The Decimation and Displacement of Development Economics[†]

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Introduction

This paper offers a reading of contemporary mainstream development economics as an overdetermined product of transformations internal to the discipline of economics (i.e., the *late neoclassical* turn within contemporary mainstream economic theory), transformations within the institutional-discursive matrix of development (i.e., the transition from growth-centered policies to poverty-alleviation and good-governance oriented policies), and a broader transition from post-war *Keynesian developmentalism* (with its variants in the second and third worlds) to actually existing varieties of *neoliberal governmentality*. Within this constellation, we claim that, while mainstream development economics has been gradually decimated into micro-level impact appraisal studies of developmental projects (the so-called 'randomization approach'), the broader macro-economic questions are displaced from the field to the purview of methodologically individualist, late neoclassical analyses of institutions and growth (the so-called 'new institutionalism').

An important predicament of contemporary mainstream development economics is its reduction into an extension, an internal auditing mechanism of a globally-distributed developmental governmentality that concerns itself mainly with poverty-alleviation along with a commitment to good governance. Ironically, Amartya Sen's critical interventions during the 1980s, towards disentangling growth from development by reframing the latter as entitlements enlargement and capabilities enhancement, were appropriated by the late neoclassical proponents of human capital theory on the Right and information failures approach on the Left. Combining with poverty-alleviation focus of various global institutions, development economics has now became an instrument for the effective implementation of development policies that deploy the theoretical construct of *homo economicus* (and its equally tractable variations) as the interface between the institutions and the subjects of development. However, this micro-focus did not come with a deeper questioning of economic growth as a foundational assumption of development economics.

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On the contrary, the seemingly a-political and increasingly detached technocratic conduct of this micro-oriented development economics insulated the latter from any critical engagement with the myriad of contradictory effects that economic growth may inescapably entail. At the end of the day, contemporary mainstream development economics by and large neglects to investigate the possibility that the object of its intervention (poverty) may itself be a product of a hegemonic growth fetishism that gives its legitimacy to processes of capital accumulation through dispossession and extractionism. On the contrary, by arguing that poverty cannot be alleviated without high GDP growth rates, it may even tend to instrumentalize 'poverty' to provide further rhetorical ammunition to the growth machine.

Contemporary development economics is a part of a broader *discourse of development* comprised of, in addition to economic theories, models, and case studies, a complexly articulated totality of national and international institutions, governmental and non-governmental organizations, research institutes and think-tanks, and other social and political actors that 'allows for systematic creation of objects, concepts, and strategies [and] determines what can be thought and said' (Escobar, 1995:40). As this institutional-discursive matrix and its complex transformations shape the field of development economics, the latter touches and shapes the world by way of being mediated through the former. Our focus in this essay is on the state of *mainstream* development economics—yet our analysis will not lose sight of the embeddedness of development economics within this broader *discourse of development* that emerged in the 1940s and 1950s, in the aftermath of the World War II, as the world was divided into three different developmental paths during the Cold War: the path of capitalist development under the aegis of Pan-American institutional-discursive matrix, the path of Soviet-type communist development with its institutions of planning and state-ownership of means of production, and a collection of paths emanating from the post-colonial, non-aligned nations seeking to invent their own unique models of economic development.

The structure of our argument follows a chronological account of the history of development economics. We begin by situating the transformations in the constitutive theoretical problematic of development economics within the context of theoretical shifts in the history of the discipline of economics as well as historical transitions in the institutional configuration of the processes of capital accumulation. We trace back the pre-history of contemporary mainstream to the post-WWII development economics, the 'old' school, whose foundational problematic was the establishment and implementation of the appropriate set of conditions under which underdeveloped nations could achieve and sustain economic growth and catch up with the developed world. Then we turn to the field in the early 1980s, to the emergence of the 'new' school, when the attention devoted to various issues of structural transformation (from rural to urban, from informal to formal, from import-substituting to export-oriented, from agriculture to industrial, etc.) were replaced first with a push towards marketization reforms in the form of Structural Adjustment Programs (*à la* the World Bank and the IMF) and then with a concern regarding problems associated with government failures and market imperfections. After engaging with a parallel thematic move in the discourse of development from growth towards poverty alleviation and good governance, we focus on contemporary mainstream development economics, in which the randomized experiments approach and the new institutionalist school are critically reviewed. We conclude by suggesting the principles through which a new paradigm of development economics that takes solidarity, de-growth, and political participation seriously can be articulated.

Transformations of a theoretical problematic

While the post-war discourse of development provides the broad institutional, socio-economic, technological and epistemological conditions for development economics and its transformations, we argue that a fundamental and constitutive *theoretical problematic* of contemporary economic theory is as old as the economic discourse itself: economic growth. Without doubt, the meaning of economic growth has changed throughout the history of economic discourses as well as with the advent, and through the subsequent transformations, of post-war discourse of development. Nonetheless, a complex set of questions pertaining to economic growth has always been central and foundational to the discipline of economics: What are the sources of economic growth? What explains the rapid acceleration in the rate of economic growth since the early 1800s? Why do some nations perform(ed) better than others in terms of economic growth?

Within a hierarchically structured system of nations (developed/developing/less-developed; first-comers/late-comers; colonizers/colonies; North/South, etc.), each nation in itself has posed the problem as that of how to achieve economic growth in order to catch up, to improve its relative position within the system of nations, to achieve true independence, to project power, to alleviate poverty or to increase the welfare of its citizens through technological and institutional modernization. All of these reasons for economic growth could plausibly be read through the need of a nation-state to maintain the legitimacy of its territorial sovereignty and national unity (Bergeron, 2004). Indeed the imperative of economic growth has at times been effectively constructed as the 'national-popular outlook' through which states portrayed themselves as 'neutral' actors representing the collective interest and acquire consent of the rule, i.e. constitute hegemony (Akbulut, 2011; Akbulut and Adaman, 2013). Thus, economic growth is deemed necessary both internationally to project power and domestically to manage and govern social antagonisms along class, ethnicity, gender as well as other social axes.

Viewed from this historical perspective, we propose to read the transformations of development economics in the context of the transformations of the post-war discourse of development and its institutional matrix, in conjunction with the disciplinary transformations within economics as well as the broader transitions in global self-organization of capitalism. In particular, we identify two important transformations. The first is the collapse of Keynesian developmentalism in the 1970s and the advent of neoliberal revolution globally in the 1980s. The institutional configuration of the post-war regime of accumulation in the Western advanced capitalist economies was a combination of Fordist mass production for mass consumption undergirded by a highly corporatists accord between organized labor and capital, a welfare state which heavily involved in post-war reconstruction (Marshall Plan) as well as aggregate demand management, and an international financial order shaped at Bretton Woods, primarily by the United States as the emergent hegemon of the world capitalism (Marglin and Schor, 1992; Varoufakis, Halevi and Theocarakis, 2011). The corollary of this institutional configuration in economic theory and policy was a neoclassical-Keynesian synthesis, which edited out more radical implications of the latter (e.g, fundamental uncertainty) in order to forge a hydraulic general equilibrium model of a national economy with leakages (savings, taxes and imports) and injections (investment, government spending and exports) (Tabb, 1999).

