

Dueling Development Visions: Shaping the World Bank for the Future

SUBMITTED BY [MICHAEL WOOLCOCK](#) ON FRI, 2012-04-13 10:36
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As candidates for the presidency of the World Bank have been the focus of attention in recent weeks, divergent views have been exchanged regarding what 'development' actually is, how it should be conducted, and how efforts to bring it about should be assessed. Beyond the geo-strategic issues, how these questions are answered inexorably shapes what kind of leader one thinks should head up the world's largest multilateral development agency, what kind of agenda that agency should pursue, and what kind of skills its staff should have.


One can easily oversimplify differences, or render them more rigid than they often are, but answers to each of these questions can be usefully juxtaposed. The key issue is both simple and profound: What do we think 'development' actually is? Since the inception of the Bretton Woods institutions in the aftermath of WWII, answers to this question have steadily evolved, responding to and driving significant changes in practice. Traditionally, however, and for many still today, the core business of development is the construction of systems – building the physical and institutional infrastructure that defines a 'modern' economy and society. When we say that France is 'more developed' than Gabon, we mean, *inter alia*, that France's economic wealth is based on productivity growth, that its political life reflects the prevailing preferences of its citizens, that its society (at least in principle) confers equal rights, responsibilities and opportunities to all, and that administrative procedures are conducted in accordance with rational rules, consistent precedents and professional meritocratic norms.

This is the vision of what we might call Big Development. Facilitating this four-fold transformation requires wholesale investments in roads, ports, agriculture, education, justice, finance and public health—and, crucially, the corresponding government ministries to plan, fund, implement and assess it all. Even if governments don't actually provide these services, they are inescapably responsible for them; and while the state may be 'weak' today, the core development task is to steadily enhance its capability tomorrow, since modern life requires organizations to perform tasks that are ever more complex, logistically and technically. The private sector, of course, will also be a major part of this process, but to function effectively markets too require a coherent package of consistent and legitimate institutional arrangements ensuring that the interests of elites, entrepreneurs and everyday citizens align. This was how the poor countries of South Korea, Botswana and Chile circa 1962 steadily became the more prosperous, democratic and inclusive countries of South Korea, Botswana and Chile circa 2012, and how Western countries before them did likewise (albeit over a much longer time frame). In short, Big Development seeks to build national systems, takes a medium-run and holistic view of the change process, and measures its success (or lack thereof) against societal benchmarks.

In recent years, however, a rather different view of development has emerged, one which we might call Small Development. Inspired less by transformational visions of entire countries and more by the immediate plight of particular demographic groups (AIDS orphans, child soldiers, 'the poor') living in

particular geographic places (disaster zones, refugee camps, urban slums), Small Development advocates focus not on building systems in the medium run but on compensating for the failure of systems in the short run. 'Development' thus becomes an exercise in advocacy, in accurate targeting, in identifying particular 'tools' that 'work' (but where the criteria for actually assessing this is inherently loose). Progress is thus measured by enhancements in the welfare of individuals (i.e., those people that are the particular targets of concern), and the attainment of 'development' is determined by aggregating these individual measures to larger (but arbitrary) units of analysis, such as cities, countries or regions. The moral animus driving Small Development is the real and present 'needs' of the groups in question; building 'systems' is all well and good, advocates contend, but it's slow, imprecise, indifferent to context, prone to corruption, and in the meantime people are dying. We need to act now! For critics of Small Development, however, such activities amount to little more than 'charity work'; it is noble and laudable work, to be sure, and is certainly difficult and often dangerous, but its net transformational effects are, well, small. Poor, marginalized individuals may have become less poor (or more 'empowered') individuals as a result of such efforts, but it's not how any poor, autocratic and divided country became a prosperous, democratic and inclusive country.

These two visions of development are not incompatible, and reasonable people can cast their lot with either one. But the distinction between them matters and has significant consequences for how priorities are assigned, how resources are allocated, and difficult decisions are made. Moreover, it is clear that the World Bank's history, mandate and comparative advantage lies more with one vision than the other. It is the task of the future president to appreciate this difference, to respect this history, and to harness the strengths of both approaches while recognizing and mitigating their real weaknesses.

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[Seems like "Small D" vision was already picked for us, no?](#)

SUBMITTED BY APRIL ON FRI, 2012-04-13 13:02.

This issue is important to all that we do. Thanks for putting it out there, and so eloquently.

