Debate

Gender Blindness and the Annulment of the Development Contract

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ABSTRACT

This contribution to the Forum Debate responds to Horner and Hulme’s analysis on the ‘rise of the South’, which they see as suggesting a dramatic redrawing of the global map of development and inequality. This response presents a critical South feminist perspective, informed by the lived realities of women in the South. It is based on a historical and political perspective that goes beyond income inequality to understand gender inequality in development within the persistent North–South divide.

INTRODUCTION

We enter the debate triggered by Rory Horner and David Hulme’s article in this issue of Development and Change as South feminists who have been tracking and critiquing mainstream global development ideas, theories, discourses, policies and programmes for more than 30 years. This article builds on different analyses from the Southern network Development Alternatives for Women in a New Era (DAWN), including Bidegain et al. (2016); Sen (1997); Sen and Durano (2014); Sen and Mukherjee (2014); and Taylor (2000). The three authors of this contribution play an active role in DAWN as members of its Executive Committee (Cecilia Alemany and Corina Rodríguez Enríquez) and Board (Claire Slatter). DAWN is a network of scholars and activists with a long record of producing evidence-based

This article is a response to the contribution by Rory Horner and David Hulme ‘From International to Global Development: New Geographies of 21st Century Development’, which appeared online in December 2017 and is included in this issue. The authors would like to thank Gita Sen for her helpful contributions to the introductory section of this article. They also acknowledge the comments of Amrita Chhachhi and other members of the Editorial Board, and the anonymous referees.


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research and analysis and engaging in advocacy to challenge and change global thinking and policy making to advance the realization of human rights and economic, ecological and gender justice. We bring to the debate a critical South feminist perspective, informed by the lived realities of women in the South.

This article is organized in four sections. We first analyse Horner and Hulme’s main argument and then present our own response and that of DAWN. The third section highlights the major silence of Horner and Hulme in terms of gender equality, while the fourth and final section makes the argument that development and social contracts are still needed if such inequality is to be challenged.

HORNER AND HULME: THE MAIN ARGUMENT

Horner and Hulme’s article takes as its starting point, ‘recent claims of 21st century global convergence and the “rise of the South”’ (p. 347) which the authors see as suggesting a dramatic redrawing of the global map of development and inequality. In their reading, convergence appears to be a largely positive phenomenon, reflecting improvements in income, education and health in the South. From a South feminist perspective, this interpretation is perceived as a partial reading of reality. While it is true that some in the South have become better off and some in the North have become worse off, this is not true across the board. Income and poverty data for the South are heavily influenced by the figures for China and, to a much lesser extent, India. In South America, for example, the first decade of this century was marked by progressive governments, income growth pushed by the demand from China for natural resources, and income inequality reduction. However, during the past four years these trends have stagnated. Thus, ‘convergence’ is heavily dependent on public policy emphasis on equality, on the one hand, and on the international prices of commodities, and sustained demand from the Chinese economy, on the other hand.

In many other parts of the South, income has not grown but has stagnated, while within-country inequality has soared (including spectacularly in China and India). Thus, instead of a benign convergence, increasing inequality reflects a different set of complex and difficult forces at play. As Sen and Durano argue in the DAWN book on remaking social contracts: ‘A fierce new world has been born — full of shaken premises, complicated contradictions, serious fractures, severe backlash, broken promises, and uncertain outcomes for the world’s peoples’ (Sen and Durano, 2014: 4–5). They delineate two periods since World War II — from 1945 to the early 1980s, and from the 1980s to 2008. ‘These two sub-periods differ in multiple dimensions — the nature of global capital accumulation and political economy, the associated policies, social movements, and social contracts’ (ibid.: 5). They see the period since 2008 as being marked by ‘great confusion and ambiguity
As we argue below, the fact that Horner and Hulme almost completely ignore gender inequality as a key element of overall inequality renders their thesis of convergence faulty, their reading of current trends incomplete, and the subsequent prognosis for the future partial at best. One of the existing international indexes that allows us to compare inequality beyond income is the Gender Inequality Index (GII) developed by the United Nations Development Programme (UNDP) and included in the Human Development Index. GII trends from the mid-1990s to 2017 show that, on average, the world has advanced in terms of gender equality, even if case by case we can find some exceptions to this trend. However, in general terms, the pace of these advances is slow and heavily reliant on public policies and social and cultural change. Cross-referencing data on gross domestic product (GDP) per capita with GII ranking¹ shows that countries with the lowest levels of gender equality are also among the poorest in terms of GDP. In other words, the most unequal countries in terms of gender equality are developing countries, while richer developed countries have better GII scores. Similar calculations have been made by Sen and Mukherjee (2014: 191) for 2011 GDP and the Global Gender Gap Index.