Both in the war-torn Europe as well as in the de-colonizing yet becoming-capitalist sectors of the third world, Keynesian developmentalism provided a strong role for governments to take the charge for devising and implementing economic plans that are appropriately articulated with the hegemonic demands of Pax Americana. Yet this global institutional configuration began to unravel in the early 1970s when the United States government, increasingly burdened by an accumulating government debt it had to incur due to its involvement in the Vietnam War abroad and its expensive Great Society programs at home, declared the end of the Bretton Woods system (Varoufakis et al., 2011). While the 1970s oil crises, signaling the end of the cheap oil era, undermined the post-war capital-labor accord (Mitchell, 2011), increasing financialization provided an institutional replacement for the demand-management roles conducted by the Keynesian welfare state (Marazzi, 2010). By the time the interest rate hike of the United States Federal Reserve put an end to stagflation (slow growth rates with high inflation), Keynesianism was largely replaced by neoliberalism. The proponents of the neoliberal creed prioritized price stability over promoting full employment (monetarism) and aggressively pushed for trade and financial liberalization, labor market flexibilization, and rolling back of the welfare state through privatization. In the developing world, these pro-market neoliberal reforms appeared under the banner of Structural Adjustment Programs of the 1980s as advocated by the IMF and the World Bank. This transition from Keynesianism to neoliberalism entailed an occlusion of certain critical as well as neo-Marxist theories of development of the post-war era. As the discourse of development was transforming through the spread of neoliberal forms of governmentality, neoclassical theories based on a narrowly-defined and tractable notion of individual economic rationality have begun to dominate the field of development economics. This was the moment of the neoclassical transformation of development economics.

The second one is the transformation of mainstream development economics in response to its criticisms in the 1990s. As the discourse of development imposed a certain neoliberal model all across the world, among many criticisms two of them are recognized by mainstream, late neoclassical development economists. Responses to these two criticisms constitute the moment of the *late* neoclassical transformation of development economics.[1] The first response was to the

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[1] Late neoclassical approaches constitute an ecology of theoretical departures from the standard post-war neoclassical framework best exemplified in the Walrasian general equilibrium theory. Late neoclassical approaches include those that highlight market imperfections, explore certain delimited deviations from the narrowly-defined notions of economic rationality, and deploy new concepts of equilibrium. Yet, there is a significant diversity among late neoclassical approaches. For instance, those that emphasize *information asymmetries* (misrepresentation, moral hazard and adverse selection) may find models of imperfection based on *transaction costs* wanting. Nevertheless, despite this internal diversity, late neoclassical approaches remain within the broader theoretical humanist neoclassical tradition due to their commitment to a centred notion of a purposeful individual (motivational variations and cognitive limitations notwithstanding) combined with a teleological notion of harmonious reconciliation at the aggregate level through the equilibrium construct

increased questioning of the pecuniary and economic growth (GDP) based formulation of economic development. In particular, but not exclusively, we can mention Amartya Sen's *Development as Freedom* (Sen, 1999) and the design and spread of the various alternative development indices. As a result, an important part, and perhaps a majority, of late neoclassical development economists began to devise microeconomic models of specific case studies that incorporate information failures and to evaluate the impact of development policies. A very important aspect of these microeconomic case studies has been the incorporation of new non-pecuniary metrics. The second response was an inflection of a broader return to institutions within the late neoclassical tradition. In response to criticisms according to which the one-size-fits-all neoliberal model disregards differences among a variety of contexts among nations, late neoclassical economists began to introduce more and more institutional factors into their analysis. Questions of economic growth, as well as problems emanating from collective actions, were handled in a framework that augmented the core rational actor models with institutionally-specific variables.

These two transformations, neoclassical and late neoclassical, punctuate our historically narrative from the 'old' to 'new' school and from 'new' school to the contemporary decimation and displacement of development economics, respectively. Let us note, however, that this narrativization inevitably reduces complex and uneven historical developments that operate at multiple levels (that of the broader social formation, the discourse of development, and the discipline of economics) into neat periodizations and categorizations in order to highlight key issues and processes that we consider to be relevant for the readership of *Development and Change*.

The 'Old' School: Post-WWII development economics

The modern discourse of development has emerged most visibly and clearly in the aftermath of WWII, when the relationship between the West and the less economically-advanced parts of the world shifted fundamentally (Escobar, 1995; Selwyn, 2014). The historical conjuncture of the period had a major role to play in this respect: colonialism was being increasingly challenged; the United States had come out of the war as the economic and political super-power; Europe was in

(Madra, 2007). While it is quite plausible to consider the Chicago School as a part of the standard post-war neoclassical framework, we include them in the late neoclassical moment because its proponents, by conceptualizing the market adjustment process through the metaphor of *natural selection* rather than that of *auction* as deployed by the Walrasian tradition, also occasion a turn away from the latter in the vein of other late neoclassical approaches (Madra, 2015).

urgent need of reconstruction, not least for the economic interests of the United States. Concomitant with the decline of colonialism, development emerged as the new strategy of dealing with the poorer countries of the world and a response to the need to integrate them into the unfolding political-economic structure in the post-WWII era. This integration would not only serve to open up spaces of markets, investment, and resource extraction, but also to counteract the potential spread of Soviet-style communism globally. Within this context, a significant part of the world was defined as 'underdeveloped', and ways to undo underdevelopment *via* material advancement became the primary issue in the post-war agenda. This entailed replicating the characteristics that marked the 'advanced' societies of the West and a restructuring of underdeveloped societies with the aim of economic prosperity, almost invariably by capital accumulation, industrialization, development planning, and external aid.