These two visions have distinct implications for the content and focus of health development assistance (which you allude to, indirectly when you mention the pressure to save people now).

The Small D vision wrt health aid is congruent with assistance that is...well, I guess I'd say "humanitarian". The aid results that count are health improvements achieved during a project's tenure (reduction in deaths from X disease, whether counted directly or modelled based on how many bednets distributed, or people with TB treated). And, results would count regardless of how the activities were

implemented; it could be that INGOs did a lot of the heavy lifting or the UN, or the local supply chain and service providers. No matter.

The big D vision wrt to health aid is congruent with a "health system strengthening" focus. During the life of a project, such aid could aim to shift some important process indicators (improving the indigenous capability of the supply chains for medicines and health products; or the operational effectiveness of clinics or hospitals). Or a project might help nudge the local financing system onto a slightly better footing; perhaps it could reform and strengthen the capacity of public sector drug procurement to bring down prices and reduce leakage. Only results implemented within the local system would count. Most of the (downstream) health improvements would emerge over time - after the aid project ends. In case anyone is rusty on the World Bank's health strategy, we try to focus on Big D/ "systems strengthening". Yes, I am oversimplifying. But the point is, Dr Kim, the US nominee for WB president is an ardent advocate and practitioner of "Small D" assistance in health (the humanitarian kind). And, he has contributed to amazing accomplishments in this space. He is on the record in rejecting Big D development (I am referring to the comments on growth in "Dying for Growth"; you can see him explain what's wrong with focusing on trade-offs and sustainability in the context of health aid in this 2009 talk at Boston University <http://www.youtube.com/watch?v=QAft7cbWSjo>). My aim is neither to criticize nor endorse this position. Nor am I speculating on the positions he would take as president on Small D vs Big D visions for the WB. I am suggesting it is likely the US administration's nomination of Dr. Kim reflects a desire to push the WB in the Small D direction.

- [reply](#)

a sharp contrast

SUBMITTED BY PASHLEY1411 ON SAT, 2012-04-14 21:37.

Small development takes off the table the political and cultural reasons for poverty and impoverishment, and renders existing political structures, and the elites who run them, off the hook.

There are reasons for doing so. If, for example but by no means the only example, you put the Cuban Communists, their economic theories and bureaucratic practices, under the spotlight, the means for reach the Cuban people will be withdrawn, and the outside world loses a bridge to ameliorate the lives of Cubans. The human race suffers.

On the other hand, much of what we think of development; infrastructure, capital, knowledge and best practices, supportive and a less kleptocratic government, goes away as well. It would be curious whether Kim considers human progress and raising living standards, lets say in the mid-20th century sense of the term, as an artifact no longer worthy of our attention?

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A welcome shake up?

SUBMITTED BY ANONYMOUS ON SAT, 2012-04-14 23:15.

The orthodox world banker in me agrees with you. For the inner contrarian though, a kim presidency offers not so much a predicable shift towards small d development but the prospect of a welcome shake up the likes of which can occur when world views collide.

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The need to balance small D with big D

SUBMITTED BY [SETH KAPLAN](#) ON MON, 2012-04-16 14:37.

The reason why small D has become so important in recent years is more due to changes within the donor community than to any intellectual revolution within developing countries.

After all, the most successful developing countries over the past few decades have made as much progress as they have because they have got the big things right. China, etc. have focused on "the construction of systems – building the physical and institutional infrastructure that defines a 'modern' economy and society." They have worried much less about small D than donors.

Can we find any example of a country making similar--or at least substantial--progress with small D as its main focus?

I suspect not.

The current emphasis on small D has helped a lot of individuals live better lives--no small achievement. But by neglecting to make societies and states work better, it will eventually run up against diminishing returns. Unless governments are able to provide better schools, rule of law, transportation systems, and so on, the gains at the micro level will be slowed down by the stagnation at the macro level.

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Again, With the False Dichotomies!

SUBMITTED BY [GREGG GONSALVES](#) ON WED, 2012-04-18 07:13.

So, this debate about big v. small development imposes an either/or dichotomy on a complex set of issues.

I don't think it's fair or accurate to lump Dr. Kim or others of us working on issues around access to health services as devotees of small development.

The key point you all miss is that for years and years, some economists were and some still are hostile to certain kinds of interventions in developing countries, which would include antiretroviral therapy for AIDS and second-line treatment for TB.

