

Reversing Development

The dream that economic development can bring prosperity to the poor is over, argues **Teddy Goldsmith**.

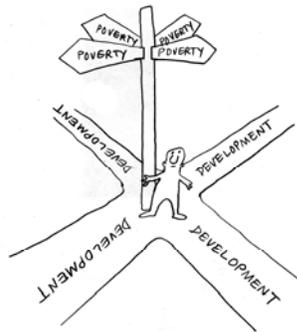
Poverty is not an age-old problem.

It is the invention of the development paradigm, which in the name of eradicating poverty and in the promise of a world of plenty for all, has created the ever expanding circle of want, deprivation, exploitation and misery.

This need not be so.

But do we have the capacity to recognize this truth? Do we have the will to reverse this depredatory process that is the basis of today's globalisation?

There is not much time left, before this process can become dangerously irreversible.



POVERTY the child of progress, *Teddy Goldsmith*. *The Ecologist* Asia, Vol. 10, No. 2, April-June 2002. [C.ELDOC1072327]

POVERTY the child of progress

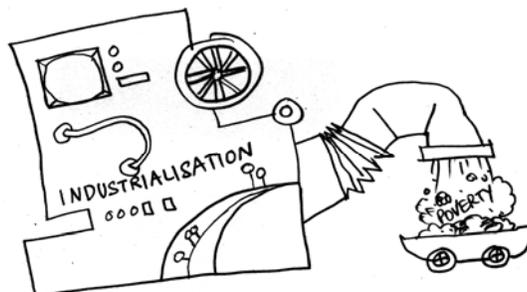
Teddy Goldsmith

Economic development, in spite of its devastating effects on societies and the environment, remains the overriding goal of international agencies, national governments, and the transnational corporations that are of course its main promoters and beneficiaries.

This is justified on the grounds that only development, and of course the global free trade that fuels it today, can eradicate poverty. Hardly anyone in a position of authority today seems willing to question this thesis, even though it is backed by neither any empirical nor any serious theoretical evidence.

Consider for a start that since shortly after World War II when world trade and economic development really got under way, the former has increased by nineteen times and the latter by no less than six times - an unprecedented performance. If these processes really provide the answer to world poverty, it should by now have been reduced to little more than a faint memory of our barbaric and underdeveloped past.

We have been trained to believe that all pre-industrial people who lived in non-money economies were poor but this is not true.



However, the opposite is true. In Indonesia, poverty has increased by 50 per cent since 1997 in South Korea, it has doubled during the same period. In Russia, it rose from 2.9 per cent to 32.7 per cent between 1966 and 1998 alone.

Much the same thing has happened throughout South America, as well as the Caribbean. It has also increased in the rich industrial world, where 37 million people are now unemployed, and 100 million are homeless. In the UK, the number of adults in households with less than half the average income has increased by a million above the level of the early 1990s and is now more than double that of the early 1980s. To reasonable people, these facts should be enough to discredit the dogma that development eradicates poverty. But for the promoters of development it merely indicates that it has not proceeded fast enough.

For them, poverty is not an isolated problem, but is the cause of all our other problems. Thus the Food and Agricultural Organisation of the United Nations (FAO) insists that if people are hungry it is because they are poor and cannot afford to buy the food they need, while the World Health Organisation (WHO) assures us that if people are disease-ridden and die young it is because they are poor and cannot afford the medicines that would make them healthy. The answer to both hunger and disease is thus the eradication of poverty, which means more development.

By defining poverty in purely monetary terms, it is assumed that money has always been, and always must be a prerequisite as indeed it is partly is today - for satisfying real needs. This is simply not true.

Development Creates Poverty

What we tend to forget is that in the traditional families and communities in which we lived during perhaps 95 per cent of our tenancy of this planet, settlements were designed, houses built, food produced, prepared and distributed, children were treated and educated, the old and the sick cared for, religious ceremonies organised and performed and government functions fulfilled all entirely for free.

This was possible, as **Karl Polanyi**, the great economic historian, pointed out, because in such societies the economy was embedded in social relations where: **'All the functions that we would regard today as economic, were fulfilled for social rather than economic reasons, mainly to satisfy kinship obligations and to achieve social prestige.'**

Development changes all this. It is above all the gradual disembedding from their social context of these functions and their monetisation, and takeover by corporations. As a result, a large section of society no longer has access to the money needed to pay for food, health care, and other such benefits.

Early travellers always noted how healthy and well fed the traditional people whom they visited were.

Poncet and Brevedit, two eighteenth century French travellers, noted that the Gezira area of the Sudan now occupied by eroded cotton fields, was once covered in forests and 'fruitful and well-cultivated plains ', and that it was called God's Country (Belad-Allah) 'by reason of its great plenty' .

Many modern anthropologists have noted how healthy and well-fed tribal peoples with whom they lived were, and how their diet and state of health deteriorated as soon as they adopted the life-style of their colonisers.

RR Thaman of the University of the South Pacific, for instance, points out that prior to European contact, the islanders of Melanesia, Polynesia, and Micronesia, generally had abundant food resources, and were almost universally reported to be a sturdy, healthy people of superior physical type. Even those atolls and raised coral limestone islands where food was relatively scarce 'had abundant breadfruit, coconuts,



pendanus, often taro, a variety of edible plants and rich marine resources.' Recent years, however, have seen a dramatic deterioration in the health of Pacific islanders. The growing trend towards eating a western-style diet has brought a rise in the incidence of the so-called '**Diseases of Civilization,**' notably heart disease, dental caries and diabetes diseases that were almost unknown a few decades ago.