Clearly, such a definition and representation hinged upon the acceptance and universalization of Western concepts and values as benchmarks. On the other hand, the invention and definition of underdevelopment (versus development) constituted a new way of making visible—and a parallel way of approaching—the social and economic realities of these countries (Escobar, 1995). As such, the representations of underdevelopment created a domain of thought and action, where underdevelopment could be known and superseded from the outside. In other words, the discourse of development opened a space for systematic creation of concepts, theories, and practices within which the rise and consolidation of development economics with specific questions and a specific object could be situated.[2]

Development economics, as a distinct field, was therefore premised upon the idea that the existing economic theory needed to be modified in order to be able to address the particular features that

[2] Arturo Escobar's path-breaking work is part of a *post-development* literature that questions the mainstream modernization discourse and its implicit working hypothesis that development is always a cure for, not a cause of, troubles. While Escobar's work provides a materialist framework for studying the discourse of development (which is in excess of the discursive, encompassing the interconnected materiality of institutions, practices, and policies) and how it performatively constructs its own object (i.e., underdevelopment), some critics have argued that the proponents of post-development literature, in their attempts to criticize and deconstruct the discourse of development have created essentialising binaries (West vs. the Rest, modern vs. traditional, etc), neglected the many achievements of 'development', and tended to throw the baby with the bathwater (Corbridge, 1998). Others, approaching from the perspective of post-capitalist politics, have questioned the implicit *capitalocentricism* that continues to inform post-development literature and found strategically limiting its insistence to read the vast diversity of development as an effect of global capitalism and to cast alternatives to capitalist development in subordination to the compelling and overwhelming logic of the latter (Gibson-Graham and Ruccio, 2001).

mark underdeveloped countries, such as high rural unemployment, obstacles to industrial development, and unfavorable position within international trade. The main question of development economics, then, was posited as how to overcome these peculiarities, i.e., impediments to development, in order to realize rapid economic growth. It is within this constitutive *theoretical problematic* that the seminal works of Rosenstein-Rodan, Lewis, Rostow, Kuznets, and Chenery, among others, can be situated. It is not our intention to brush away the specificities found in the works of the said-scholars or the significant differences they exhibit. Rather, the point we are making is that the approach to and conceptualization of development in general, and the adherence to the priority of economic growth within the development problematic in particular, unite these otherwise diverging lines of thinking.

A basic tenet of development economics at this time was that the traditional/rural sectors, typically marked by the presence of a surplus population with near zero marginal productivity, were the culprit of underdevelopment, and that development required their transformation by the 'modern' sector and the expansion of monetized economy. Consequently, emphasis was given to the determinants of such a structural transformation (e.g., Kuznets, 1955, 1966; Lewis, 1955). This structuralist emphasis should be read within the context of the Keynesian challenge to neoclassical economics and the subsequent disciplinary dominance of the neoclassical-Keynesian synthesis as well as the policy prevalence of the hydraulic Keynesianism. The main lines of inquiry and debate were—and to some extent still are in macro-growth theory—on the role of state in facilitating sectoral shifts (primarily from agriculture to manufacturing) and on determining and mobilizing the appropriate composition of inputs into production to facilitate economic growth. While a strong tendency—but by no means a consensus—towards state interventionism on the road to development emerged in the aftermath of WWII, influenced in part by the Soviet experience and in part by the hegemonic Keynesian developmentalism, there was no unified position regarding the specifics of developmental interventions to be pursued by the state. Within this context, debates centered around whether growth should be balanced across sectors (Nurkse, 1953; Rosenstein-Rodan, 1943) or unbalanced (Hirschmann, 1958; Streeten, 1959), and whether the growth strategy should be directed at import-substitution (Nurkse, 1953, 1959; Rosenstein-Rodan, 1943) or export-orientation.

This line of inquiry began to be criticized by the proponents of pro-market Chicago School starting from the 1950s. For instance, Theodore W. Schultz (who became an economics Laureate together with Sir Arthur Lewis in 1979) began to argue that government policies favoring urban sectors were the main impediments that prevented the rational peasants in less-developed economies from making the right investment decisions (in terms of technological upgrade, fertilizer use, etc.) (Pasour, Jr. 2013; see also Schultz, 1978). This line of inquiry, later on, fed into a broader Chicago-style neoliberal revolution in economics (across all its sub-fields) that pushed for analyzing all social phenomena and devising all social policy through the grid of *homo economicus* (Madra and Adaman, 2014).

Yet a stronger consensus seemed to emerge on the second line of inquiry. While initially physical inputs were argued to matter, different sides (both pro-government and pro-market) within the 'old' development debate began to converge on considering non-physical inputs in terms of technology and human capital as being more important for inducing economic development (Schultz, 1961; Solow, 1957).[3] On the policy side, the hegemony of Keynesian developmentalism allowed the governments of LDCs to advocate for, and implement, a series of *dirigiste* policies to increase their human capital stock and/or technological potential, in addition to their physical capital.

Although different approaches to development economics and its constitutive theoretical problematic (defined in terms of inducing economic growth *via* capital formation) existed from the very early days of the post-war period, they overall envisaged development rather mechanistically and in a functionalist manner. The differences among them notwithstanding, they all defined development first and foremost as economic progress, which in turn translated into industrialization and rising real income. Development was reduced to a matter of mobilizing savings or surplus population (or both), increasing productivity, and inducing and applying investment to answer the urgency of realizing rapid capital accumulation to fuel industrialization and output growth. On the other hand, the dichotomy between development *versus* underdevelopment rested on the assumption that the traditional/subsistence economy, identified

[3] This emerging emphasis on human capital, at the same time, was signaling the prospective turn within economics towards micro-foundations. The shift in development debate from the emphasis on macro-level thematics to micro-level ones coincided with the rising tendency within the broader economics discipline towards explaining social phenomena by virtue of micro-foundations.

with backwardness, was what needed to be transformed and developed. There was little attention paid, however, to what such a transformation implied for the large number of people involved within the traditional/subsistence sectors, given that it implied rapid capital formation. Although the complex interactions between the social, economic and political spheres and the new contradictions unleashed by the processes of economic development and transformation themselves were not completely disregarded, they were seen mostly as unavoidable costs, which would eventually be outweighed by the benefits of technological advancement (Kuznets, 1971, 1973) and were often relegated to the sphere of politics—i.e. not of development economics.[4] While both Hirschman (1973) and Kuznets (1973, 1980) acknowledged, for instance, that the structural and demographic changes associated with economic progress would involve conflicts, resistance, disenfranchisement of some socio-economic groups and the likely repression of certain social objectives, they remain committed to positing economic growth as the ultimate remedy for, rather than a fundamental cause of, such dislocations. Nurkse (1953), in a similar fashion, noted that capital formation is a necessary but not sufficient condition for development and overcoming poverty, but did not study it as a cause that creates and perpetuates the very conditions of poverty and underdevelopment. Moreover, to the extent that it was acknowledged that development incurred costs usually on certain groups of people, these costs were often seen as tradable with the benefits that accrued to other groups. Thus, development economics at worst ignored, and at best analytically postponed, the contradictions and antagonisms, e.g. impoverishment, dispossession, disruption of social fabric, *etc.*, created by the processes of primitive accumulation associated with the modernizing and accumulationist character of development it envisages.[5]

As development economics brushed aside, and thus largely rendered invisible, the social and ecological toll of capitalist (both in its private and statist variants) processes of economic growth, it has sidestepped the historical and structural background of development and underdevelopment, as well as their interlinked character: not only has it turned a blind eye to the fact that 'advanced'

[4] Hirschman (1984), for instance, argues that within a functional democracy the disenfranchised by the development trajectory will have the turn to realize their interests. Kuznets (1973), on the other hand, posits state as the arbitrer of the conflicts arising from development and the preserver of the consensus to grow.