The extensive literature on ‘gender and development’ and ‘gender in development’² — all too often, it seems, read seriously only by women — points to the stark differences in the ways in which macro forces such as globalized financialization, technological revolutions, climate change, war and violence affect women and men. These forces differentially shape lived experiences, sometimes conflicting with but more often reproducing gendered inequalities in work, incomes, resources and power. We see little convergence here, either within the South, or between South and North.

Horner and Hulme synthesize the literature on what they term ‘shifting geographies of development’, highlighting evidence of the economic, social and environmental dimensions and ‘converging trends between North and South when taken in aggregate’ (p. 349), and raising questions about the implications of this for ‘where’ development attention should now be focused. They go on to argue that the new geographies of development ‘challenge, now more than ever, the North–South binary [of rich North/poor South] underlying international development’ and conclude that there is a need, ‘now more than ever, . . . to move towards a more holistic global [as opposed to international] development — where the global South remains

² Examples include Elson (2010); Kabeer (2005); Parpart et al. (2000); Sen (1997); Sen and Durano (2014); Sen and Mukherjee (2014); Taylor (2000).
Debate: The Annulment of the Development Contract

a key, although not exclusive focus’ (p. 347, emphases added). The subtext appears to be that countries of the global South no longer require or merit special commitments from countries of the North in terms of development cooperation, and should no longer be the sole beneficiaries of development financing. This subtext goes hand in hand with traditional funders’ emerging discourse of the need to include their own funding in their private sector initiatives in the global South as an integral part of official development assistance (ODA).

From the global South, this is perceived as a problematic way to achieve the 0.7 per cent of gross national income (GNI) which the countries of the Organization for Economic Cooperation and Development (OECD) have pledged as their ODA contribution — an obligation that only four countries (Sweden, Luxembourg, Norway and Denmark) achieved in 2017, according to OECD preliminary data (OECD, 2018: 21). In this sense, Horner and Hulme’s analysis may be perceived as a strong argument in support of the emerging trend of ODA privatization led by many traditional funders. Ironically, this could dovetail with the interests and practices of one of the emerging Southern donors: China.

China is fuelling a breakdown in the nature of what used to be known as ‘development cooperation’ through an emphasis on purely ‘economic cooperation’, where profit and public funding come together, positioning investment, trade and infrastructure at the centre of this form of cooperation. State corporate capture under different economic models is undermining the public/non-profit dimension of development cooperation. In development and economic cooperation, the North–South divide persists for all developing countries with the exception of China.

Horner and Hulme present evidence of convergence across three dimensions — economic, social and environmental — of which the strongest evidence appears to be economic. Among the economic indicators cited are high economic growth rates in emerging economies of the South; the fall in total numbers and share of the world population living in extreme poverty; the reduction by half in the share of the world’s countries officially designated by the World Bank as low-income; the growing share of global GDP accounted for by the aggregate group of countries designated as middle-income countries (MICs) and low-income countries (LICs); the emergence of a global middle class and a global ‘precariat’; the growing number of developing country citizens in the top 1 per cent income bracket, and their increasing representation in Forbes’ Billionaires List (37.1 per cent in 2016); and, last but not least, evidence of declining between-country income inequality, alongside rising within-country income inequality in both the global North and the global South.