In Micronesia, the number of people who were treated for hem disease at local hospitals tripled between 1958 and 1972 - a rise which is best explained by changes in diet and by the stress of modern living. Countless other studies in the Pacific Islands and other parts of the world paint the same picture.

In other words, tribal and other traditional people did not require economic development and the money that it provides in order to be healthy and well fed. Significantly, the World Bank's 2001 edition of World Development Indicators (WDI) shows Cuba - the only developing country with the exception of North Korea, which since 1960 has received no World Bank loans, and has had but 'anaemic' economic growth - as topping all other poor countries in health and education statistics. Even Joe Ritzen, the Bank's Vice President for development policy, cannot help being impressed. He notes that the Cuban system is extremely productive in social areas, but he cannot help commenting critically that it does not give people opportunities for prosperity.

BUT WHAT, ONE MIGHT ASK, IS THE USE OF PROSPERITY IF IT HAS 'A NEGATIVE EFFECT IN SOCIAL AREAS'?

What is particularly significant is that these pre- industrial people did not feel poor, a point that is made very clearly by Marshall Sahlins: '**The world's most primitive people have few possessions, but they are not poor. Poverty is not a certain small amount of goods, nor is it just a relation between means and ends; above all it is a relation between people. Poverty is a social status. As such, it is the invention of civilization.**'

No word for poverty

Serge Latouclie, who has worked for decades in West Africa, tells us that 'there is not even a word for poverty in the principal African languages, at least in the economic sense of the term, which he sees as a Western invention. The closest are the words that denote orphan.

In this way, poverty is not associated with a lack of money, but rather with the absence of social support. For Latouche, the very idea of poverty is only conceivable in an individualistic society, such as that which development necessarily gives rise to. It refers above all to the powerlessness of the social isolate. **'In a non-individualistic society,' Latouche tells us, 'the group as a whole is neither rich or poor.'**

Julius Nyerere said much the same thing. For him in an African society... nobody starved, either of food or human dignity, because he lacked personal wealth; he could depend on the wealth possessed by the community of which he was a member.'



Many of those who are economically poor in the modern world of today are also those with minimal family support. These include the increasing number of old people who have been largely abandoned by their families and have become dependent on a miserable state pension that is hardly sufficient to keep body and soul together. They also include many single parents and their children.

As early as 1974, Bronfenbrenner, the well-known child psychologist, pointed out that 'of the number of children in the USA living in poverty under the age of six, 45 per cent of them were members of single parent households.' Since then the situation has become very much worse. The number of children living in poverty in England in the year 2000 has just about trebled since 1968 from 1.4 to 4.4 million, as, not surprisingly, has the number of lone parents during the same period.

It is in the slums of the modern industrial cities that social disintegration and the deprivation it gives rise to, is most advanced, and this gives rise to, a form of poverty which is largely absent in traditional societies, and which in some ways is even less tolerable than that which exists in the slums of Third World cities such as Calcutta.

The main reason why development must create this social deprivation is that, as more and more of the key functions that have always been fulfilled by families and communities are assumed by corporations, these key social units will simply atrophy, like muscles that are no longer in use. People will thereby be deprived of the most caring and most dependable sources of security.

However, within the context of the highly unstable global economy we have created, investments are pretty precarious, as we saw with the massive slump in technology shares. Jobs are also increasingly precarious, while at the same time the welfare state, in order to reduce costs to industry, is being systematically dismantled. As this process occurs, so vast numbers of people, increasingly deprived of family and community support, will find themselves deprived of virtually any form of security and will thereby join the proliferating throngs of the poor and destitute.

The worst is yet to come

However, today's poverty is as nothing compared to what it will be as development enters its final stage in a global economy controlled by uncompromising trans-national corporations.

Consider, for instance, that, in accordance with WTO regulations, markets throughout the world are being systematically opened up to highly subsidised US food products. It has already begun in India with devastating results. There are somewhere between two and three billion small farmers in India, China, Indonesia, Thailand, and other parts of South and Southeast Asia, where the average farm size is only a few acres.

Few are likely to survive the opening up of their markets - few too of the artisans, small shopkeepers and street vendors who depend entirely on the fanning community. Most will be forced to seek refuge in the slums of the nearest conurbations and, without land on which to grow their food, without jobs - as the level of unemployment in these slums is already horrific - and without any unemployment benefits, they will be reduced to a state of total destitution.

Plus, of course, in accordance with the WTO's General Agreement on Trade in Services (GATS) just about all the services that the state originally took over from local communities, and which were largely subsidised by the public so that they could be provided for free for those in need, would now all be taken over by unaccountable corporations who would charge the maximum price that they could get away with - creating an unprecedented number of poor people who would thus be deprived access to the basic requirements of life.



But the overriding contribution of economic development to the growth of world poverty must be the generation of ever greater

amounts of the greenhouse gases that cause global warming, which is by far the greatest problem humanity has ever faced.

*Indeed, if we do not rapidly put this process into reverse, much of our planet will soon be largely uninhabitable with ever worsening heat waves, floods, droughts, storms, and sea-level rises, giving rise to vast migrations of impoverished and half starved refugees across the surface of our planet. To combat global warming means putting many developmental processes into reverse, and this is irreconcilable with everything we have been taught to believe in. **So far, nothing has been done.***