

Introduction

It has been argued that the idea of “development” was constructed as part of a plan to rescue economically backward (and politically wayward) decolonized countries from the lure of communism and to steer them along a capitalist and democratic path. Development, a project advanced with cooperation by diverse agencies and governments in the wealthy North, began to take the same form that it had in the already developed West, namely economic growth, industrialization, modernization and capitalism. However, in the late 1970s, the entire project was seemingly derailed, bedevilled by problems arising out of a global economic crisis, a relative failure to bring about significant improvements in the “developing countries” and growing pressures for revolutionary change. These problems in turn gave rise to ideas and actions in the direction of a solution to the crisis.

One widely adopted strategy was technological conversion: applying new information and other technologies to the economic production apparatus of the world capitalist system. Another solution was to establish a “new world order” in which the factors of production (investment capital and trade in goods and services) were liberated from the constraints of government regulation, creating a world in which the “forces of freedom, liberty and private enterprise” could flourish. Another approach was to change the way that development was conceived and put into practice.

This latter approach has given rise to a worldwide movement in the direction of “another development” — a form that is integral (social as well as economic), oriented towards meeting people’s basic needs, people-centred and initiated from below, human in scale and form, equitable and socially more inclusive (of women, indigenous communities, etc.), capacitating and empowering of the poor, sustainable in terms of the environment and livelihoods, participatory and community-based.

This idea of “another development” is a major theme in this book, which includes a series of analytical probes into the dynamics of social change — its theory and practice. Chapter 1 briefly traces the evolution of this idea, thereby establishing a context for questions raised and discussed in subsequent chapters. The chapter also reviews ideas associated with other ways of understanding the dynamics of social change in a contemporary context: the terms “development,” “globalization” and “imperialism” constitute alternative reference points for understanding the social change dynamics of

the new world order. These concepts and the dynamics reviewed in Chapter 1 also provide a backdrop for the probes into the dynamics of social change discussed in the book.

Chapter 2 reconstructs the thinking of an international organization and financial institution, the World Bank, *vis-à-vis* the idea of development, which it views as a response to world poverty, the conditions of which afflict up to two-fifths of humankind. The World Bank has assumed a leading role in the five-decade-long war on world poverty, which the Bank sees as the major obstacle to the historic march towards progress in which countries and organizations across the world are engaged. The chapter explores — and critically assesses — the Bank's thinking about this problem and reconstructs the strategic permutations of the war waged against world poverty by the Bank and its strategic partners in the international development community. The chapter also identifies the reasons why this war has been such a dismal failure — why five decades of concerted efforts and campaigns by armies of intergovernmental and nongovernmental organizations have failed to win the war, despite the expenditure of enormous financial and human resources.

The thinking and the practice of the World Bank and its strategic partners in this war on poverty have changed over the years — and yet they have not. Chapter 3 examines the latest twist in the development project: the new paradigm of social capital and local development. The thinking and practice associated with this new paradigm are critically analyzed and assessed as to its outcomes and prospects for alleviating poverty and bringing about an improvement in peoples' lives and a sustainable form of economic and social development.

The structural adjustment to the requirements of the new world order, a process that has unfolded over the course of the last two decades, has both an economic and a political dimension. In economic terms this process entails the integration of societies across the world into a global economy that has been restructured so as to release the forces of economic freedom. This restructuring process has brought about a dramatic change in the institutions and role of the market and the state, strengthening the former and weakening the latter. The political dimension to this restructuring process, and the shift from a state-led to a market-friendly form of economic and social development, relates to the need to restore political order under conditions of a transition from one world order to another.

Chapter 4 examines the dynamics of this transition. The process of structural adjustment and globalization associated with this transition generated new forms of social exclusion, poverty and inequality (see Chapter 2), which in turn spawned new forms of political resistance that threaten the existing political order and that have made many societies and economies difficult to govern or ungovernable. The result has been a political process

directed towards new forms of governance — for restoring order. Since “government” in the emerging and now dominant neoliberal worldview and economic model is viewed as “bad,” very much part of the problem needing redress, the search for “good governance” has been directed towards “civil society,” democratizing its relation to the state and actively engaging a process of participatory development and politics. The chapter reconstructs the thinking behind this process.

Poverty and development in their diverse dimensions, and the dynamics of social change, can be viewed and analyzed in both rural and urban contexts. Chapter 5 analyzes these dynamics in the context of rural society in Latin America. Poverty in this context has been and is viewed by the World Bank and other agencies involved in the development project as a matter of “social exclusion,” which can best be addressed by combining a supportive policy framework with a process of local development based on “self-help” and the agency of grassroots and nongovernmental organizations within civil society. The dominant response of the rural poor (the peasantry, landless workers and indigenous communities) in Latin America and elsewhere has been to confront the holders and the structure of economic and political power with the demand for social change, and to press this demand in the form of direct action — mobilizing the forces of resistance against the economic model used to make economic and social policy.

Chapter 5 explores the diverse permutations of this social-movements approach towards social change in the context of efforts by governments, international financial institutions such as the World Bank and development agencies to provide the rural poor an alternative path. In this context, development, particularly in the form of financing local micro-projects, is presented as a viable alternative to the social mobilization of the forces of opposition to the state. The option presented to the rural poor is either to persist with the confrontational and “revolutionary” approach favoured by the social movements or to take the less divisive and more fruitful approach promoted by the World Bank and its partners: local development based on self-help, empowerment and the accumulation of social capital.

Chapter 6 explores in general terms the modalities of social change that dominate and continue to characterize the political landscape in Latin America and elsewhere in the new world order. In the 1960s, in the wake of the Cuban revolution and fears of another Cuba, the path to social change was paved with state power. Social change was to be accomplished by challenging the political class and capturing the state apparatus, the major repository of political power. This could be done either by means of the democratic electoral process — the parliamentary road — or through mass mobilization of the insurrectionary forces of resistance — the revolutionary path. In the 1960s and 1970s this political option was expressed in the maxim: reform

or revolution. Today, the political option continues to define the agenda of the popular movement. But added to the political mix is the “no-power” option: to bring about social change, not by challenging or confronting the power structure but by working within the local spaces of this structure.

Chapter 6 reviews recent political developments associated with the dynamics of social change in the context of Argentina, Bolivia, Brazil and Ecuador, countries that exemplify the political dynamics associated with the state-power and no-power approaches. The book concludes with an assessment of the prospects of the forces of opposition and resistance to neoliberalism and capitalist development in bringing about social change and paving an alternative road towards socialism.