could misuse aid for private gains rather than support the poor population that need it.

Loans can be a useful way of promoting development if managed and directed towards projects that spur economic, human and sustainable development. In contrast, the resulting **debt** can be an equally disruptive force. This is because when debt accumulates, it tends to take away from spending on social services or much-needed infrastructure. If debt is accumulated to an unsustainable level, this can lead to serious financial crises. The problem can be further worsened by political factors like mismanagement, lack of transparency or government corruption. A debt trap is another consequence associated with indebted states. A debt trap is a situation where governments get trapped into vicious cycles of borrowing, which means that they are required to take on more loans to pay off existing ones. It is important to keep in mind that debt can be borrowed by governments, businesses, households and individuals—all of which can have varying degrees of impact on development in its various forms.

Social factors

Gender relations encompass the social, cultural, economic and political factors that influence the roles and status of men and women in society. Gender relations are dynamic, meaning they are always changing, and may be influenced by cultural norms, attitudes and behaviours.

Despite the growing participation of women in the formal labour force globally, their role within the household remains unequally shared with men. Advocates of economic growth often view unpaid domestic work or work in subsistence farming as less valuable than participating in the formal economy. As such, policies to promote economic development often focus on the inclusion of women in the formal economy, rather than recognizing informal labour as equally important. However, reports by UN Women challenge this view:

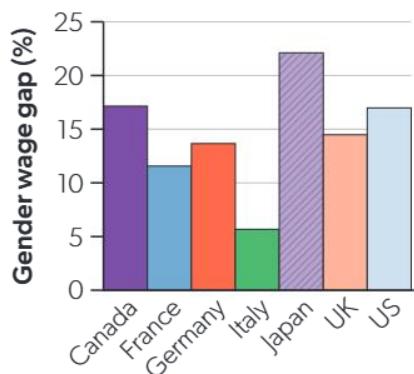
From cooking and cleaning, to fetching water and firewood or taking care of children and the elderly, women carry out at least two and a half times more unpaid household and care work than men. As a result, they have less time to engage in paid labour, or work longer hours, combining paid and unpaid labour. Women's unpaid work subsidizes the cost of care that sustains families, supports economies and often fills in for the lack of social services. Yet, it is rarely recognized as "work". Unpaid care and domestic work is valued to be between 10 and 39% of the Gross Domestic Product and can contribute more to the economy than the manufacturing, commerce or transportation sectors. With the onslaught of climate change, women's unpaid work in farming, gathering water and fuel is growing even more.

Women in the Changing World of Work, UN Women, 2017

Achieving sustainable development requires promoting gender equality and improving gender relations. This involves addressing gender-based discrimination and violence, underrepresentation in government, unequal access to education, unequal division of housework, and exclusion from the workplace. When development policies are responsive towards gender relations, it becomes possible to create inclusive societies, and achieve human and sustainable development.

Population growth and size are significant social factors affecting all areas of development. The size of the population can be a contributing factor to economic development. India and China are the two most populous states in the world, and their industrialization policies and economic reforms have taken advantage of the large labour force to promote productivity in a variety of industries. According to many, this has been one of the key factors behind their levels of rapid economic growth in recent years. Inversely, states with a declining or aging population may suffer from a labour shortage and decreased productivity. A declining population can be the result of many things, such as disease outbreaks, high mortality rates, low fertility rates, war and emigration. For example, Japan is expected to experience a decline in economic growth in the near future due to its aging population and low birth rates.