[5] An important exception is by Hymer and Resnick (1969) who introduced the concept of z-goods to study the range of economic activities that the peasants are compelled to engage with between the times spent on agriculture and non-work (leisure) as a part of a multi-pronged survival strategy under generalized impoverishment.

countries could become so precisely by impoverishing some other parts of the world, but it has ironically prescribed the type of transformation (i.e. capitalist development) that creates and perpetuates the very conditions of underdevelopment (a surplus population with no means of labor) it seeks to address (Sanyal, 2007).[6] These imply the structuring of the field of development economics bereft of analytical tools and questions so as to address the antagonisms of development, so to speak, and to continue to function as mechanisms of occlusion of its thoroughly political nature throughout the history of (mainstream) development economics (Resnick, 1975).

Radical and Marxist responses to the mainstream development economics were formulated, starting in the 1960s, first through the Marxist theories of capital accumulation and concentration (Baran, 1957; Baran and Sweezy, 1968; Prebish, 1950); then through the radical theories of dependency, center vs. periphery, and unequal exchange (Cardoso and Faletto, 1979; Frank, 1966; Wallerstein, 1974, 1980, 1989); and finally through Althusserian Marxist analyses of complex and contradictory articulation of different modes of production within social formations (Laclau, 1977; Wolpe, 1980). The Marxist take on development constituted a challenge to the mainstream development economics not only in terms of its vision of international trade (as mutually beneficial exchange), but also to the reduction of development to a technicality by locating the structural features of capitalism as the centerpiece of analysis. The radical critique of development, while recognizing the importance of the initial Marxist emphasis on the capitalist nature of development, centered on the particular positioning of the underdeveloped countries within global capitalism, i.e. as the peripheries of the capitalist center, which dictated unfavorable terms of trade and lower the levels of technological progress, capital accumulation and industrialization. That is to say, the periphery is forced to remain within a vicious cycle of underdevelopment precisely due to its specific insertion within the capitalist system and its relationship with the capitalist center(s). The Althusserian coda to this conceptualization was to remind that any given social formation, let alone an underdeveloped one, will consist of multiple modes of production and that any analysis of

[6] This does not imply that there were no dissenting voices within development economics. Seers (1969), emphasizing the long-neglected social issues, called to define development not as increments in per capita income but reduction in poverty, rise in employment and advancing equality. Similar arguments were made by Myrdal (1968) and Singer (1969), while the Brundtland Report (1987), much later, underlined the environmental limits of growth. Thus, although emerging lines of thinking in mid- to late 1960s started stressing the need to address social and ecological issues on their own merits and not as an afterthought to growth, they remained largely marginal within development economics.

underdevelopment has to account for the internal heterogeneity of the so-called periphery along the lines of diverse relations of production and their articulated totality (Ruccio, 2011).

While this constellation of radical and Marxian formulations did introduce a number of important critical perspectives that shed light on the limitations of post-war development economics, they did not, however, pose a radical challenge to the view of development as a process of technological progress, industrialization and economic growth. Since their critique was not so much against accumulation and economic growth as such but rather to its capitalist character, they never intended to produce an alternative to the modernist vision that undergirded capitalist developmentalism. Similarly, while strongly and rightfully emphasizing issues of class injustice, they neglected and left un-theorized the ecological consequences of developmentalism. Reproducing the main-line understanding of development as an economic project of accumulation (albeit arguing that it can only be properly accomplished through economic planning and public ownership of means of production), these approaches have to a large extent failed (or perhaps even did not intend) to disrupt the *discourse of development* in a fundamental sense (Gibson-Graham and Ruccio, 2001).

The 'New' School: From structural adjustment to market imperfections

With the demise of Keynesian developmentalism and the advent of neoliberalism, monetarism and new classical macro-economics swiftly gained the upper hand in the corridors of the international institutions of macro-economic governance such as the IMF and the World Bank and structural transformation concerns of the 'old' development economics was replaced by one-size-fits-all Structural Adjustment Programs of resurgent neoclassicism. Informed by the general equilibrium framework and augmented by rational expectations theory, structural adjustment—unlike structural transformation—had a fairly short-term focus. It aimed at returning the economy under consideration to a sustainable balance of payments position and, following the strictures of then-ascendant monetarism, maintaining price stability (Bergeron, 2004). In line with the strictly anti-state stance of early neoliberalism (Foucault, 2008), the proposed policy set invariably boiled down to fiscal and monetary austerity against the destabilizing ('populist') policies of the governments of developing economies. Far from solving the many problems of these economies, structural adjustment programs have led to the further deterioration of income inequality, intensification of class injustice, increased exposure to financial instability, ecological degradation, enclosure of the commons through privatization, and deepening of commodification (in particular, as a result of the rolling back of the welfare state) (Ruccio, 2011; Stiglitz, 2002).

Within this *milieu*, the field of development economics took a turn towards an emphasis on empirical research, concreteness and specificity, concomitant to the significant changes taking place within the global political-economic context such as the debt-crisis, failed attempts of structural adjustment and stability, and industrial decline witnessed in many countries with sweeping neoliberal policies (Escobar, 1995; Harvey, 2005). This period signified not only the end of post-war boom and of faith in state intervention in the economic sphere, but also the strengthening role of microeconomics and of rational-actor models within the economics discipline (Fine, 2009), and the corresponding shift from macro-level, structural focus of development economics (now occupied by the short-term focus of structural adjustment programs) to the prominence of micro-foundations. The time has arrived for the rational peasant of the proponents of the Chicago School to come out of the shadows and enter into the center-stage (Schultz, 1978, 1979). This turn towards micro-foundations, combined with Chicago School's penchant for extending the economic approach to potentially all domains of human behavior (see, for instance, Becker, 1996), has led to the appropriation of a range of fields that, until then, remained relatively immune from the dominance of mainstream economics by a treatment of the 'non-market as if market' (Adaman and Madra, 2002; Fine, 2006, 2009). In this manner, the conceptual groundwork to respond to the growing criticisms of mainstream development economics' failure to take a range of non-economic dimensions of development into account was established. Now, as a result of the micro-turn, the mainstream approach would be able to take the non-economic into account but would do so in an economic determinist manner, by treating it as a purely economic phenomenon.