Indicators of the social dimensions of convergence between high-income countries (HICs) of the North and MICs and LICs of the South include improved human development indicators in the South in education (specifically, literacy and years of schooling) and health (life expectancy,
infant and maternal mortality rates). Although certainly not an indicator of improved human development, dramatically changed disease patterns in the South are also cited as evidence of convergence, with MICs and LICs accounting for an overwhelming majority of deaths from non-communicable diseases, often termed ‘lifestyle diseases’, which were previously associated with richer, developed countries. Horner and Hulme note, however, that substantial inequalities remain between HICs and MICs/LICs in relation to the treatment of cardiovascular conditions and cancer, as well as pain control and palliative care.

Environmental evidence of convergence is focused on data on declining differences in carbon emissions between the global North and global South. Total carbon emissions from LICs and MICs (to which China, India and Brazil have contributed significantly) have, since 2013, exceeded those of HICs, and total annual carbon emissions from Asia are now as high as those from Europe and North America combined, suggesting ‘a new geography of global emitters’ (p. 360) of carbon dioxide. By contrast, per capita carbon emissions show divergence: in the HICs, consumption-based emissions are higher than those of LICs and MICs, the latter being marked more by production-based emissions.

From these statistical analyses, Horner and Hulme suggest a closing of the development divide. Consequently, they propose a shift from a preoccupation with ‘international development’ to a focus on ‘global development’, meaning a shift from a North–South development relationship to a more inclusive, global development focus. They argue that a similar adjustment is evident in the Sustainable Development Goals (SDGs), which moved beyond the Millennium Development Goals’ (MDGs) exclusive focus on developing countries. They specifically suggest dropping the nomenclatures ‘Third World’, ‘global South’ and even ‘developing countries’, citing the World Bank’s declaration (in April 2016) that it would no longer distinguish between developed and developing countries in its World Development Reports as proof of the redundancy of these ‘spatial’ categories.

DAWN’S RESPONSE

While Horner and Hulme’s article makes very interesting reading, we take issue with some of the authors’ simplified, if not North-biased, explanations, as they appear to gloss over or discount historical relations between the North and South. We also challenge their complete silence about the interlinkages between economic justice and gender justice. As feminist economists have already argued in relation to Piketty’s intervention in the debate about inequality, greater attention should be given to the social relations by which inequality is produced and reproduced (including gender relations), as well as to the fact that inequality is differently experienced
In terms of the historical perspective, Horner and Hulme explain the initial surge in income inequalities between countries (namely between North and South countries) in the 19th century as arising from ‘innovation in Europe and its offshoots (North America, Australia and New Zealand) and the very significant influence of colonialism’ (p. 349). This throwaway reference to colonialism in relation to the economic advancement of the North vis-à-vis the South downplays the massive wealth extracted from regions of the South in the period of European mercantilism and subsequently during the long period of European colonial subjugation and rule of countries of the South, which kick-started industrial capitalism in England and Europe.

The cumulative result of the subjection of regions of the South to centuries of plundering, dispossession, resource extraction and labour exploitation and, in India’s case, armed trade, deindustrialization and forced conversion into a market for British industrial exports, was underdevelopment. Africa’s colonization, which came later — and after 300 years of a highly profitable slave trade — left the continent ‘territorially fragmented’ and ‘ruled by foreign powers directly to facilitate the extraction of wealth wherever possible’ (Lines, 2008: 34). Any explanation of the ‘different trajectories of the two groups of countries’, and the resulting ‘divergence, big time’ (Horner and Hulme, p. 349) is surely incomplete without recording this history. Five centuries of genocide and gold and silver extraction in South and Central America were a strong basis of accumulation in Europe; 400 years of slavery certainly contributed to economic growth in the United States. Australia’s and New Zealand’s agricultural economies expanded less by innovation than by the considerable soil enrichment through phosphate, obtained through rapacious strip-mining of guano from the then British Protectorates of Ocean Island and Nauru. Not only did the mining remove top soil, leaving large parts of both islands uninhabitable, it displaced the entire population of Ocean Island and ‘retarded development’ in Nauru (Pollock, 2014).