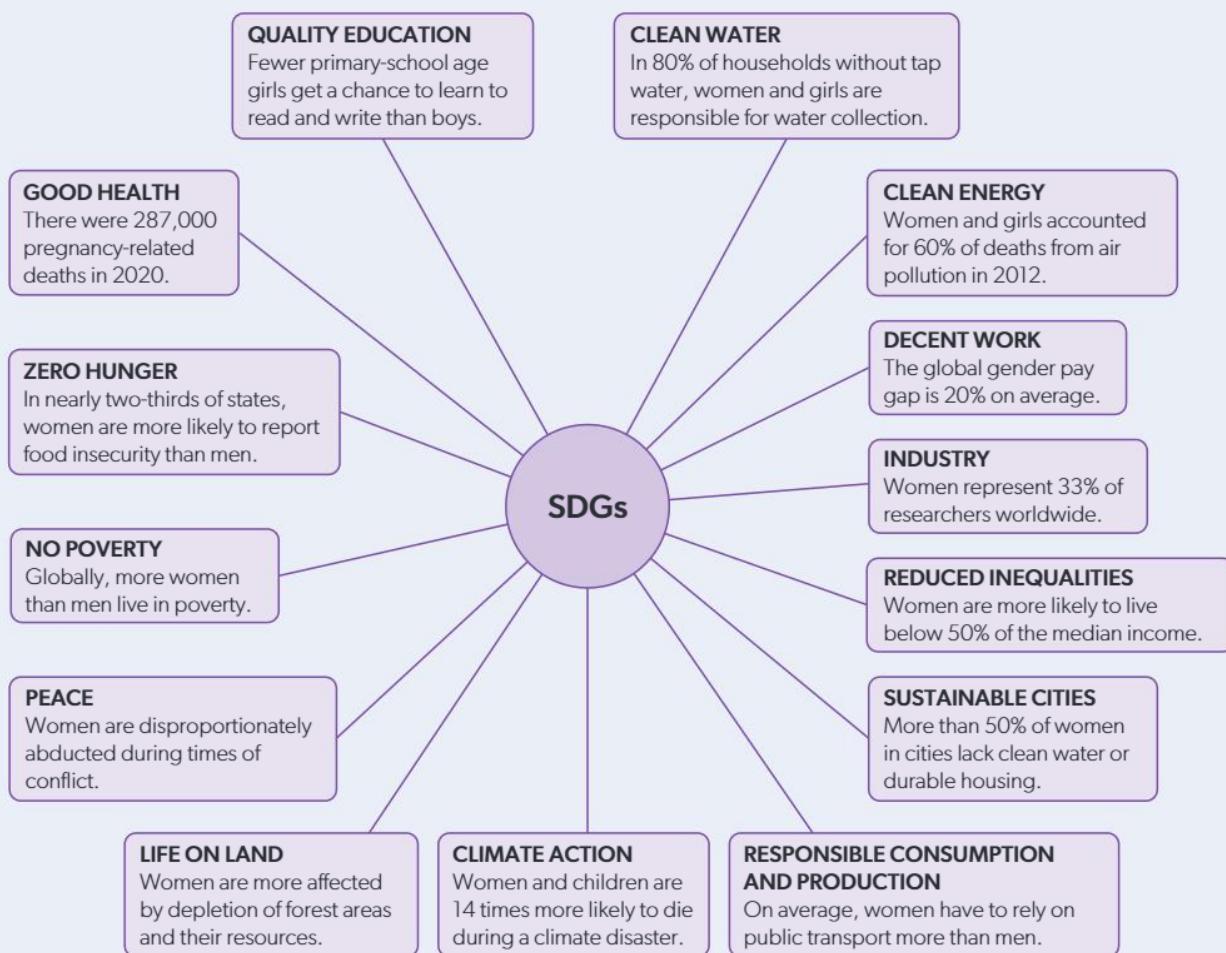
It is not always the case that a large population leads to development. For example, if a boom in the population is not matched with opportunities to work, this would lead to high levels of unemployment and dissatisfaction and possibly social and political unrest. Therefore, an increase in population can be positive only when there are work and employment opportunities generated by investment and/or government employment initiatives. Due to other factors, such as debt or lack of capital, some states struggle to meet the demands of a large population, such as creating employment opportunities, building sufficient human infrastructure (for example, schools and hospitals), and the provision of social services.



▲ Figure 26 The gender wage gap in the G7 countries. Source of data: OECD, 2022 or latest available

ATL Thinking skills

Inequalities between men and women relating to 14 of the 17 SDGs are shown in figure 25. SDG 5 focuses specifically on issues relating to gender equality.



▲ Figure 27 Statistics relating to the SDGs and gender inequality. Source of data: UN Women

Can you think of other ways women are disproportionately affected in achieving the SDGs?

Migration can introduce new skills and innovative ideas to a country, resulting in increased productivity, innovation and economic growth. Additionally, it can address labour shortages in specific industries, leading to more employment and income opportunities.