Yet on the other hand, this turn from 'old' development economics was also premised upon the recognition that many of the assumptions underlying the framework of neoclassical economics, such as constant returns to scale, pure competition, perfect information, insignificant transaction costs and externalities and institutional neutrality, are of little, if at all, use in studying issues of underdevelopment (Bardhan and Udry, 1999; Stiglitz and Meier, 2001).[7] The development

[7]Fine (2009) distinguishes between 'new' and 'newer' development economics: while the former is associated with the Washington consensus and marked with uncritical faith in markets and the emphasis on

microeconomics underwriting many of the contemporary scholarship dominating development economics today brought in models of rent-seeking, transaction costs, informational asymmetries, incomplete markets, dynamic externalities, multiple equilibria, path-dependency and endogenous preferences, on a wide range of development issues such as household production, fertility and population, migration, interlinked rural markets (land, labor and credit), migration, institutions, *etc*. Its take on rural land markets, for instance, focuses mostly on forms of tenancy, and explains the existence of different forms of tenancy in terms of an optimal outcomes of risk-sharing and work incentives under conditions of incomplete contracts due to unobservable effort (Bardhan and Udry, 1999). Similarly, the analyses of rural credit markets focus on how rural poverty might be perpetuated within a context where production is associated with high risks and time-lags and credit markets are fraud with information imperfections; or when credit markets are imperfect and there are increasing returns to human capital investments (Bardhan and Udry, 1999). Along with these late neoclassical, information-theoretic approaches, and perhaps contesting their emphasis on *market failures*, development microeconomics also provided a fertile ground for those who study and name as the source of the problem as a range of *government failures* that emanate from both rent-seeking behavior (Bardhan, 1997; Krueger, 1974) as well as its ineffectiveness in mobilizing knowledge in comparison to rational and entrepreneurial peasants as well as other actors on the ground (De Soto, 1989, 2000; Schultz, 1990). In particular, 'new' development economics became a context for such late neoclassical debates to unfold in a self-reflexive manner, either by recognizing some limitations of the standard neoclassical model (as in the case of information-theoretic approaches) or by applying the rational-actor model much more aggressively to all social phenomena beyond the analysis of markets (as in the case of Chicago School).

Despite the abandonment of some of the unrealistic assumptions of the standard neoclassical framework and a certain recognition of the role of non-market phenomena (such as informal institutions and culture), the mainstream development economics unmistakably retain the assumption of *homo economicus*, albeit on many occasions modifying it with auxiliary assumptions such as bounded rationality and non-egotistic behavioural motivations. Equally important is the fact that it was through the lens of market and informational imperfections that it claimed to take

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government failures, the latter's rise is concomitant to the emergence of post-Washington consensus and denotes the increasing recognition of market failures within the field. Our proposed distinction between neoclassical and late neoclassical approaches, some important theoretical differences notwithstanding, aims to make sense of the same transition within mainstream economics. See footnote 1 above.

history, culture, institutions and other social structures into account, i.e. market and informational failures were positioned as the potential, if not primary, *explanants* of these non-market phenomena (Fine, 2006). Through this shift—which coincides with the fundamental challenging of the Walrasian orthodoxy by late neoclassical approaches—development economics' primary occupation became identifying such market failures caused by informational asymmetries and transactions costs as well as governmental failures arising from rent-seeking behavior, their impacts and the kinds of arrangements evolved in response. In other words, issues of underdevelopment came to be seen as equilibria with adverse affects, which can actually be understood as (a series of) rational responses to the contextual circumstances. Consequently, development came to be defined as alternative arrangements of dealing with such imperfections and failures.

Invention of Poverty Alleviation and Governmentalization of Development

While 'old' development economics was concerned with how broad socio-economic and structural transformations could occur, 'new' development economics explained underdevelopment through the opportunistic behavior of the representative individual in contexts of market/government imperfection. In so doing, the latter has casted many of the adverse impacts and antagonisms produced by development itself, e.g. poverty, malnutrition, inequality, as matters arising out of a combination of market and informational imperfections under repeated interactions of self-interested rational-actors. Through these, the structural processes that have produced 'underdevelopment' dropped out of the view of development economics as economic growth (and consequently development) is assumed to be eventually delivered by the market forces. Seen this way, 'new' development economics bears more a resemblance with the 'old' than a divergence: the historical-structural processes that produce and reproduce underdevelopment continue to remain untackled, this time due to the former's micro-foundational orientation, and development economics is re-constituted as a domain devoid of the tools, questions and objects that can potentially investigate and bring forth the political and ecological conflicts that constitute the processes of underdevelopment.

A parallel turn that occurred within the global development discourse was the shift from a focus on modernization and structural transformation that privileges economic growth as the object of development (crystallized in big infrastructural or agricultural modernization projects supported by the World Bank in the Third World) to the invention and fetishization of poverty alleviation. This turn was most visibly signaled by the speech that Robert McNamara, then the president of the World Bank, gave in 1973 where he advocated reorienting the objective of development towards addressing absolute poverty upon admitting that growth's expected trickle-down effects had not materialized in any significant way. The redefinition of development's goal as such did not only imply new modes of development interventions and roles for the developmental state, but also an emerging vocabulary around 'basic needs' within development economics and a corresponding analytical conceptualization (Sanyal, 2007: 168-170). This vocabulary, to the extent that it abstracts itself from distributional and ecological conflicts that are inevitably associated with any economic activity and to the extent that it suspends structural questions, had the effect of sanitizing the development project by recasting it as a form of biopolitics, a humanitarian effort pertaining to the governance of the conditions of life. Ironically, in the subsequent decades, this re-orientation towards poverty alleviation was appropriated by a global neoliberalism that deepened its hold on the social as it moved beyond being a series of *marketization* reforms and gained a momentum as a radical *economization* of both the state and the society, as a new, biopolitical, logic of governmentality (Foucault, 2008; see also Burchell, Gordon and Miller, 1991; Donzelot, 2008; Lemke, 2002). This neoliberal form of governmentality, fueled by the growing literature on rent-seeking behaviour and corruption and supplementing the sanitizing effects of poverty alleviation focus, began to establish itself through the discourses of *good governance*, most visibly promulgated by the World Bank and paved the way for increasing influence of non-governmental organizations in setting development agendas and policies. In the process, the problem of development has increasingly turned into effective and efficient delivery and implementation of poverty-alleviating economic and non-economic policies, support programs, aids, etc. through the national as well as transnational institutions of governmentality.

