

Development Studies: Ideological Crisis, No Coherent Stance against the Dominant Neoliberal Paradigm. Tina Renier

A Critical Review of the Alternatives to Development Debates

By [Tina Renier](#)

Theme: [History](#)

Global Research, January 02, 2024

All Global Research articles can be read in 51 languages by activating the Translate Website button below the author's name (only available in desktop version).

To receive Global Research's Daily Newsletter (selected articles), [click here](#).

Click the share button above to email/forward this article to your friends and colleagues. Follow us on [Instagram](#) and [Twitter](#) and subscribe to our [Telegram Channel](#). Feel free to repost and share widely Global Research articles.

"2023 has been a challenge for Global Research, but we know 2024 will be no different. That's why we need your support. Will you make a New Year [donation](#) to help us continue with our work?"

*

Development is a highly contentious concept because it has a variety of interpretations from different actors and interests that are involved. Dominant discourses and practices in development have placed a high emphasis on linear, economic models. These linear, economic models are characterized by policy prescriptions such as free trade, privatization, de-regulation and individual freedom.



Despite the promise of global prosperity, these prescriptive policies have had a disastrous impact on fragile economies, social livelihoods of people and the environment in the Global South. Consequently, scholars have sought to articulate alternative approaches to development that encapsulate gender equality, harmony between people and their environment and empowerment of indigenous populations.

Critical scholarship has attempted to re-claim the intervention of an active developmental state in providing social services to populations; amidst growing controversy that globalization has eroded the national autonomy of welfare states. Additionally, critical scholarship has advocated for a shift from the 'politics of critique' to a 'politics of pragmatism' that merges market values with social policy. These alternative approaches to development represent an ideological crisis in which there is no coherent stance against the dominant, neo-liberal paradigm.

The purpose of this review is to critically assess the alternatives to development approaches and debates proposed by Milford Bateman and Ha Joon Chang, James Ferguson and Eduardo Gudynas in their respective academic journal articles.

Dominant approaches to development have sought to increase women's access to opportunities in order to alleviate gender inequality in domestic and public spheres.

However, gender inequality continues to be a persistent challenge because power hierarchies between men and women remain unchallenged. Alternative approaches to development also contradict the interests of women through generalizations and stereotypical representations in discourse. Bateman and Chang (2012) argue that microfinance has become prominent because it promotes poverty alleviation in the Global South through access to loans for small business development.

Microfinance does not have a positive impact on human and sustainable development because it locks people and communities into a perpetual cycle of poverty. It also undermines women's empowerment because most of the profits are placed in the hands of the economic and political elite. The approach of the scholars stems from a Marxist

interpretation of social institutions.

Marxists assert that social institutions are controlled by the dominant, social classes and as a result, it is extremely difficult for poor and powerless groups to change the political and social arrangements of society (Peet and Hartwick, 2015). Women are among the poor and powerless groups in society because social institutions dictate gender ascribed spheres, roles and expectations, which often limit their potential and agency. It must be noted that access to opportunity does not equate to equity. Furthermore, it does not equate transforming existing power hierarchies and relations between men and women.

The scholars have used a 'gendered' lens in examining the failures of the microfinance model in the Global South but they did not incorporate an intersectional approach in examining women's persistent poverty and vulnerability to exploitation. Women are treated as a homogenous category in which their precarious experiences of oppression and exploitation are all similar (Mohanty, 1998).

There are factors such as race, ethnicity, gender, social class, geographic location and sexual orientation that make the issue of women's exploitation a more complex one for interpretation and analysis. The assumptions cannot be generalized. Moreover, the arguments reflect flawed representations of women. Women are portrayed as powerless victims who are incapable of successfully negotiating with multiple patriarchies in order to ensure individual and collective survival in the developing world.

This representation of women stems from a position of patriarchal power in knowledge production. The discourse on women's experiences with microfinance institutions in the Global South is primarily shaped by male economists with "expert knowledge". There is an existing academic literature that challenges these stereotypical representations of women in third world countries who have been clients of microfinance institutions. Although women were vulnerable to loan delinquency, they have used organizational tactics in India's and Bangladesh's self-help groups (SHGs) to control the interest rates on borrowing in order to prevent high debts (Kalpana, 2015). These case studies did not negate the fact that microfinance institutions undermine women's empowerment and poverty alleviate. They reinforced the assertion that women are not passive agents to structures that promote inequities and exploitation.

