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Development Studies or Development Economics: Moving Forward from TINA

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Introduction

Rethinking is not resuscitation. Too much breast-beating at this stage about the all too well known sins of commission and omission of neo-liberalism and the Washington Consensus or, more broadly, of neoclassical economics, may divert attention from the actual weaknesses of development economics on the one hand, and on the other, the critical issues ahead that urgently call for understanding and action. So much intellectual energy has been spent on combatting the TINA syndrome with respect to SAPs and financial liberalization that, with a few exceptions, our analysis has not adequately recognized the changes in both the regimes of accumulation and the modes of regulation that underpin the neoliberal thrust. Understanding these changes as the basis of neoliberalism does not mean falling into the TINA trap; instead it should help to more precisely locate what is possible.

In my note, I would also like to shift focus from development economics (more narrowly understood) to development studies, because I believe that one of the weaknesses of development economics arises precisely from its inability to integrate the richer understanding based on development studies more broadly. And indeed, at quite the same time that traditional development economics was reeling from the onslaught of the neoliberals, our analysis and understanding of participatory approaches to rural development, the importance of sustainable livelihoods, and the need for a gendered analysis of development (to name only a few) have been growing and flourishing. It is important to remember that development studies is certainly not dead regardless of the obituaries that have been written for development economics over the last two decades.

And this may be a good starting point for a more integrated analysis of the current and future situation in which low-income countries might find themselves. A major weakness in much discussion is insufficient attention to the changes in the regime of accumulation that have occurred in the last three decades. Despite all the current verbiage on globalization, it is difficult to find good analysis of the actual changes in the labour process that the information technology revolution has made possible. Most of what has been written relates to the IT industry itself, to corporate services, and to the global assembly-line. But surely the changes are more widespread and deep,

transforming the core of industrial and agricultural production, and opening new frontiers for technology and research. We do not have a good integrated analysis such as that provided by Harry Braverman's marvellous Labour and Monopoly Capital for the previous period. Even less do we have a gendered understanding of these processes despite the growing recognition that flexible workforces include large numbers of women.

When we add to this, the incipient and massive changes that are looming with the biotechnology revolution, we can glimpse the potential implications for accumulation overall, and for development as well. I am not a technological determinist, but I do believe that the changes that began with the IT revolution and that are continuing with the biotech revolution have profound and very poorly understood implications for development analysis and policy.

One thing seems clear. This third (?) industrial revolution that we are currently undergoing both makes possible and creates the political economy interests for breaking geographical and political barriers to accumulation in very major ways. It is also clear that it has also broken the old modes of regulation of the earlier accumulation regime. In a talk I had given some years ago in Amsterdam¹ I spoke of the breaking of three major 'social compacts' that have been part of the post-World War II mode of regulation.² The first is the compact between workers and employers (private or the state) regarding wages, conditions of work, hiring and firing terms, and unemployment benefits and conditions. Although this social compact was much stronger in the North (although by no means uniformly), it also existed in many parts of the South especially in the public sector. It is clear that the older compact has been broken almost everywhere although it is dying a slow death in Western Europe. Its breaking has created space for new 'flexibilised', younger, and more female workforces under very different conditions of work and wages than before. This has also created the conditions for an energising of women's movements focusing on women's human rights and of sexual and reproductive rights as an integral part of human rights.

The second compact that has been broken closely linked to the first is the social security / welfare compact. A defining feature of the mode of regulation in the North, and unevenly present across the South, this compact defined the entitlements of citizens who were not part of the employed labour force. In almost all countries, and in many instances quite drastically, these entitlements have shrunk or disappeared altogether. Such entitlements used to include not only old age pensions and childhood assistance, but also subventions for health and education for the poor.

The third compact that came into being in the post-colonial era was the development assistance agreements between South and North. ODA was never explicitly acknowledged to be reparation for colonial exploitation, and was probably more closely linked to the Keynesianism and abjuring of 'beggar-my-neighbour' approaches that together motivated the Marshall

¹ Sen, G. "Globalization in the 21st century: challenges for civil society", University of Amsterdam Development Lecture, 1997.

² It is worth remembering here that a social compact that forms part of a mode of regulation includes both an institutional frame as well as an ideology regarding what is necessary, appropriate or good.

Plan. Yet, the earlier aid decades were defined by a ‘moral’ compulsion (never mind the reality of tied aid) that has been eclipsed by the post-1970s focus on governance and corruption.

These three social compacts were key to the mode of regulation of the previous accumulation regime. All three were profoundly gendered in concept and institutional form. Much has been written about the gendered nature of the first two – labour and social security – and especially for the North. Less has been written or understood about the South in this context, barring the more recent literature on the impacts of structural adjustment. Even less is understood of the gendered nature of ODA and of the extent to which development assistance policies and projects built on and often reinforced the economic underpinnings and cultural constructs of gender bias³. Yet, clearly, if we are to consider new modes of regulation (global or national) we need to understand the gendered nature of what was there before.

The social compacts of the past, even where they were most effective, had strong and not altogether beneficial (indeed, quite contradictory) impacts on women, but they rarely if ever recognized women as free and full agents on par with men. Post-colonial political democracy created formal agency for women as citizens, which was a precondition for but hardly the same as real agency. This incomplete democratization that ignored women as workers, was blind to the needs of human reproduction and the ‘care’ economy, and left gendered (and often sexually violent) cultural norms and practices unaddressed, left half the population with a myriad responsibilities for the success of the development project, but with very few rights.

Some positive signs in the birthing struggles of the new mode of regulation:

- The growing recognition of ‘informal’ and home-based work not only by the ILO but by hitherto male-led labour unions struggling to cope with the new realities of labour in both South and North
- New directions for financing social welfare, eg, Brazil’s CPMF which has over the last three years used a tax on financial transactions to fund universal health system coverage in which women’s health has a central place
- The new attempts especially by women’s organisations to develop movements integrating gender justice, sexual and reproductive rights, with economic justice
- South-South linkages such as that between Cipla (the Indian pharmaceutical producer) and Brazil as well as Medecins Sans Frontieres to break the monopoly of the pharma MNCs.

In my discussion above, I have purposely not focused on macroeconomics, partly because so many others have and because rethinking development economics is in danger of becoming identified with macroeconomics alone. We need to broaden our scope and our imagination so that we can include such emerging issues in our rethinking of development studies:

- Changing production and consumption systems as linked to processes of globalised production and changing labour processes

³ One example of this was the traditional population control programmes that targeted women’s reproductive capacity without recognizing their own needs or rights.

- The political economy of new social identities as part of the multi-cornered dynamics of globalisation, ethnic and religious fundamentalisms, and social movements for human rights
- Climate change and its implications for small island states, agriculture, and health everywhere
- The shifting demographics of the labour force
- The looming health crisis (not only HIV/AIDs but also resurgent drug-resistant diseases)
- The rise of the drugs – arms trade that in some countries already eclipses the ‘legal’ GNP.

The list above is intentionally eclectic and ad hoc, even idiosyncratic. Its intent is to point to the range of issues for which we need better analysis and all of which have important bearing on development. And we need to do this in new ways that learn from past weaknesses such as the marginalisation of gender analysis. Perhaps it is time to think again about a definition of development that means equitable improvements in the quality of life, genuine democratization, and the guarantee of full human rights for all.