The substantial theoretical grounding of this preoccupation with improving the conditions of the poor within economics, however, was provided by Amartya Sen's work (and other lines of scholarship inspired by it) on entitlements and capabilities (Sen, 1983, 1985, 1999). Characterizing development as fundamentally distinct from growth, Sen had set its ultimate goal as furthering freedoms (most basically the freedom to lead the kind of life one has reason to value) through overcoming deprivations such as hunger, unemployment, various discriminations, threat to ecology and violations of political rights. Of the two key concepts that underlie this new understanding development, entitlements refer to alternative commodity bundles that an individual can legitimately command given the rights and opportunities she/he is faced with, while capabilities are defined as what the individual can actually do. Sen consequently underlined the necessity of expanding individuals' 'capabilities' in order to increase the well-being of societies, i.e., their effective freedoms to achieve the states of beings and doings, such as the ability to live up to an old age, to engage in economic transactions and to participate in political life.

The capabilities approach, while widely celebrated primarily for shifting the focus of development from economic growth to enhancing individuals' opportunities and choices, has also ignited considerable critical debate within development thinking. In particular, the capabilities approach has been criticized for taking the individual as its entry point and its general silence in addressing structural issues of political economy (Bagchi, 2000; Dean, 2009; Stewart and Deneulin, 2002). Social structures figure in only to the extent that they constrain or enable the individual capabilities leaving aside their constitutive and relational aspects; social phenomena are accounted for by residing in what individuals think, choose and do (Dean, 2009; Feldman, 2010). More importantly, the capabilities approach elides the issue of capitalism itself and avoids addressing systemic impediments to enhancing capabilities, e.g. those associated with the capitalist wage-labor relation, and more generally how enhancing the capabilities of an individual (or a group of individuals) can be in fundamental conflict with that of others. Moreover, the approach rests on an understanding of public space as open to participation upon the same terms for everyone (Dean, 2009) and of the state solely as the benevolent provider of public goods (and not as a mechanism of coercion) (Bagchi, 2000).

Formulating the question of development primarily as one about individuals whose capabilities can be enhanced while leaving the broader social, political and economic contexts intact, Sen's conceptualization implies that human development and capitalist development are commensurable. More specifically, as Sanyal (2007:182) would later argue, the constitution of the analytical foundation of the poverty-driven approach through the concepts of entitlement and capability served to situate 'the space of poverty' independent from that of growth (i.e. capital accumulation), masking the ways in which growth and accumulation can lead to poverty. While this approach is critical of growth to the extent of acknowledging that the question of development (as expansion of entitlements and capabilities) should not be centered on economic growth, it does not pose a radical challenge to it: its premise is that (capitalist) growth is not sufficient to alleviate poverty, not that it inevitably creates poverty. Consequently, the development interventions it foresees, e.g. public policy or international aid, do not aim to tackle the dynamics leading to poverty but rather ameliorate the conditions of the poor. On the other hand, such a biopolitical governmentalization of development may function as an indispensible condition of existence for the reproduction of the circuit of capital and its growth imperatives, as it effectively aimed to serve to manage the dislocations and antagonisms produced by capital accumulation by transferring some of the surplus appropriated towards poverty-alleviation.

Contemporary Mainstream: Of Randomistas and New Institutionalists

Although development economics went through various turns and twists, it has constituted and reproduced an image of the field of development as a purported a-political terrain of technocratic intervention. In this sense, the state-of-the art mainstream development economics has more points of resonance with its historical lineages than of departure, despite being often represented and even criticized for being a different kind of animal (see, e.g., Ravaillon, 2009; Rodrik, 2008). Contemporary mainstream in development economics can best be understood as a diverse field that flourishes on the theoretical ground provided by the micro-turn described above, responding to the research, project evaluation, auditing requirements of the national and international, governmental and non-governmental institutions of development that have proliferated with the invention and increasing circulation of poverty-alleviation and good-governance discourses. Most salient implication of this encounter between these two vectors, i.e., the micro-foundationalist push and the policy focus of the institutions of development, is the proliferation of case studies with very specific focus.

One important implication of this increasingly technocratic/bureaucratic focus on assessing policies at the micro-level has been the gradual displacement of macro-economic, structural and historical concerns out of the field of development economics proper, onto adjacent fields such as international trade, international finance, macroeconomics—more or less ignoring the problem of development entirely and dealing with the issues such as trade or current account deficit within a flattened globalized economy framework devoid of political economy—or onto the institutions and growth literature epitomized by the work of Acemoğlu et al. We will below argue that both randomistas as well as new institutionalists, even though they are in many ways responses to the earlier criticisms of mainstream development economics—i.e., the failure to take into account the trickle-down effects of development policies and the widespread neglect of the role of institutions, respectively—reproduce the deepening governmentalization and technocratization of the field, in equal part because they remain committed to methodological individualism and do not challenge the growth paradigm.

The randomized-experiment approach, most impeccably represented by the MIT Poverty Lab, has emerged as a significant attractor and successfully asserted its particular methodology in the field. Notably, it has gained precedence with its promise to pinpoint the small interventions that 'work' within a context where the failure of large-scale developmental interventions in addressing human well-being was increasingly obvious. By mobilizing experimental designs to empirically study highly specified questions (e.g., the impact of a particular intervention associated with a particular development project on a particular outcome), the studies in this vein claim to retain precision in identifying what works and what does not in development, albeit at the expense of radically narrowing down the analytical focus. The randomized-experiment approach has been used to tackle a variety of issues, ranging from the types of infrastructural policies made when women have political power as decision-makers (Chattopadhyay and Duflo, 2004) to the impact of specific remedial educational programs on the quality of education (Banerjee, Cole, Duflo and Linden, 2007), from the effects of fertilizer subsidies on use (Duflo, Kremer and Robinson, 2009) to the consequences of fee increases in deworming medicine on take-up rates (Kremer and Miguel, 2004).