For evidence of contemporary convergence, Horner and Hulme are overly reliant on aggregate income statistics and country groups defined by the World Bank and based on their assumed credit repayment capacities linked to GDP per capita. Aggregated data from income country groups is at least as reductionist. Many would argue that the international financial system and the traditional ‘aid’ industry are founded in these categories, and Horner and Hulme are thus following the international standard. However, this doesn’t make them more accurate in terms of development. These categories have been forcefully questioned from the global South (Latin American countries have been vocal in this sense in United Nations fora and debates with the OECD). The main critique is that the categories undervalue other

3. For two feminist economists’ critiques on Piketty’s approach, see Moeller (2016) and Perrons (2014).
development dimensions: we could even argue that they run counter to any analytical effort that seeks to place inequality at the centre of its analysis.

Most attention is given by Horner and Hulme to a rather technical discussion of evidence of declining between-country inequalities and rising within-country inequalities. Controversies around income measures such as the Gini index are well known. From a feminist perspective, it is important to highlight that any analysis of inequality that relies only on monetary indicators fails to consider the very structural issue of unpaid work and social reproduction. As we elaborate below, time use surveys across the globe prove how unequal the distribution of care work remains. Convergence trends are challenged when we include this dimension in the analysis, given the differences in social organization of care between countries, and most notably between care policies in some countries in the North versus many countries in the South. In brief, inequality cannot be fully understood without considering the huge gap between ‘those who care for people and those who manage money’ (Perrons, 2014: 667).

We agree that the inequality map is certainly being redrawn, given the pronounced inequalities that have recently emerged within countries of both the North and the South, with the common disturbing feature of extreme concentrations of wealth in the hands of a very small minority. But we do not agree that the development map has thereby been redrawn. The new geography of inequality in relation to within-country inequalities has not occurred naturally or through an immanent process triggered by ‘growing economic globalization’. It is rather the outcome of an economic dynamic supported by state policies that deliberately favour the wealthy, which Oxfam has termed ‘political capture’ (Oxfam, 2014), echoing the corporate capture of the state. Moreover, high economic growth rates and highly skewed income and wealth distribution signalling the enlargement of the middle class do not provide evidence in themselves of development, unless they are accompanied by structural change and include economic redistribution.

The extremes of income and wealth inequality now seen in countries in both the North and the South have resulted from the systematic global implementation of laws and policies favouring corporate interests and wealthy classes at the expense of the rest of society, and especially workers, small farmers, those in the informal sector, women and other marginalized groups. This has happened even in countries where social policies had already resulted in poverty reduction and enlargement of the middle class. The ancestry of policy rigging in favour of big business and the wealthy can be traced to the Washington Consensus approach peddled for 30 years by the World Bank and International Monetary Fund, which together advocated and — with the support of national economic and political elites — oversaw the implementation of neoliberal polices aimed at rolling back the state, privatizing state-owned enterprises, deregulating economies and labour markets, liberalizing trade and incentivizing investors, based on the rationale that the private sector is the engine of growth.
Across the globe, policies biased towards wealthy classes and corporations have shockingly become the norm. Tax cuts, tax exemptions, taxation loopholes that facilitate tax evasion, excessive rewarding of innovation, celebrity sponsorship and CEOs, together with celebrations of the ‘success’ of billionaires, have encouraged and facilitated unprecedented concentrations of wealth in the hands of a tiny minority. Oxfam’s revelation of the staggering statistic that, in 2016, the eight richest men in the world owned the same amount of wealth as the bottom half of the world’s population, who number 3.6 billion (Oxfam, 2017), is mentioned in passing by Horner and Hulme. No mention is made of the trillions of dollars hidden in financial secrecy jurisdictions by the wealthy in both North and South, despite the fact that this represents not only untaxed wealth, but also lost state revenue for social provisioning and investment in public goods. This loss of revenue has far more serious implications for countries of the South. While the SDGs agenda agreed by the United Nations in 2015 is seen as a means of moderating inequalities (Alemany, 2017), and while no one would disagree with any of the goals, the dominant economic model and its underlying ideology remain intact, and with them, the uncertain outcomes for the world’s peoples alluded to by Sen and Durano (2014).

