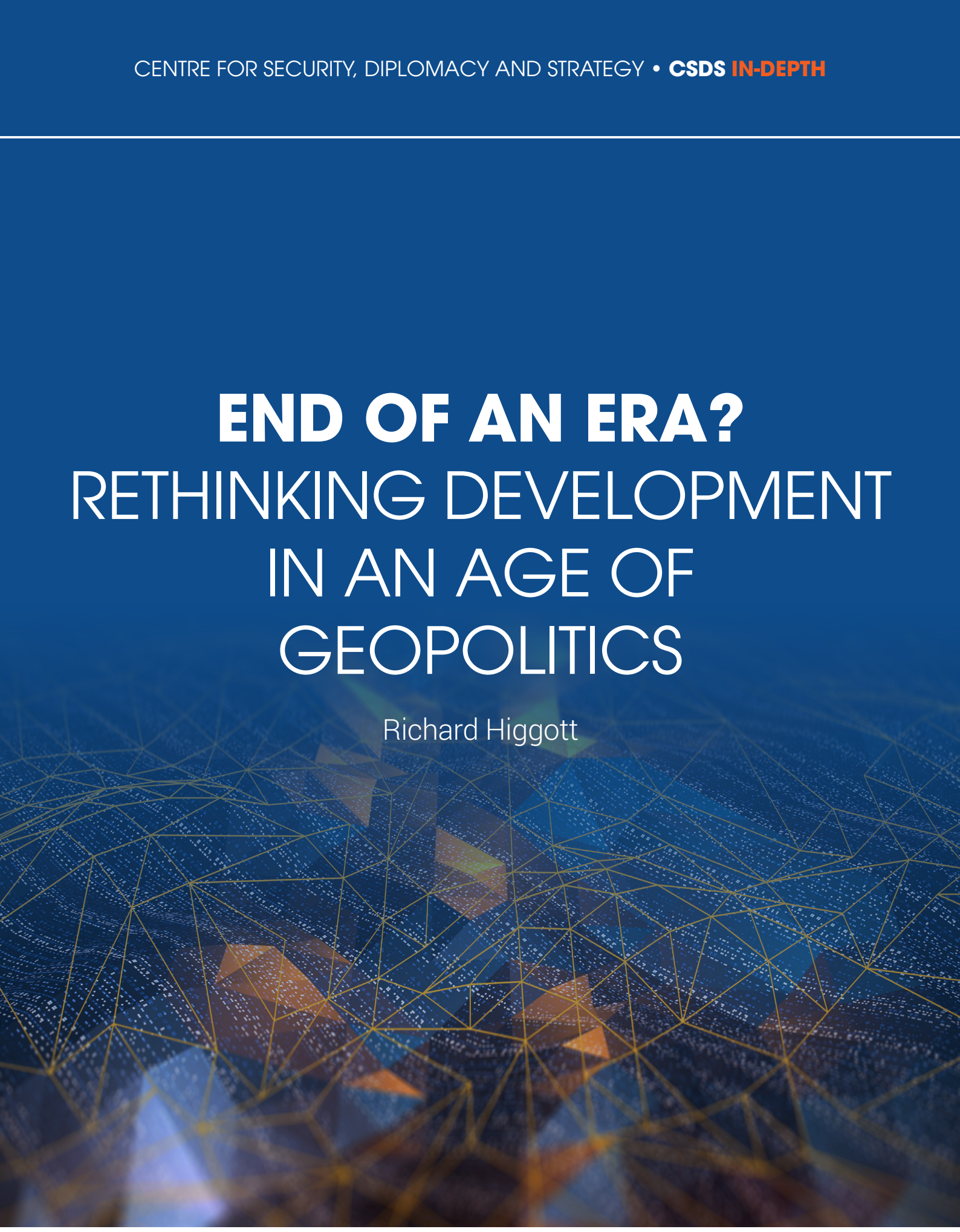
END OF AN ERA?
RETHINKING DEVELOPMENT IN AN AGE OF GEOPOLITICS

Richard Higgott



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Abstract

The paper identifies five phases in post-World War Two development thinking and practice. In the 20th century: 1) the early days of paternalist *modernisation theory*; 2) the age of the semi-dirigiste Washington and Post-Washington Consensus; and 3) the heyday of globalisation in which the resolution of the problems of developing countries were to be addressed as but part of a neo-liberal, market driven, economic orthodoxy. In the first quarter of the 21st century: 4) development becomes increasingly tied to the question of ecological sustainability to be addressed by the delivery of the Sustainable Development Goals; and 5) the final and current era – *the age of geopolitics* – where development and the interests of the developing countries have become increasingly squeezed, marginalised or even ignored in a bifurcating world order. This is an era and order in the grip of an emerging bifurcation between Transatlantic and Indo-Pacific worlds dominated by the US and China. It is a world that privileges the geopolitics of security rather than the economics of development. It is this fifth stage that is the focus of this In-Depth Paper.

Introduction

The urgency to secure a path to development and sustainability in the developing world grows more pressing with every year. Of the world's 8 billion people, 2 billion still live in absolute poverty – on less than US$5 per day – while 2 billion struggle on a daily income of US$12-100. Groups affected most are women, girls and racialised minorities. Of the extreme poor, half a billion are in Africa.[1] COVID 19, the war in Ukraine and exacerbating climate shocks contribute to undoing recent positive trends in poverty reduction. Those living in extreme poverty increased by nearly 100 million between 2019 and 2022. Moreover, if economic development can be thought of as 'the time it takes for incomes in developing countries to converge on those of developed economies', then that gap is expanding.[2]

There is a growing consensus that we face future climate catastrophe. Yet we are treating neither development nor sustainability with the immediacy they deserve.[3] In 2023, development and sustainability are clearly secondary to issues of security and conflict in an era of rampaging geopolitics. The global impact of the conflict between Russia and Ukraine is leading to continuous changes in the global landscape with negative implications for development.[4] These difficulties will be exacerbated by the October 2023 Hamas attacks on Israel and the subsequent Israeli responses.