The randomization school has been widely criticized in terms of the (im)probability of truly randomized experiments to study phenomena inevitably intertwined with complex social dynamics and relationships; the problematic assumptions it mobilizes about the shape of the impact function over time and consequently about the timing of assessment its conclusions in terms of project replicability across contexts, and the controversial ethical implications of professional concerns (e.g. having 'clean' results for publishable papers) being interlinked with development aid (Reddy, 2013; Rodrik, 2012; Rodrik, Subramanian and Trebbi, 2004; Woolcock, 2009; Ziliak and Teather-Posadas, 2015f). It should, however, be brought under the spotlight for the type of development economics it is built on: whether these studies yield convincingly replicable or 'clean' results or not, they reproduce a particular understanding of development and underdevelopment that stretches back to the new (micro)development economics. Envisioning a space populated by economically-rational individuals, albeit admitted to be conditioned by social settings and endowed with incomplete/imperfect information and bounded rationality, the randomization school portrays the dynamics of development/underdevelopment primarily as outcomes of individual decisions, behaviors and interactions. Underdevelopment and poverty are seen as ultimately caused by government failures arising from rent-seeking behaviour or market failures arising from opportunism that exploits information asymmetries, or a combination of the two that call for corrective interventions at the level of the individual. As such, the field of development and underdevelopment (i.e. poverty) is divorced from the more structural dynamics and processes that shape, constrain or overpower individual behavior.

More broadly, the randomization school's approach to poverty deepens and reproduces the 1970s reorientation of development economics towards poverty-alleviation in rendering poverty an empirically-observable fact that co-exists with growth, either as an initial condition that the latter failed to transform, or as an outcome of stemming from a combination of governmental and market failures. This conceptualization sanitizes the question of development –once again– as development is discursively distanced from processes of accumulation and reduced to a matter of designing appropriate public policies, a mere technical issue that can be resolved through the implementation of the right ('incentive-compatible' or, more recently and broadly, 'behavior-compatible') mechanism. Although the precise nature of the advocated policies might differ, they mask the ways in which growth and accumulation create social and ecological antagonisms.

While some works among the randomization literature take Sen's capability approach into account, they do it only insofar as to utilize human development parameters as outcomes of interest (e.g. educational attainment, health indicators, nutrition)—one outcome of which has been the proliferation of a whole literature devoted to creating and modifying such indices. Highly instrumentalized, no inherent value is nearly ever attached to these dimensions of well-being other than human capital 'investments' towards higher potential wages to be attained in the labor market. Perhaps more subtly, the discourse of human development and Sen's entitlements-capabilities conceptualization has fit quite suitably with the neoliberal reasoning underlying the poverty-alleviation (now defined as development) agenda within mainstream development economics, crystallized by the contemporary randomization school. Through the positing of 'each as an entrepreneur of the self' (Foucault, 2008; see also Lemke, 2002; Madra and Adaman, 2014), poverty was rendered to be about individuals who are inherently endowed with entrepreneurship, yet unable to realize this capacity. Although the implied solutions to poverty-alleviation vary, from addressing market imperfections with regulation or corrective mechanisms to providing access to property/assets in order to make the poor more successful participants in the market—or, to paraphrase Reddy (2013), giving boots to the poor who can then lift themselves up by the straps (see also de Soto, 1989, 2000; Mitchell, 2007)—all remain firmly committed to the conception of the self as an entrepreneur and of the social as an aggregation of *homines economici*.

Against the suffocating policy-implementation focus of the randomized-experiments, many may consider the new institutionalist take on the (under)development debate a refreshing return towards macro-level structural issues. Spearheaded by the likes of Daron Acemoğlu, Mashiko Aoki, Avner Grief, James Robinson, Dani Rodrik, the institutionalist literature has brought long-forgotten concepts (e.g., property rights, conventions and norms, types of contracts) and thematics (e.g., convergence, class struggle, collective action) back into the development discussion. While the institutionalist vein within development economics goes quite a while back (Amsden, 1989; 2001; Evans, 1995, 2001; Wade, 1990; for a recent survey, see Davis and Christoforou, 2013), its more contemporary guise within mainstream development economics emerged within the context of broad dissatisfaction with structural adjustment policies, on the one hand, and of the decline of Walrasian economics' purchase, on the other. In this respect, R.C.O. Matthews' 1986 presidential address to the Royal Economic Society (Matthews, 1986), where he appealed to discover the sources of growth by an (economic) investigation of institutions as mechanisms of reducing transaction costs, can be seen as a historical precursor (Kohn, 2009:237).

The new institutionalism within development economics can be categorized under the broad camps of macro-focused approaches that tackles the link between macro-level institutions and national income growth, on the one hand, and the micro-focused ones that analyzes the evolution of formal and informal institutions as efficiency-enhancing solutions, on the other. Within the context of the former, a significant body of work tried to answer, applying state-of-the-art econometric tools to empirical data, why some nations failed to prosper given impact of different institutional formations (among other parameters). Rodrik et al. (2004), for instance, suggested that the 'quality of institutions', measured primarily by the existence of property rights and the rule of law, was found to override other possible parameters (such as geography and trade capacity) in determining the national income levels of countries. Since, however, this line of work lacks a theoretical framework of underlying causal mechanisms and links, and showing the existence of an empirical correlation between growth and a set of institutions is not sufficient for making causal claims, it is now overwhelmed with debates on econometric techniques used to determine the direction of causality (see, e.g., Glaeser, La Porta, Lopez-de-Silanes and Shleifer, 2004; Lipsey, 2009). A second vein of macro-institutional scholarship, on the other hand, is epitomized by the contributions of Acemoğlu, Johnson and Robinson (2001, 2003, 2005) and Acemoğlu and Robinson (2012), who explain underdevelopment, defined as low levels of economic growth, primarily by the existence of political institutions that concentrate power in the hands of a minority (as opposed to inclusive ones), which in turn leads to the persistence of 'bad' economic institutions, i.e. those that discourage accumulation, investment and technological innovation, and poor macro-economic performance. Thus, Acemoğlu et al. provide a theory of how economic institutions evolve, but take the definition of 'good institutions' largely for granted, as those associated with a market-based, capitalist economy.

The second branch that can be identified within the new institutionalist field aims at shedding light on the microeconomics of institutions using game-theoretic formal methods (Grief, 1994, 2006; Grief, Milgrom and Weingast, 1994; North, 1990). This literature and its variants emphasize the institutions that a society develops (or fails to develop) for minimizing transaction costs. Examples range from the Maghribi traders' coalition in mediaeval ages (Grief, 2006) to informal insurance networks in contemporary developing world (Coate and Ravaillon, 1993). Accordingly, these institutions facilitate economic growth by reducing opportunism in transactions providing a multilateral reputation mechanism supported by credible commitment, enforcement, and coordination. What causes underdevelopment, thus, is the non-existence or poor implementation of such institutional structures that enables commitment to property rights, facilitates market exchange and encourages technological advancement. Notably, this framework adopts a functionalist stance towards the emergence of institutions: they are conceptualized as the equilibria of repeated games where institutions evolve according to the cost-benefit calculations of the parties involved—as in the case of Maghribi traders who managed to enforce informal contracts multilaterally through a closed coalition among themselves, rather than writing down formal *but* costly contracts as did their counterparts in Geneva (Grief, 2006), or as in the case of informal insurance networks that tend to dissolve and dissipate when the size of the network or the scale of the disaster grows (Coate and Ravaillon, 1993).