The privileging of private business and investors appears to have reached its zenith, with big corporations today enjoying the power to sue states under investment agreements most often concluded with developing states hungry for investment, including in environmentally destructive extractive industries. At the same time, private investment opportunities in developing countries have greatly expanded over the years through the mechanisms of development consulting and contracting for HIC-funded development work, as well as through private sector development financing and often costly public–private partnerships.

The lack of convergence on this point is very well expressed by the reluctance of developed countries to move towards a more democratic global financial architecture. For instance, during negotiations on the Addis Ababa Action Agenda on Financing for Development under the United Nations, developed countries systematically opposed the possibility of creating a UN body on taxes that would help to fight against illicit financial flows, a root of between-countries inequality, as well as an additional source of deepening gender inequalities (Bidegain et al., 2016). In the very recent 4th session of the open-ended intergovernmental working group on transnational corporations and other business enterprises with respect to human rights, the European Union refused to enter the conversation and the US did not even send a representative to the meeting.4

4. For the European Statement to the working group, see: www.ohchr.org/EN/HRBodies/HRC/WGTransCorp/Session4/Pages/Session4.aspx. For the feminist position regarding the need of a binding treaty for transnational corporations, see: http://dawnnet.org/publication/womens-rights-beyond-the-business-case-ensuring-corporate-accountability/
Other dimensions of inequality between the North and the South that go unmentioned in Horner and Hulme’s article include several decades of net transfers out of the South through debt repayments; illicit financial flows through trade mispricing, transfer pricing and repatriation of profits by transnational companies; power imbalances in multilateral institutions like the World Trade Organization and inequitable trade rules that favour multinational interests; and, not least, the combined military might of the global North as evidenced in the US and NATO’s destructive interventions in the Middle East.

Horner and Hulme cite Chancel and Piketty’s (2015) estimate of the combined emissions of Western Europe, North America, Japan and Australia only accounting for 50 per cent of all emissions since the Industrial Revolution. However, as Chancel and Piketty have themselves shown, much depends on how emissions are calculated, as they also propose a new approach of calculating on an individual (rather than country) basis, which then identifies rich Americans, Europeans and Chinese as the main emitters. The North/South divide on the issue hinges, amongst other things, on ‘right to development’ arguments from Southern states. There is a particular inequity and injustice in Pacific Small Island Developing States (PSIDS) and other SIDS, which have contributed the least carbon emissions, now being faced with existential threats from climate change induced sea-level rise, with very little power to influence either the US to comply with the Paris Agreement, or Australia to abandon its production and export of coal.

GENDER EQUALITY: A MAJOR SILENCE IN HORNER AND HULME

From a feminist perspective, Horner and Hulme’s substantive overview of statistical data unfortunately misleads them into taking a narrow focus on development trends in a globalized world. Aside from the fact that average measures and conventional indicators may hide specific and relevant dimensions of development, where convergence might be less clear and divergence more profound, it is impossible to provide a proper understanding of inequality trends without taking gender inequalities into account. There is, however, no consideration at all of this historically significant dimension of inequality in their paper. Gender equality is mentioned only once (on p. 370) and then only in reference to the highlighting by Sachs et al. (2016) of several challenges for HICs in respect to progressing the SDGs. In this section, we provide a few illustrations of how considering gender inequality enables a more nuanced and a more holistic understanding of persisting inequalities, both within countries and between countries of the North and South.