The argument of this In-Depth Paper is that development and sustainability have been squeezed or even disregarded by a global order bifurcating between Transatlantic and Indo-Pacific worlds, and the United States (US) and China in particular. The world now privileges the geopolitics of security rather than the economics of globalisation and the precarious nature of the development process in what we euphemistically call the "Global South". But this attention deficit might be changing as the world's developing states articulate stronger individual and collective senses of awareness and develop political practices of their own in international relations. Presently, these positions are becoming more resistant to US-led understandings of international order than at any time since the end of the Cold War.

Conversely, while US declining influence has been accompanied by a dramatic growth in China's influence, it should not be equated simply with a quixotic shift by developing countries from one patron to another. We are seeing neither the retention of a unipolar order nor the emergence of multipolar world. Rather, we are witnessing the emergence of a "fuzzy bifurcation" of world order in which the interests and practices of states cross-cut in the search for greater autonomous action.[5] A strong characteristic of the contemporary order is that so-called middle powers and developing countries are becoming active players, exhibiting a less beholding attitude to either

1 Fendler, W., Kharas, H. and Caballero, J. "The Forgotten Three Billion", Brookings Institution. See: https://www.brookings.edu/blog/future-development/2022/10/21/the-forgotten-3-billion/#:~:text=The%20World%20Bank%20estimates%20that,only%202%20percent%20a%20year.

2 World Bank Data, cited in Martin Wolf, "The Global Economy is Listing but Resilient", *The Financial Times*, 11 October 2023. See: https://www.ft.com/content/5d4be3f8-decc-4f97-b4de-9f802d95d5f3?emailId=8da21137-5cec-42ad-bb56-0b1f246bd21a&segmentId=7d033110-c776-45bf-e9f2-7c3a03d2dd26.

3 Oxfam, *Inequality Kills, The Unparalleled Action Required to combat inequality in the wake of COVID 19*. See: https://oxfamilibrary.openrepository.com/bitstream/handle/10546/621341/bp-inequality-kills-170122-summ-en.pdf;jsessionid=896F53AD933846947D9895E241D37423?sequence=2 .

4 'Global Impact of the War in Ukraine: Billions of People Face the Greatest Cost-of-Living Crisis in a Generation', UNEP - UN Environment Programme, 9 June 2022. See: http://www.unep.org/resources/publication/global-impact-war-ukraine-billions-people-face-greatest-cost-living-crisis.