More broadly, leaving the divergence regarding analytic scales of macro vs. micro aside, the institutionalist take locates the question of underdevelopment as one about the persistence of economically-inferior institutions that impede economic growth, as opposed to those of a market-based, capitalist economy with secure property rights and legal regulations that allow the productivity gains of larger-scale and improved technology to be realized. Institutions are conceptualized, either implicitly or explicitly, as responses to underlying commitment and coordination problems, cognitive limitations and informational asymmetries. In this framework, institutions are theorized (in a functionalist manner) as 'solution concepts' that evolve into existence as a result of the repeated interactions of atomistic agents (individuals, groups or classes) (Mirowski, 1986).[8] A persistent commitment to ontological individualism, combined with a description of the 'natural' state of affairs as one of prisoners' dilemma, characterizes both branches of new institutionalist approaches. In this sense, new institutionalism in development economics is hard to distinguish from the micro-foundationalism of 'new' development of economics. Measuring development as the distance traveled towards an idealized capitalist economy with secure property rights, legal regulations, and well-functioning markets and explaining underdevelopment through 'deviations', 'failures', and 'limitations' that reduce efficiency and impede economic growth, new institutionalism continues to define development from the Western-centric modernization perspective that the postwar discourse of development has come to define.

[8] Although the rationality assumption (in the sense of limitless computational capacity) is crucial for such game theoretic new institutional modelling effort, this can indeed be relaxed. Aoki (2007), for example, based his model of endogenously determined institutions on a repeated play of agents who are assumed to be boundedly rational. Inconsistencies and incompatibilities resulting from the computational limitations of agents may lead to the emergence of a new pattern of play (viz. a new institution). The extent of rationality notwithstanding, the entire set of diverse models in this 'micro-theoretical' approach takes ontological individualism (thus the utility maximization behavior, irrespective of how utility—either in an egoistic or altruistic manner—is defined) as their point of departure (see also Adaman and Madra, 2002).

Rethinking Development Economics

Contemporary mainstream development economics is characterized by both decimation as well as displacement of postwar development economics. It is a decimation, because its micro-, policy evaluation focus turns development economics into a highly-specialized (and in the case of randomization, ethically problematic) instrument of governmentality of the poor (in tandem with the deepening hold of neoliberal reason on the social) with no analytical capability to make sense of broader structural issues or to question the growth paradigm. As a result, the 'new' development economics of the contemporary mainstream is largely blind towards social, ecological and distributional conflicts that are unleashed by the underlying processes of accumulation, extraction and dispossession. On the other hand, the displacement of the macro-structural concerns of postwar development economics either to fields such as international economics, open economy macroeconomics or to the scrutiny of new institutionalist approaches is equally problematic. While the former may be a reflection of the rapid internationalization of national economies through neoliberal globalization, the latter is a development that can be best understood in conjunction with the self-reflexive late neoclassical transformation in mainstream economics. Yet common not only to both but to the entire contemporary mainstream development economics, despite its decimation and displacement, remains to be a commitment to ontological individualism, a privileging of capitalist market economy and its institutions as an idealized destination (a telos), and an unquestioned belief in the necessity of economic growth for achieving this ideal.

The path towards reconstructing a viable alternative framework that is capable of opening the content of development (i.e. its destination) up to public deliberation and debate requires a rethinking of development *via* a critical engagement with both the ontological (as well as methodological) individualism and the growth-fetishism of mainstream development economics. Such a path should recover the historically-situated and political nature of development by not only laying bare the distributional and ecological conflicts caused by all that is done in the name of development, but also incorporate these very conflicts as its privileged subject matter. In this sense, a new paradigm of development economics should not displace the conflicts and antagonisms of development processes to the periphery of its analytical field, by positing them as *ex-posts* of development assumed (implicit or explicitly) to be resolved with economic progress, but establish the space for their study with methodological and theoretical pluralism (see, e.g., Fullbrook, 2008).

In that sense, development economics should not only unearth the conflictual and antagonistic nature of development, but also render it as an indispensable dimension of its study.

Secondly, a critical engagement with the individualism of development economics should build on the recognition and embracing of forms of sociality beyond the aggregation of individual agents. A non-individualist, so to speak, development economics would instead take the relational and constitutive aspects of human (and non-human) interdependency seriously and acknowledge collective, cooperative and solidaristic forms of social existence (see, e.g., Amin, 2009). In a parallel vein, we call for development economics to be re-oriented to recognize the sphere of economy as one of diversity in order to move beyond individualism and to begin render visible and make sense of a diverse array of community and solidarity economies that exist in all social formations (see, e.g., Gibson-Graham, 1996, 2006). On the other hand, such an engagement should avoid falling into the trap of romanticizing the local/community and be cognizant that antagonism and conflict will be a permanent feature of the social field (Madra and Özselçuk, 2015f).

Thirdly, and relatedly, development economics should confront its explicit or implicit prioritization of economic growth as the imperative condition of human betterment. Moreover, such a confrontation should move beyond a critical stance that is defined by (merely) unveiling the unwanted socio-ecological costs of economic growth, and take steps towards rendering visible and reclaiming already-existing forms of social existence and development that do not fetishize growth (see, e.g., D'Alisa, Demaria and Kallis, 2014). In that sense, development economics itself should also be democratized to allow diverse positions and voices stemming from social movements that demand and articulate ways of dignified living to permeate its disciplinary field. We also note the interrelated nature of this with our call to rethink development, as a radical questioning and de-crowning of growth will inevitably entail the encircling of social and ecological antagonisms that it served to mask.

Although it is not our intention to propose an alternative to development *per se*, we emphasize that a re-orienting of development economics in this way would serve to re-open the debate, perhaps more radically, on what development is as well as its re-politicization and re-embedding within the society and the nature (Adaman, Devine and Özkaynak, 2007; see also Adaman and Madra, 2010). Despite the fact that there have almost always been dissenting voices within the field, in particular with regards to the notion of economic growth, they have largely been co-opted, contained or instrumentalized as we have argued elsewhere in this paper. Within this context, a new paradigm of development economics along the lines we suggest could function as a *conduit* of development paths other than those rely exclusively on capital accumulation. Such a re-orientation within development economics is a primary condition for the validation and strengthening of alternative imaginaries and experiences of development.

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