Whether through the voluntary or involuntary movement of people or changes in population size, the effects of such demographic phenomena on different aspects of development are highly dependent on the presence of other factors as well as the context within individual states.

Case study

Middle Eastern refugees in Germany

At the height of the refugee crisis in 2015–2016, over one million refugees from Syria, Afghanistan and Iraq sought asylum in Germany. Unlike many countries within the EU, Germany had quickly responded with programmes for integration, employment support and language training. This was partially driven by Germany's need for a young and skilled refugee population to compensate for labour shortages in some of its key industries. Germany has an aging population and low unemployment rates. Since many refugees hold degrees and are skilled in their home countries, and most were under the age of 40, they were able to find employment and support the German economy.

By 2021, over half of the refugees had found employment, with others pursuing training and education. According to the German Institute for Economic Research, it is expected that Germany will reap the economic benefits of integrating refugees in the long term. In addition, many young entrepreneurs have founded their own companies and contributed to strengthening civil society in Germany. Despite difficulties and barriers that exist to this day, refugees continue to contribute to Germany's development with the benefits of integration arguably outweighing the costs.



▲ Figure 28 Eight years after fleeing the Syrian War, Ryyan Alshebl was voted in as major of Ostelsheim, Germany, in 2023

Institutional factors

Local and national institutions are significant stakeholders, actors and contributors in the process of development. They are a part of the multi-level governance system planning, coordinating and executing aspects of development such as food, housing, education, healthcare, protection of the environment and equitable distribution of income. Effective local institutions such as district or local government institutions can identify community needs and respond to them more effectively since they are more familiar with socioeconomic conditions within a city, town or a locality. National governments are not always in tune with local community needs since they operate at a broader state level. It is important to note that local and national institutions differ from one state to another depending on the state's government system.

Local and national institutions can have a potentially harmful impact as well. In communities, societies and countries where these institutions are prone to corruption, fragmented, or suffer from problems such as lack of experience, skills or literacy, the same process of development could be derailed.

International institutions such as the World Bank and IMF can play a significant role in affecting development, as discussed in the previous section, 3.3.2 *Pathways towards development and sustainability*.

Environmental factors

The geography of a country is an environmental factor that affects development. If a country has a coastline, this can make development easier and cheaper in terms of transporting material and labour. When examining global trade, it is useful to keep in mind that most trade takes place in the sea. Major ports in Asia, especially along the South China Sea where an estimated third of global trade passes, are key drivers of economic growth for states like China and others. Landlocked states with little direct access to the sea tend to go through major obstacles and multiple border crossings to access sea trade. They must rely mostly on land trade, which tends to be more expensive and difficult at times.

Concept: Conflict

Some argue that there is a direct correlation between development and security, with underdevelopment or failures of development creating conditions for violent conflict. Others have argued that it is the other way around, with the pursuit of development being a main driver of violent conflict both within and between states.

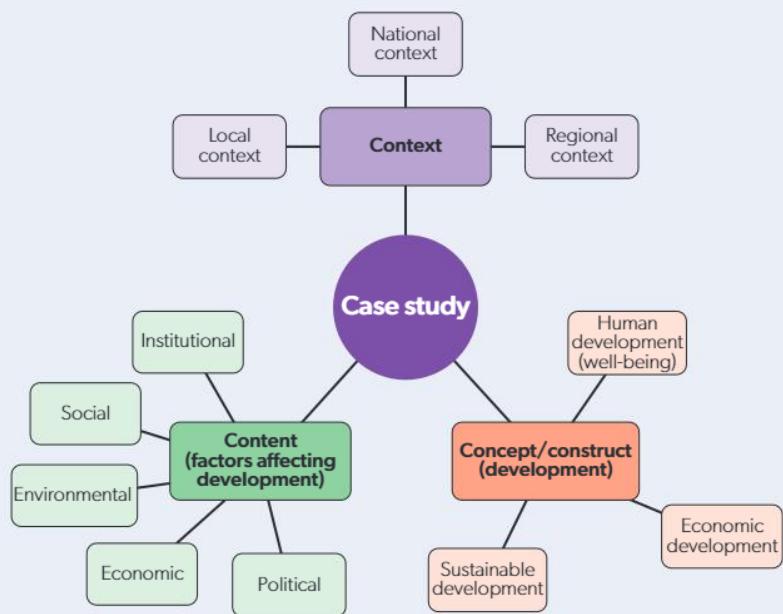
Similarly, climate and weather have an impact on the overall health and well-being of people. For example, tropical climates foster disease as mosquitos thrive in humid conditions causing high prevalence of malaria and dengue fever. Negative health effects impact people's productivity and contribution to development. Agricultural processes that are appropriate for a given climate and weather conditions, such as crop choices and farming techniques, are just as important. That is, practices that are harmonious with local climate and land conditions could help support development.