5 Higgott, R. and Reich, S. "The Age of Fuzzy Bifurcation: Lessons from the Pandemic and the Ukraine War," *Global Policy*, 13(5), September 2022. See: https://onlinelibrary.wiley.com/doi/10.1111/1758-5899.13141.

of the great powers.[6] This situation is affecting the nature of the developmental process in an age of geopolitics.

From the 20th to the 21st century: changing understandings of development, sustainability and geopolitics

The 20th century

"Development" has been an international agenda item from the time of decolonisation of the European empires after World War Two. The theory and practice of development went through a number of stages since then – from the eras of modernisation theory and the initial Washington Consensus through to the post-Washington Consensus embedded in the context of post-Cold War era neo-liberal economic – largely Hayekian – thinking about globalisation.[7]

The initial modernisation school exhibited an essentially liberal approach towards decolonisation and development. It sought to foster post-colonial industrialisation and create mixed economies inspired by examples from New Deal America and an emerging social democratic Europe.[8] At its most visionary, liberalism implied that a government's duty was to help its people overcome oppression for the sake of a better future. Exhibiting what now can be seen as excessively ebullient views of itself, modernisation theory eschewed a culture of non-rationalist particularism in favour of a Weberian rationalist diffusion of westernised knowledge, culture and technology that would see post-colonial states – courtesy of Walt Rostow – take off into self-sustained growth.[9] The structuralist dependency alternatives on offer at the same time, emphasising unequal exchange, generated little traction, other than of a rhetorical fashion, in international policy circles.[10]

However, both the normative principles and practical applications of modernisation theory soon failed the reality test. It proved to be full of false promise in the face of the highly competitive, and often violent, coup prone politics of the early post-colonial times of the 1960-70s. Moreover, there was always an uneasy tension between the actual politics of decolonisation and a liberal theory of modernisation and development. "Cold War liberalism" was always geared towards

6 On contemporary middle powers, itself a fuzzy concept, see *inter alia*, The Financial Times Series "The Rise of the Middle Powers", *The Financial Times*. See: https://www.ft.com/middlepowers; Blanchette, J. and Johnstone, C. "The Illusion of Great Power Competition: Why Middle Powers are Vital to US Strategy," *Foreign Affairs*, 24 July 2023. See: https://www.foreignaffairs.com/united-states/illusion-great-power-competition; Rizky Mardhatillah Umar, A. "The Rise of Asia's Middle Power: The Indonesian Conception of International Order", *International Affairs*, 99(4): July 2023. See: https://academic.oup.com/ia/article/99/4/1459/7216732 and Minakov, M. "Ukraine and the Rise of Middle Powers", Wilson Center, Kennan Institute, 31 July 2023. See: https://www.wilsoncenter.org/blog-post/ukraine-and-rise-middle-powers.

7 On modernisation theory see Higgott, R. *Political Development Theory* (London: Routledge, 1983). On the later phase see Slobodian, Q. *The Globalists: The End of Empire and the Birth of Neoliberalism* (Cambridge, MA: Harvard University Press, 2018).

8 Pakenham, R. *Liberal America and the Third World: Political Development Ideas in Foreign Aid and Social Science* (Princeton: Princeton University Press, 1973).

9 Rostow, W.W. *Politics and the Stages of Growth* (Cambridge: Cambridge University Press, 1960).

10 See Prebisch, R. *Towards a Dynamic Development Policy in Latin America* (New York: United Nations, 1963); Cardoso, F.H. and Falleto, E. *Dependency and Development in Latin America* (Berkeley: University of California Press, 1979); Emmanuel, A. *Unequal Exchange: A Study of the Imperialism of Trade* (London: Monthly Review Press, 1972).

thwarting those varieties of post-colonial politics to be found along a socialism-communism spectrum.[11]

With the failure of modernisation theory, and the inglorious exit of the US from Vietnam, the *political* development orthodoxy of Cold War Liberalism slipped easily into the *economic* orthodoxy of neo-liberalism and the Washington Consensus, characterised by aggressive International Monetary Fund (IMF) structural adjustment lending and public sector privatisation which, by the end of 1989, had triumphed almost everywhere in the developing world.[12] It remained largely unchallenged, especially given the rapid processes of growth taking place via East Asia's "flying geese" model of export-oriented industrialisation until the Asia financial crisis at the end of the 20th century gave rise to a *post*-Washington consensus. But it also saw a major rethink by the leaderships of many developing countries. Humiliated by the post-crisis remedies imposed by the IMF, many of them determined never to be caught in a similar situation again.[13]

