Development: An Obituary

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Development, aged 60, died today after a prolonged fight with orthodoxy and laissez-faire. Born in 1943 with the publication of Paul Rosenstein-Rodan's 'Problems of industrialisation in Eastern and South-eastern Europe', its birthright was a world that had witnessed both the shortcomings of markets during the crisis of the Great Depression and the evidently fantastic gains of Soviet Planning. Development was permeated with optimism about its ability to help the peoples of the developing world through the active intervention of government in economic affairs. It shared with its ally, Keynesian Macroeconomics, a distinct distrust of the free market, both national and international, to assure the desired results. This pessimism resulted in the doctrine of market failure for the developed world and its adaptation and adoption by Development for the circumstances of the lesser-developed countries.

Development was a product of the context in which it was born and grew. The widely held perception that markets fail to ensure growth provided the foundation from which its theorists could legitimately advocate intervention in, and at times substitution for, market mechanisms by a central authority. The Great Depression had aptly demonstrated to Development the inability of markets to automatically or quickly adjust to full employment or to provide the incentives needed for growth in a lesser-developed nation. Its childhood was spent in analysing the impact of market failures and remedies to ameliorate their effects.

During its youth and into its middle age, Development was exceptionally popular, moving from a largely neglected field to one of prominence in the discipline. The number of articles published under the heading 'Growth and Development Theory' in the *Index of Economic Articles* demonstrates an increase in the average annual number of articles published under this heading from 8.6 articles per year during the 1940-1949 period to 199.5 articles per year between 1964 and 1965, or a nearly 2,220 per cent increase. Indeed, for many years Development was considered one of the main branches of economics, attaining a status equal to that of microeconomics and macroeconomics.

Although popular in youth, Development suffered in the latter part of its life. Plagued by Alzheimer's and schizophrenia, Development forgot its roots in notions of market failure and frequently and increasingly hearkened to the voices of orthodoxy and laissez-faire. It became disjointed and fragmented in its analyses, focusing on small case studies and market solutions to isolated problems. Its ideas were increasingly descriptively accurate but theoretically bankrupt.

Once considered the belle of the ball, Development found itself increasingly isolated from the discipline. The average number of Development articles published by the *American Economic Review, Journal of Political Economy, Oxford Economic Papers, Quarterly Journal of Economics* and the *Southern Economic Journal* fell from 39 in 1964-1965, to 1.2 articles, or a 96.9 per cent decrease, by the late 1980s. The world Development had known was gone. Its disciples began to ignore its theoretical innovations and the context in which those innovations took place. They rarely visited their mentor, preferring instead to listen to the stories of competitive market excellence and efficiency. Into obscurity it

moved. Development has died, and its passing has hardly been noticed by those who call themselves disciples and devotees.

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