Sustainable development aims to slow climate change and mitigate its impacts. Global warming is having a direct impact on weather and rainfall patterns. This in turn results in floods, droughts, rising seawater levels, higher temperatures and other natural disasters that affect agricultural production—hitting the world's poorest the most. Disease, hunger and malnutrition are additional problems to which the poor are vulnerable, bringing about an added cost to healthcare. A report by the Intergovernmental Panel on Climate Change released in 2007 highlighted the fact that the poor will bear the brunt of climate change. The report highlighted four vulnerable areas: sub-Saharan Africa (due to drought), Asian mega deltas (due to flooding), small islands and the Arctic region.

Overall, the factors that promote or hinder sustainable development are complex and interrelated. Addressing the underlying causes of environmental degradation, promoting resource efficiency, promoting social equity and strengthening institutions can all help support sustainable development.

ATL Research and thinking skills

A useful way of modelling your case study research in global politics is using the concept-content-context framework. As you have learned in previous sections, development can mean many different things. A template of a concept-content-context framework for evaluating factors affecting development is shown in figure 29.



▲ Figure 29 Template of a concept–content–context framework

Use the template in figure 29 to create a concept–content–context map for a case study relating to development of your choosing.

3.4

Debates on development and sustainability

3.4.1 Globalization

You have learned so far about the interactions between various actors and stakeholders within the thematic study of development. These interactions can be said to be taking place within the context of **globalization**. Development and sustainability are therefore profoundly affected by this phenomenon. These interconnections are created and strengthened through multiple channels including but not limited to:

- free trade
- transnational issues
- IGOs
- technology.

A key debate is whether globalization has helped encourage development. Proponents of globalization often argue that it has played a significant role in lifting millions of people out of extreme poverty and providing benefits through innovation in the fields of sanitation, medicine and technology. Free trade has enabled the flow of goods and services, and opened up new markets for investments—thereby contributing to economic growth. However, others argue that free trade has been the main driver of inequality, harming local industries, businesses and environments, and exploiting labour and resources due to competition. A generalization cannot be made with certainty since globalization continues to evolve and affect populations and states in different ways. However, there are patterns or trends which can enable us to identify some of the positive and negative impacts of globalization on development.

Furthermore, due to globalization, many issues are transnational in nature. For example, the financial crisis in the US in 2008 hurt many economies globally, leading to loss of employment, lower standards of living and higher debts. The 2022 Russian invasion of Ukraine has caused major disruptions in energy, trade, food security and manufacturing globally, leading to very high levels of inflation, and has affected millions of peoples' ability to purchase even the most basic of necessities.

Within the context of globalization, IGOs like the UN and EU can provide valuable platforms for states to cooperate with one another and boost their development. The UN can provide frameworks and advice to states on how to improve conditions within the state. This is done through indicators and regular reporting, which in turn can influence policies related to economic, human and sustainable development. South–South Cooperation is made more possible due to globalization. Regional IGOs like the EU may take collective action towards enhancing sustainability. For example, the EU has issued a ban on the production of cars running on fossil fuels by the year 2035. Other IGOs, especially IFIs like the IMF and World Bank, have been criticized for imposing economic reforms and policies as part of loan conditionality to states, leading to the loss of social safety nets and reduced government spending on areas necessary for human development.

Key term

Globalization: the increase and furthering of interconnections between states, non-state actors and peoples worldwide.

Case study

The effect of the COVID-19 pandemic on development

In 2019, the SARS-CoV-2 virus was able to spread globally within weeks due to international transportation networks, causing the COVID-19 pandemic. The pandemic resulted in a major disruption in the global economy, and in people's lives, livelihoods and well-being. Curfews and lockdowns impacted people's daily life, including their ability to go to school, university or to their jobs. According to the World Bank, millions of people, especially in LICs, were pushed into extreme poverty and experienced income shocks due to loss of employment during the pandemic.