Gudynas (2011) also highlights the subject matter of gender equality in his discussion on 'Buen Vivir' ("good living"). He discusses that 'Buen Vivir' embodies feminist values but indigenous traditions have disregarded the importance of women's agency. Similar to Bateman and Chang, Gudynas is attempting to include women's experiences in the indigenous, alternative approach to development. His argument validates the fact that even within marginalized communities; women remain at the bottom of the social pyramid because of prevailing gender ideologies about their roles and status in society.

Bateman and Chang are over-reliant on demonizing the neo-liberal approach to poverty alleviation and its empowerment of the poor. On the other hand, the greatest limitation of Gudynas on this subject matter is that he is over-reliant on idealizing 'Buen Vivir'. His de-politicization of social organizations and groups is detrimental to his analysis because all social organizations and groups are governed by politics.

Alternative approaches to development have sought to transform the position of

communities that are marginalized to the positions of experts.

These communities use indigenous technical knowledge to define development in a manner that suits the peculiarity of their experiences as opposed to dominant models that emphasize a singular path to development- modernity.

Gudynas (2011) discusses that the community is inextricably connected to a social and ecological concept in which there is harmony between indigenous people and nature. Western development sees people and the environment as separate entities because most of the focus is on material well-being and modernity. Gudynas constantly critiques the concept of modernity because it sees development primarily in terms of success in economic indicators and this often excludes other important notions of development such as people's empowerment, well-being and their interaction with the environment.

His approach to the debate draws on both post-colonial and post-development approaches in which the political, social and economic arrangements of the Global South are products of prevailing imperial encounters, beliefs and practices. In addition, he creates a space on the margins in which there is a greater appreciation of local knowledge and its role in transforming development (Escobar, 1995). While indigenous populations are critical actors in re-defining the notions of development from a peculiar standpoint, the harmonious relationship between communities and nature is also a Western, romanticized representation of indigenous populations. Therefore, instead of expounding on the ways in which indigenous technical knowledge is essential to all-encompassing definitions of development, Gudynas problematizes his own critique of dominant, Western approaches.

Bateman and Chang examine the potential impact of indigenous technical knowledge on the environment and the development of the Global South. Their conceptualization of community and environment are quite different from Gudynas. Gudynas (2011) defines the environment as a natural space. It is in sync with indigenous communities that have a non-materialistic and spiritual understanding of it. Bateman and Chang (2012) define communities as poor people in the developing countries while the environment is the land which is used for subsistence farming.

They assert that microfinance has adverse effects on rural development because it ignores local knowledge that is used to ensure environmental preservation. They recommend that local family farms have the potential to use technology such as irrigation schemes to create rural employment opportunities, enhance productivity and protect nature. These debates help to de-mystify the popular belief that development agencies and industrialized countries can provide expert knowledge on policy issues in the third world. People in the third world are capable of crafting their own their solutions to challenges that are peculiar to them. This narrative derives from the participatory approach to development which affirms that people are central actors to development (Chambers, 1994). It also seeks to shift the power from decision making in conference rooms located in metropolitan centres to decision making at the grassroots level.

These arguments are noteworthy in the post-development debate but the scholars have limited their definition of the environment and its benefits to an economic conceptualization. As a result, the debate returns to dominant discourses which stress the success of economic indicators. Gudynas is extremely critical of this on-going, pattern in post-development debate where criticisms of Western postulations on development often lead to a revival of these postulations in alternative options. He calls this a 'zombie category of development'

but unfortunately, Gudynas, Bateman and Chang are culprits of reviving zombie categories of development.

Critical scholarship in international development has extensively opposed the implementation of neo-liberal policies in developing countries. The common conclusion from this scholarship is that the dominant, neo-liberal orthodoxy does not protect the interests of poor, marginalized communities in the developing world. While this is not entirely wrong, there are emerging perspectives that advocate for a pragmatic use of neo-liberalism in which market values are merged with social policies in order to ensure equity, sustainability and prosperity for all.

They are also alternative positions that call for a renewal of an active developmental state that will provide social services for populations because global governance institutions and other non-state actors represent the interests of the economic elite. These alternative positions sometimes intersect and run contrary to each other because there is no precise definition and criteria of evaluation for development. Ferguson (2009) debates that critical scholarship should desist from blaming 'neoliberalism' as the malevolent force that is responsible for the persistent poverty and underdevelopment of nations. He believes that there should be a pragmatic use of neo-liberalism. He cites the example of the Basic Income Grant (BIG) in South Africa as a method to alleviate poverty and empower poor individuals.

Ferguson utilizes a post-structuralist approach to development in which he draws on Foucault's conceptualization of neo-liberalism as a technique of governmentality. Governmentality seeks to uncover the ways in which people are governed. The Basic Income Grant (BIG) cannot be limited to a simplistic assumption about neo-liberalism but it is a development project that draws on both market principles and welfare state values to alleviate poverty through less state intervention.