We recognize that overall there has been some progress in improving women’s lives in the global South, and that this might be shown to have
narrowed gender gaps between Northern and Southern countries. Gender equality convergence, however, is still a long way off. It remains a long-term development goal as progress in many South contexts has taken place at a snail’s pace, slowed by organized resistance from religious extremists, cultural fundamentalists and elected right-wing governments virulently opposed to human rights, as well as frequent backlashes and the challenging and disabling contexts of ongoing conflict and war in many places. There have been incremental gains related to women’s participation in the economy, society and politics, but in some cases progress has stagnated, and even reversed.

Access to economic resources is a key element in advancing human development, and participation in the labour market is the preferred way of accessing monetary income. While statistics show a progressive improvement in women’s labour participation over the last half century, this progress has been uneven, and non-existent in some regions. UN Women (2016: 75–76) records an actual decline in women’s labour participation globally between 1990 and 2013 from 52 per cent to 50 per cent. This aggregate decrease hides an increase in women’s labour participation in developed regions (from 49 per cent to 53 per cent) as well as a more significant decrease in some developing regions, such as South Asia (from 35 per cent to 30 per cent) or East Asia and Pacific (from 69 per cent to 62 per cent).

Even in regions where women’s labour force participation increased substantially, the gender gap remained very high. This is true of Latin America and the Caribbean, where women’s labour force participation grew from 40 per cent in 1990 to 54 per cent in 2013, but still trailed men’s labour force participation rate by 26 per cent. In the Middle East and North Africa (the MENA region), the gender gap is even more pronounced. Despite a modest increase in women’s labour force participation from 20 per cent to 22 per cent, it remains 53 per cent lower than that of men.

While the deterioration in quality of work and the rise of a precariat is a world-wide experience, there are substantive differences between regions, reflective of gender bias. In Europe, where formal jobs are the norm, women’s participation in formal jobs is higher than men’s (79 per cent compared to 71 per cent). In South Asia (SA), however, women’s participation in formal employment is as low as 5 per cent (compared to 10 per cent for men), and in sub-Saharan Africa (SSA) it is 11 per cent (compared to 17 per cent for men).

The ‘other side’ of the world of work is unpaid care work, which is even more gender biased. While empirical data do not provide sufficient evidence of trends, ILO estimates suggest that changes in this regard have been even

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5. As shown in UN Women (2016: 76, Fig 2.1), men’s labour participation rate has also declined (from 81 per cent to 77 per cent), meaning in fact a very small reduction in the gender gap. In spite of this slight narrowing, the gender gap remains as high as 27 percentage points.
slower (ILO, 2018: 69). ILO (ibid.: 54) confirms that women spend more
time in unpaid care work than men in each and every region, although the
gaps are different:

[ranging] from 1.7 times more in the Americas, 2.1 times more in Europe and Central Asia,
3.4 more in Africa, 4.1 times more in Asia and the Pacific, and to up to 4.7 times more in the
Arab States. As a result, in every region, women dedicate less time than men to paid work:
the paid work women–men ratio ranges from 0.16 in the Arab States, 0.56 in Europe and
Central Asia, 0.57 in Africa and in Asia and the Pacific, and up to 0.65 in the Americas.

Women’s care work burden remains a substantial barrier for their partic-
ipation in the labour market in developing countries. As ILO (ibid.: 84)
reveals, in low-income countries, 35.3 per cent of ‘inactive’ women declare
that unpaid care work is the main reason for being outside the labour force,
and this percentage increases to 46.7 per cent in middle-income countries.
By contrast, in developed countries only 19.6 per cent of ‘inactive’ women
identified unpaid care work as the main reason for not participating in the
labour market.