Another major issue was the unfairness in vaccine distribution globally. Vaccine hoarding during the pandemic meant that rich countries kept unused vaccines and often administered third and fourth booster shots to their citizens while in the rest of the world, especially in low-income countries, vaccines were in dire shortage. In September 2021, statistics by the UNDP and the World Health Organization revealed that only 3% of the population in low-income countries globally were vaccinated, compared to over 60% fully vaccinated in the richest parts of the world. This reveals that these transnational issues tend to

affect peoples and states disproportionately, adding an important dimension to the discussion on inequality and globalization.

While it is difficult to think of a pandemic as being positive for development, the Happy Planet Index reported in 2021 that "life expectancy fell worldwide, but so did ecological footprint" following the outbreak.



▲ Figure 30 COVID-19 Vaccines Global Access (COVAX) is a global initiative with the goal of reducing inequality in terms of access to COVID-19 vaccines. Here, a shipment from the UK arrives in Côte d'Ivoire

Due to globalization, MNCs and TNCs have grown in terms of their reach and ability to exercise economic power. Some of the positive results include the creation of more employment opportunities, together with innovations within industry, medicine and technology. All of these can be said to be necessary to improve human and economic development, when combined with sound government policies and oversight. Contrastingly, some MNCs and TNCs are widely blamed for causing environmental, social, cultural and economic disruptions within states or communities in which they operate. This is especially true in cases where people's demands are ignored or treated as less important than profit.

Civil society actors like NGOs, social and environmental movements and indigenous movements are also able to use globalization to their advantages. Parallels in the experiences, grievances and collective injustices experienced by many groups around the world have led to the emergence of transnational solidarities. This enables civil society to better coordinate, decentralize and mobilize to demand social, economic and climate justice. Without technological globalization, it is very hard to conceive of transnational solidarities turning into meaningful action.

3.4.2 Alternative views on development, poverty and sustainability

The concept of development is often informed by what constitutes a good life for individuals and communities. However, different people, communities and even states can have very diverse and varied ideas about what constitutes a "good life". Development as a construct is therefore far from being universal, and there are alternative perspectives that challenge the mainstream views.

Some non-dominant perspectives on development place emphasis on the role of grassroots and indigenous movements. Some of these ideas relate to anti-capitalism, indigenous rights, anti-patriarchy, ecofeminism, food sovereignty, transnational solidarity, deep ecology, and social and climate justice. It is hypothesized that there are thousands of such ideas and grassroots movements around the world with various names, such as **buen vivir** in South America, **ubuntu**, encompassing the southern African value of human mutuality and **Swarāj** from India.

Non-dominant perspectives do not necessarily reject all aspects of mainstream development, but rather call for **pluriversality** ways of living, being and pursuing the future. Some mainstream views might be beneficial depending on the cultural, historical, social, political and environmental context. For example, notions like harmony, relationality, balance and reciprocity are present in some non-dominant perspectives.

Key terms

Buen vivir: a concept which stems from the Andean worldview of the Quechua peoples, emphasizing a community-centred way of living in harmony with nature.

Ubuntu: a Nguni Bantu term meaning "humanity towards others", loosely translated as "I am because you are".

Swarāj: a Hindi term meaning "self-governance".

Pluriversality: a world of alternatives that exist alongside one another, without one being singled out as dominant or superior.



Activity

Read sources A and B and answer the questions that follow.

Source A

For Anishinaabe people, the good life does not mean making money, buying things, or winning awards. Rather, it has to do with taking care of yourself, your family, and your community. It is showing love by performing acts of kindness. It is having the courage to be honest with ourselves and with others. It is getting wisdom through years of listening to others and learning from our mistakes. It is being generous to our family and community without expecting anything in return. It is living life as a kind, humble member of the community. This is the idea behind The Good Life, Bimaadizwin.

Source B

... I believe the approach is backwards. The collective, in fact—the nation, the community, the people, the tribe, whatever you call it—the collective is the heart of the matter. Invest in the aspirations and well-being of peoples and the well-being of individuals will follow....