The idea, yes, and this is a bit of a caricature, was that providing these kinds of things wasn't proper for the level of economic development that existed in many places. Poor countries had to get the basics down first, more advanced health care interventions should wait until health systems were functioning properly, simpler interventions were in place. The problem was that in the context of two raging epidemics (i.e. HIV and TB in Africa) this was all well and good except for the dead bodies piling up.

Those of working in AIDS do understand the critical issues that you call big development, which in health would mean building up public sector capacity, building health systems, financing mechanisms, good governance and public administration, in the larger context of economic growth. However, we don't see this as incompatible with the work we're doing, we see it as complementary.

In fact, what economists miss in the political economy embedded in all of this. AIDS has been a key way to intervene in health systems to establish mechanisms of accountability and incentives where they've been weak or non-existent. As Jonny Steinberg, the South African journalist has said, the AIDS movement has done something unheard of in his country--created a movement where patients expect

doctors to be on time, pills to be on shelves. The primary health care movement since Alma-Ata has struggled to create this grassroots movement, AIDS did it. This is not trivial: we can wait forever for the "right" thing to happen, but if opportunity knocks and we fail to answer the door because well, it's not all happening at the right place and the right time, then we're allowing our pre-conceived notions to stand in the way of moving forward.

In AIDS, we see all of this as a foot in the door, a way into the big development issues we also care about. Any closer look at what has happened in AIDS would see a broadening of the work to take on key issues around health systems strengthening early on (e.g. health care worker recruitment, training and retention; commodity supply chain management); public sector governance (e.g. the local and national level 'watchdog' groups, reports and analyses that have sprung up in many places), etc.

AIDS groups have even started to take on larger issues around corruption and constitutionalism (i.e. in South Africa) and moved beyond AIDS to state provision of other services (e.g. sanitation).

I think the way some have framed this discussion puts large and small development, though not incompatible, in competition, with small development as the wolf at the door, almost framed as a threat. If one thinks of both big and small development as both necessary, one can then begin to think about what mix of strategies are necessary for specific local contexts. It requires a situational analysis of what is technically necessary, but also a scan of the politics and institutions involved as well. I don't see the current fixation on big v. small, national v. humane development as helpful--it reduces complex issues to a Manichaeism that is useful for debate, but has little practical relevance.

- [reply](#)

The D/d distinction is hardly

SUBMITTED BY MWOOLCOCK ON THU, 2012-04-19 16:09.

The D/d distinction is hardly a "fixation", and my blog post explicitly recognizes their necessary complementarity. The distinction has been proposed in part to bring to the fore precisely the kinds of issues you highlight, namely that getting Big D to work rarely happens exclusively from the top down or at a particular "right time" in the development process, but from a range of innovative, persistent and sometimes forceful initiatives from small d actors/organizations, which make demands on (often fledgling, nascent) governments to do their job, in the process getting them to proto-Big-D capability faster than they would have otherwise. The strategic work of the AIDS community, at least as you've described it, is a nice instance of that dynamic (what Elinor Ostrom calls 'co-production') in action. Regrettably, however, many development actors remain deeply wedded to either D or d as both ends and means of development; as such, making the D/d distinction is a first step in trying to reconcile or bridge it. In that sense, I think it actually has great practical relevance. (PS. I am not an economist.)

- [reply](#)

The distinction is valid and has been noted by others

SUBMITTED BY MICHAEL CROSSWELL ON TUE, 2012-04-24 15:50.

This distinction is valid and helpful in understanding many of the debates on foreign aid and development, including those surrounding the MDGs. I saw it posed in a very matter-of-fact way in two

CGD discussion papers published in 2009; "The End of ODA.." by Severino and Ray (CGD Discussion Paper #167, March 2009); and "What is Poverty Reduction" by Owen Barder (CGD Discussion Paper #170, April 2009). Nancy Birdsall's introduction to the latter paper affirms the distinction by referring to her own work, which distinguishes between "transformation" (Big development) and "redistribution" (small development) as approaches to achieving the MDGs. The 1996 OECD paper that initially formulated the MDGs ("Shaping the 21st Century..") clearly viewed them as being achieved through "Big Development". Many (or most according to the CGD papers) now see them as being achieved through "small development". A 2009 review by Richard Manning ("Using Indicators to Encourage Development..") makes clear that agreement on the MDGs was achieved by "creative ambiguity" that essentially dodged the distinction.

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