Public policies are very relevant in explaining persistent gender gaps in
labour participation and unpaid care work, and the differences in this regard
between developed and developing countries are substantial. For example,
while all European countries offer paid maternity leave for women, funded
by social security, only 24 per cent of countries in the MENA region and 29
per cent of South Asian countries are estimated to have similar schemes (UN
Women, 2016: 88, Fig 2.6). Access to early childhood education (and child
care) as well as care services for elderly people and people with disabili-
ties also varies widely — both in coverage and quality — across regions,
and particularly between countries of the North and South (ILO, 2018:
Ch. 3).

Besides the importance of employment opportunities and access to in-
come, another factor in explaining continued gender gaps in human devel-
opment is access to wealth. Inheritance laws are relevant to reversing gender
inequality, and here too, differences remain between economic regions.
While 100 per cent of developed countries had moved towards legalizing
equal inheritance for sons and daughters by 1990, that percentage was lower
in the vast majority of developing countries, with figures of 69 per cent in
SSA, 17 per cent in SA, and 0 per cent in the MENA region. By 2010, the
MENA region had maintained this astonishing record of rights deprivation,
while SSA had improved by just 1 per cent, and SA had seen the biggest
improvement, from 17 to 33 per cent (UN Women, 2016: 31, Fig 1.2). It
is also important to recognize that gender inequalities intersect with other

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and 2012, time spent by women in unpaid care work decreased only slightly, from 264 to
249 minutes, while the share of total unpaid care work remained almost unchanged, falling
from 63 per cent to 62.8 per cent for women, and increasing from 37 per cent to 37.2 per
cent for men.
inequalities and that most gender gaps — in labour participation, access to income and wealth — are further enlarged when combined with issues of race, ethnicity, class, caste, geographical location or origin, migrants and/or rural people, or the LGBTIQ community.

Austerity policies that reduce public expenditure, slow down economic recovery and shrink welfare institutions, while promoting expanded export production and liberalized trade, offer a partial explanation for the reduction of inequalities between countries: improved earnings and income in the South, eroded living standards in the North. A deeper understanding of the drivers of growth trends in the South requires consideration of their sustainability. In Latin America, drivers of GDP and income growth over the last decade were high commodity prices and natural resource-based export-led strategies with very low locally added value. The fall in commodity prices brought this period of growth to an abrupt end. Any strategy based on destructive natural resources extraction is intrinsically limited and short-sighted as a development strategy. As such, for at least some developing countries, continuing on a steady path of economic growth with the goal of increasing incomes and standards of living will remain an ongoing challenge.

In many cases, reductions in poverty and income inequality within developing countries have been mainly due to specific social policies rather than a direct result of economic dynamics alone. In this context, conditional cash transfer programmes (CCTs) have played a role, at least in some regions. For example, in Latin America, the number of CCT beneficiaries increased from under half a million in 1996, to 131.8 million in 2015, that is, 20.9 per cent of the total population of the region (Cecchini and Atuesta, 2017). Notwithstanding differences between countries, the impact of these transfers in reducing extreme poverty has been substantial and is broadly claimed as a successful strategy (World Bank, 2009), although there have been critical feminist analyses of the hidden costs of cash transfers including in burdening women with responsibility for family and social well-being (Cookson, 2018; Tabbush, 2010). Public budget limitations in the context of declining economic growth and austerity policies may also challenge the impact of these programmes by restricting coverage and/or reducing benefits. As Cecchini and Atuesta (2017) confirm, coverage of CCTs in Latin America has been stagnant and even declining since 2009. This might have a specific gender impact, given the feminization of poverty and the coverage of these programmes. A change to these policies, together with the reversal of the long cycle of economic growth in the region, might challenge the trend towards convergence.