Extracts from Wien et al. *First Nation paths to well-being: Lessons from the Poverty Action Research Project, 2019*

- Using source A, identify three aspects of well-being according to Anishinaabe people.
- Using both sources, contrast the notion of well-being with income-based measures of poverty.

While difficult to translate into English, *buen vivir* has been loosely translated as good living or plentiful living. Though it may appear equivalent to the notion of well-being, proponents of *buen vivir* are careful not to make that association. This is because many notions of well-being often revolve around the individual, with intervention by the state to ensure the individual's well-being. Instead, *buen vivir* is based on harmony of the individual in relation to nature and other people. Eduardo Gudynas, a Uruguayan biologist, is one of the main scholars of *buen vivir*.

In 2008, Ecuador integrated the concept of *buen vivir* (or *sumak kawsay* in Quechua) into their constitution:

We women and men, the sovereign people of Ecuador RECOGNIZING our age-old roots, wrought by women and men from various peoples, CELEBRATING nature, the Pacha Mama (Mother Earth), of which we are a part and which is vital to our existence [...] Hereby decide to build A new form of public coexistence, in diversity and in harmony with nature, to achieve the good way of living, the sumak kawsay.

Constitution of the Republic of Ecuador, 2008

Chapter 7 of the Ecuadorean constitution also outlines the rights of nature and prohibits any activity which may threaten regeneration or restoration of nature. For example, Article 71 states "Nature, or *Pacha Mama*, where life is reproduced and occurs, has the right to integral respect for its existence and for the maintenance and regeneration of its life cycles, structure, functions and evolutionary processes."

Buen vivir is an ever-evolving concept with social, cultural and political implications in the real world. It has roots stemming from the Quechua peoples of the Andes but according to Gudynas, it has also been influenced by critiques of capitalism.

On several occasions, communities invent new, highly practical concepts out of the idea of *Buen Vivir*, addressed to specific challenges in the course of their struggles. An example of this would be the notion of *Kawsak Sacha* or "living forest," elaborated by the indigenous people of Sarayaku, who live in Ecuador's Amazon basin. This proposal was born as a response to the threat of oil exploitation in their territory and had as one of its foremost goals to nurture the community's "life project" as an alternative to the imposition of extractive models since the early 2000s. A few years later, Sarayaku and allied agencies presented a *Kawsak Sacha* initiative at the COP 21 Paris Climate Summit in 2015, and subsequently at the IUCN World Conservation Congress in Hawaii in 2016."

The many voices of buen vivir, Mateo Martínez Abarca, 2019

Table 11 summarizes the key differences between notions of economic growth and *buen vivir*.

Economic growth	Buen vivir
Development as progress, process, building blocks	No fixed ideal of "progress", progress as cyclical
Extractivist view of nature whereby it is viewed as "natural capital"	Nature as integral and humans as part of nature
Private property owned by individuals	People cannot own the Earth. Land collectively held by people based on the principle of stewardship rather than ownership
Education as a form of investment in human capital therefore promotes economic development	Education is for wisdom and for service of the community
Large-scale production for global markets	Small-scale production and small-scale economy, more likely to serve local needs

▲ Table 11 A summary of key differences between notions of economic growth and *buen vivir*

ATL Thinking skills

Interpret the key message in the cartoon below.



1. Describe how the cartoon challenges dominant perspectives of development.
2. Identify one strength and one limitation of the perspective conveyed in the cartoon.

Within non-dominant perspectives there are also criticisms of mainstream ideas around development. Some perspectives call for development as a construct to be abandoned. **Postdevelopment theory** and **decoloniality** inform many of these criticisms, and some of these perspectives are summarized below.

- The perspective that development is underpinned by an anthropocentric (regarding humankind as central) and often Eurocentric worldview, rather than viewing humans as an integral part of a larger natural system of relations.
- The perspective that dominant perspectives, including sustainable development, can act to legitimize interventions by wealthier countries and institutions, in MICs and LICs.

Key terms

Postdevelopment theory: a multi-faceted theory which emerged in the 1980s. It questions the ideas of development. It argues that "underdevelopment" is an invention, and development is an ideology that helps to maintain a relationship of domination between Western, developed states (referred to as Global North) and developing states (referred to as the Global South).