The developers of the basic income grant assume that when people have the greater individual freedom to participate in markets, their overall well-being will be improved. This assumption is similar to the microfinance model and its role in poverty alleviation. The intent behind microfinance is to provide greater autonomy to poor individuals through access to loans for small business development. Ferguson makes an astute observation that when the state has the responsibility to provide social services for populations, it places people into the categories of "deserving poor and undeserving poor".

This creates more problems than solutions because the state performs the role of segregating, existing marginalized groups in societies. Therefore, the basic income grant and microfinance models are advantageous in the sense that they promote the intervention of non-state actors which includes, the communities themselves, to chart their own destinies through access to economic opportunities. Both models also allow people to participate in markets in order to improve their material well-being and other indicators of development such as greater access to education, health care and nutrition. However, the difference between both models is that the basic income grant is accessed through cash transfers to people while the microcredit is accessed through an application of loans from microfinance institutions.

Despite these advantages, Bateman and Chang (2012) commit the predictable conclusion of critical scholarship by affirming that the neo-liberal idea behind the microfinance model is hindering the development of countries in the Global South. They believe that 'neo-liberalism' is a malevolent force that is responsible for wreaking havoc on economies, social

livelihoods and the environment. They did not specify the aspects of neo-liberalism that they are critiquing. However, they propose that active development states are alternatives that can counter the neo-liberal model on poverty alleviation. This is a one-sided, simplistic approach to analysing complex, development issues that extends beyond competing ideologies.

Ferguson (2009) rightfully points out that globalization processes have created new actors such as non-governmental organizations in development, which are equally capable of providing social services for populations. This means that states are no longer dominant actors in the current context of international development. Thus, this makes the alternative options of Bateman and Chang impractical and unviable. The impractical and unviable nature of alternative options provided by Bateman and Chang is similar to the propositions of Gudynas in 'Buen Vivir'. Gudynas (2011) posits that the concept of 'Buen Vivir' moves away from modern, Western culture and offers a multi-cultural approach to development.

It is also an evolving concept that means different things in different contexts. While the conceptualization of plurality is essential in meeting diverse needs and interests in development, it is also impractical to measure the progress of a multi-scalar and evolving concept. The arguments of the scholar are also contradicts his key arguments because while he purports that this alternative to development moves away from Western culture, there are ideas that are borrowed from Western culture.

The post-development debate from Ferguson's perspective provided new insights for analysis but definite, alternative solutions to dominant models and discourses are still inconclusive. The discussions of Bateman and Chang, Ferguson and Gudynas reflect an ideological crisis in the field of development where there is no coherent stance against the dominant, neo-liberal paradigm. Development is also remains a contentious, evolving and multi-dimensional concept.

*

Note to readers: Please click the share button above. Follow us on Instagram and Twitter and subscribe to our Telegram Channel. Feel free to repost and share widely Global Research articles.

Tina Renier is a regular contributor to Global Research.

Sources

Bateman, M. and Chang, H.J. (2012). Microfinance and the illusion of development: From hubris to nemesis in thirty years. *World Economic Review*, 1(1), pp. 13-26.

Chambers, R. The origins and practice of participatory rural appraisal. *World Development* , 22 (7), pp. 953-969.

Escobar, A. (1995). *Encountering development: The making and unmaking of the third world*. Princeton, Princeton University Press.

Ferguson, J. (2009). The uses of Neo-liberalism. *Antipode*, 41(S1), pp. 166-184.

Gudynas, E. (2011). Buen Vivir. Today's tomorrow. *Development*, 54 (4), pp. 441-447.

Kalpana, K. (2015). Economic Entitlements via Entrepreneurial Conduct? Women and Financial Inclusion in Neo-liberal India. *Journal of World Systems*, 21 (1), pp. 51-65.

Mohanty, C. (1998). Under Western eyes: Feminist scholarship and colonial discourses. *Feminist Review*, 30, pp. 61-88.

Peet, R. and Hartwick, E. (2015). *Theories of Development: Contentions, Arguments and Alternatives*. Guildford Publications Inc. Chapter 5.

The original source of this article is Global Research
Copyright © [Tina Renier](#), Global Research, 2024

[Comment on Global Research Articles on our Facebook page](#)

[Become a Member of Global Research](#)

Articles by: [Tina Renier](#)

Disclaimer: The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: publications@globalresearch.ca

www.globalresearch.ca contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: publications@globalresearch.ca