Finally, convergence based on a more precarious situation in the North is explained not only by the declining economic performance and weakening welfare systems of developed countries, but also by their difficulty (or lack of political will) in addressing global social problems such as migration and the refugee crises. Migrants’ working conditions are characterized by poor
wages and low (if any) social protection, which has the effect of lowering overall social and labour indicators (ILO, 2017). Feminization of migration suggests a gender bias in this trend (Deere et al., 2015; Kaur, 2013; Pedraza, 1991; Rodríguez Martínez, 2004).

CONCLUSION: DEVELOPMENT AND SOCIAL CONTRACTS ARE STILL NEEDED

The aim of this response is to challenge Horner and Hulme to rethink the new development geographies they have theorized, to expand their purview beyond the narrow confines of income grouping and statistics produced by mainstream financial institutions, and to incorporate other aspects, including historical dimensions of inequality and disadvantage within and between households, countries and, not least, between North and South. We have highlighted Horner and Hulme’s lack of attention to the gender dimension of inequality, despite its centrality to a holistic understanding of inequality, including between-country inequalities. Focusing only on measures of income inequality also hides the considerable contribution of unpaid care work to the production of income and wealth, as well as other dimensions of inequality, such as time poverty, which is often absent in analyses of poverty reduction in the South.

We worry that Horner and Hulme may unwittingly be playing into a political objective to end the long-established non-reciprocal relationship between developed countries of the global North and developing countries of the global South founded on development assistance. This relationship may be understood by many in the North as having originated as ‘a post-colonial project of rich countries aiding poor countries shaped by a moral geography of charity’ (p. 371). A more honest reckoning (which is indeed alluded to by Horner and Hulme) would see it as having been inspired by conscience, or at least an implicit acknowledgement of the considerable wealth accumulated by the global North through colonial plunder, occupation, dispossession, extraction of natural resources, enslavement and exploitation of labour in all regions of the global South (in some regions for more than 400 years): in short, as the obligation on Northern states to provide recompense to countries of the global South for their systematic underdevelopment. Gita Sen long ago termed this the ‘development contract’ (Sen, 1997: 13).

Advocates of neoliberal economics, however, critique ODA; most OECD countries have failed to meet their 30-year-old commitment to raise development aid to 0.7 per cent of GNI; traditional funders have been increasingly aligning aid to their foreign policy and trade interests; and billions of dollars of official aid money are in fact paid out to big companies in rich countries that are contracted to supply materials and technical assistance or carry out development work (Eurodad, 2011). None of this is really surprising given the underlying premise of neoliberalism that individuals are responsible for their own well-being — that no one owes anyone else a living.
The present extreme level of global wealth inequality, and the deliberate policies through which this has materialized, call us to refute and challenge such a premise and to assert that the global South is indeed owed a living, and a right to development. The trillions of untaxed dollars hidden away in secrecy jurisdictions could be considered a form of theft. From where we stand, the North–South divide persists, and developed countries’ obligation to cooperate with developing countries as agreed in the UN is still pertinent. We agree with Atkinson (2016: 321) who goes further and proposes to increase developed countries’ ODA commitment levels from 0.7 per cent to 1 per cent of GNI as part of inequality reduction strategies.

We understand the global South as a relevant definition for development, and as a political category, accepting that China occupies a different position as one of the major economies. As Taylor (2000: 47) points out, ‘while the notion of the South emerged in relation to the dominance of the North’, it was and continues to be ‘more than a geographical location’. Moreover, ‘the South, as an ideological construct emerged as an alternative development direction based on the need for self-definition and as a way of asserting a people-centered position within the dominant global system’. Almost two decades after Taylor’s analysis, we point to the power imbalances that remain between developed countries and developing countries in bilateral and multilateral negotiations and in international financial institutions, and to the power imbalances between transnational corporations — generally from developed countries — and the states and citizens of developing countries. States in the global South and citizens’ organizations in both the global North and global South must continue to campaign for the implementation of a UN tax body, and for a binding treaty on transnational corporations and human rights. States in the North should support and not block these processes, as proof of their willingness to work towards real convergence.

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Debate: The Annulment of the Development Contract


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