Decoloniality: unlike "decolonization", which refers to the physical act of claiming independence after colonization, "decoloniality" refers to the ongoing process of undoing the lasting effects of coloniality. These include economic, social and political structures, as well as ways of knowing and understanding the world.

- The perspective that different societies can have completely different knowledge systems, worldviews, value systems and ideas for their own futures, which do not follow mainstream ideas of development. These values and ideas often go unrecognized and are not seen as valid as a result.
- The perspective that development creates relationships of superiority and inferiority between countries and societies. A regime of experts, donor states, aid programmes and terminologies are created to enforce these relationships.
- The perspective that development is often viewed as a reestablishment of colonial relations by replacing them with "economic relations". Wealthy countries continue to chart the path of poorer countries and exploit them individually or through institutions like the IMF and World Bank.
- The perspective that mainstream views rarely question the foundations of the capitalist economic system, which is characterized by accumulation of capital at the expense of the natural world and the environment, leading to deepening inequality, dispossession and exploitation.

Conversely, there are also criticisms of non-dominant perspectives.

- The perspective that the non-dominant views run the risk of cultural relativism, where pre-colonial societies are glorified as pristine and without fault. Some practices may help legitimize the oppression of certain groups within society, in direct violation of human rights.
- The perspective that total rejection of development runs the risk of governments ignoring their responsibilities towards their people or that some development policies might help in certain situations.
- The perspective that having many different views makes it difficult to establish a consensus around policy planning.
- The perspective that non-dominant views are co-opted as an instrument of populism. For example, politicians might challenge mainstream views on development to appeal to a certain voter demographic, while not believing or intending to act based on the non-dominant view.

TOK

Is there a universal ideal of development?

Case study

Ecuador under Correa's regime

Rafael Correa was president of Ecuador from 2007–2017. Correa used the idea of "*buen vivir* socialism" to appeal to the majority of Ecuadorians. Although social spending increased and poverty decreased, some argue that Correa used *buen vivir* to conceal government plans to extract more oil and keep land, political power and wealth in the hands of the few. Despite starting off as a political alliance between Correa and indigenous movements within Ecuador, the government soon began drafting new laws around

water and mining that contradicted aspects of *buen vivir* and excluded the indigenous community from the political conversation.

According to critics, democratic institutions were eroded under Correa's government, and individual freedoms and liberties were infringed upon through gag laws. The government's aim of achieving a majority vote in most cases meant that the well-being and democratic participation of groups like women, indigenous movements and small farmers were disregarded.



Activity

Five different perspectives on development are shown in the extracts below. Read the extracts and then answer the questions that follow.

Perspective A

Development is a complex thing. I feel I am part of a wider system of relations and that the modern notion of progress is very problematic, but I also do not think I would prefer to live without electricity, hot water, books, violins, heat pumps, disposable nappies or cars.

Bronwyn Thurlow, Learning to Read the World Through Other Eyes, 2008

Perspective B

In a world where war in Europe creates hunger in Africa; where a pandemic can circle the globe in days and reverberate for years; where emissions anywhere mean rising sea levels almost everywhere—the threat to our collective prosperity from a breakdown in global cooperation cannot be overstated.

Kristalina Georgieva, Bulgarian economist and IMF Managing Director, World Government Summit, 2022

Perspective C

At the most basic level, the key to ending extreme poverty is to enable the poorest of the poor to get their foot on the ladder of development. The development ladder hovers overhead, and the poorest of the poor are stuck beneath it. They lack the minimum amount of capital necessary to get a foothold, and therefore need a boost up to the first rung. The extreme poor lack six major kinds of capital:

- Human capital: health, nutrition, and skills needed for each person to be economically productive
- Business capital: the machinery, facilities, motorized transport used in agriculture, industry, and services
- Infrastructure: roads, power, water and sanitation, airports and seaports, and telecommunications systems, that are critical inputs into business productivity
- Natural capital: arable land, healthy soils, biodiversity, and well-functioning ecosystems that provide the environmental services needed by human society
- Public institutional capital: the commercial law, judicial systems, government services and policing that underpin the peaceful and prosperous division of labor.
- Knowledge capital: the scientific and technological know-how that raises productivity in business output and the promotion of physical and natural capital.

Jeffrey Sachs, US economist, The End of Poverty, 2005

Perspective D

The fact that economic growth is so critical in reducing poverty highlights the need to accelerate economic growth throughout the developing world. Present rates of economic growth in the developing world are simply too low to make a meaningful dent in poverty [...] In particular, more work needs to be done on identifying the elements used for achieving successful high rates of economic growth and poverty reduction in certain regions of the developing world (e.g., East Asia and South Asia), and applying the lessons of this work to the continuing growth and poverty needs in other areas, such as Eastern Europe and Central Asia, and Sub-Saharan Africa.

**Richard H. Adams Jr, US economist,
Economic Growth, Inequality, and Poverty,
2003**

Perspective E

Indigenous peoples have the right to self-determination. By virtue of that right they freely determine their political status and freely pursue their economic, social and cultural development. [...] Indigenous peoples, in exercising their right to self-determination, have the right to autonomy or self-government in matters relating to their internal and local affairs, as well as ways and means for financing their autonomous functions. [...] Indigenous peoples have the right to maintain and strengthen their distinctive spiritual relationship with their traditionally owned or otherwise occupied and used lands, territories, waters and coastal seas and other resources and to uphold their responsibilities to future generations in this regard.

**United Nations Declaration on the Rights of
Indigenous Peoples, 2007**

1. Identify perspectives on development according to the following categories: economic growth, human development, sustainable development, non-dominant perspectives.
2. Compare and contrast each perspective. How are they similar and how are they different?
3. How might some of these perspectives be translated into government policies?
4. Which of these perspectives correspond best with your community, society or country? Justify your answer.

Exam-style questions

Here are some examples of paper 2-style essay response questions. In paper 2, there are three questions per section, but you are only required to answer one question from each section. Questions are worth 15 marks each. For more details on assessment, see the Skills and assessment chapter.

Paper 2, section A

1. "The pursuit of development has undermined sustainability." **To what extent** do you agree with this claim?
2. **To what extent** do you agree with the claim that the UN Sustainable Development Goals provide a universal framework for development?
3. **Compare** and **contrast** dominant and alternative views on development?
4. **Evaluate** the effectiveness of two models of development in promoting human development.
5. "The pursuit of development has mostly harmed rather than benefited the most vulnerable populations." **Discuss** this view.
6. "Without economic growth, human and sustainable development cannot be achieved." **To what extent** do you agree with this claim?
7. **Discuss** the view that environmental factors are the most significant factors affecting development.
8. "The pursuit of development has led to greater inequality between and within states." **Discuss** this claim.
9. "Development must be abandoned to ensure the well-being of people and the planet." **Discuss** this view.
10. "Development is best promoted by state, rather than by non-state actors." **To what extent** do you agree with this view?
11. **Discuss** the view that development leads to a reduction in poverty globally.
12. "Development is impossible to assess." **To what extent** do you agree with this claim?
13. "Given the challenges of the 21st century, development and sustainability cannot be achieved at the same time." **Discuss** this view.

Paper 2, section B

1. "In contemporary politics, IGOs are central to promoting sustainable development." **Discuss** this view.
2. "Development cannot be achieved without upholding human rights." **To what extent** do you agree with this claim?
3. "Development aid can greatly undermine the sovereignty of states." **Discuss** this claim.
4. **Discuss** the role of power in shaping development.
5. **Discuss** the view that positive peace cannot be achieved without sustainable development.
6. "Development is a main driver of conflict in contemporary politics." **Discuss** this view.
7. **Discuss** the claim that interdependence and political development go hand-in-hand.
8. "Sustainable development can only be achieved if global governance is fully effective." **Discuss**.
9. **Discuss** the view that cooperation promotes development.
10. "The protection of collective rights can be realized through sustainable development." **To what extent** do you agree with this claim?
11. **Discuss** the view that development can greatly undermine the protection of human rights.
12. **Evaluate** the significance of interdependence in promoting development in the 21st century.
13. "The pursuit of development has led to greater inequality between and within states." **To what extent** do you agree with this claim?
14. **Evaluate** the importance of development in peacebuilding.
15. **Discuss** the role of power in shaping development policies on the international level.
16. **Evaluate** the claim that development undermines the sovereignty of states.