The 21st century

Since the dawn of the 21st century we have seen two further phases of related thinking and practice: 1) the growing importance of understanding development as *sustainable* development and 2) the backlash against economic globalisation and the emergence of "a new mercantilism".[14] Others, absent a sense of the negative impact of history – such as President Biden's National Security Adviser, Jake Sullivan – call this the "new" Washington Consensus. In a "back to the future" moment, US international economic policy reverted to a 21st century version of industrial policy and an assertive international economic statecraft. This change is the other side of the coin of the re-emergence of geopolitics as the driver of international relations.

But issues of development and sustainability do not operate in silos. Rather, they are influenced by the prevailing winds of geoeconomics and geopolitics. There are challenges arising from 1) the ecological and environmental crises threatening the global ecosystem; 2) global pandemics and their impacts; and most recently 3) the outbreak of war in Ukraine. All have contributed to the undermining of a consensus on western, predominantly neo-liberal, approaches to development. Consequently, development should now be seen as an integral element of a set of entangled processes, albeit still rooted in a state-centric economic growth model that may no longer be viable as perceived in the 1950-1980s era. During that time, approaches to development were largely absent any understanding of the pending ecological challenges.

State-centred accounts, and their practices, remain underpinned by an ideology of *national* development and an orthodoxy of neoliberal economic growth. While a shift of production of some major manufacturing industries to the developing world in the context of the trade-led globalisation generated increased aggregate wealth in some countries of the South in the last

11 See Moyn, S. *Liberalism Against Itself: Cold War Intellectuals and the Making of our Times* (New Haven: Yale University Press, 2023).

12 On the Asian Model of Development see World Bank, *The East Asian Miracle: Economic Growth and Public Policy* (New York: Oxford University Press, 1993). On the Washington Consensus see Williamson, J. "What Washington Means by Policy Reform", in John Williamson (ed.), *Latin American Adjustment, How Much Has Changed?* (Washington: Institute for International Economics, 1990).

13 See Higgott, R. "The International Politics of Resentment: Longer-Term Implications of the Economic Crisis in East Asia", *New Political Economy*, 3(3), (1998): pp. 333-356.

14 Helliener, E. "The Revival of Mercantilism: Global Rivalries and Prospects for Cooperation", *Phenomenal World*, 27 April 2023. See: https://www.phenomenalworld.org/analysis/neomercantilism/.

quarter of the 20th century, this was not without negative externalities. But the direction in this earlier shift of production to some parts of the "Global South" might not be irreversible, as demonstrated in the increasingly aggressive push for "home shoring" by the US.

Opposition to globalisation in the "Global South" differs from the anti-globalisation rhetoric espoused by populist/nationalist leaders in the US and some other developed countries. The principal concern in the US has been 1) the consequences of globalisation for its declining industrial manufacturing sectors and their disposed workforces; and 2) the wider implications for its international power and standing *vis-a-vis* China. In the developing world, by contrast, while the growing inegalitarian distributive consequences of globalisation were not welcomed, they nevertheless attract muted opposition because of the *absolute increases in aggregate overall wealth* that globalisation brought to many developing countries. A further concern for developing countries is how the decline of global – as opposed to regional – multilateralism exposes them to asymmetric, bilateral and transactional predatory economic behaviour by powerful states in the international economy.

The introduction of industrial policy in the developing world is strongly resisted by the Organisation for Economic Co-operation and Development (OECD) countries, notwithstanding the central role industrial policy played in their own development[15] and the born-again attraction of industrial policy evident in the 2022 Inflation Reduction Act and Chips Act in the US, and the growing search for strategic autonomy in Europe. Both reflect strategies that run counter to the more open trends of the late 20th century. Since the failure of the Doha Development Round, and the global financial crisis, global support for an open trade regime has diminished.

It is perhaps no coincidence that when governments across the world are relearning what the *Economist* calls "homeland economics"[16], we are also witnessing a reborn interest in *regional* economic multilateralism. For example, the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and the Regional Comprehensive Economic Partnership (RCEP) – and the role of the Asia Infrastructure Investment Bank – are important elements of contemporary East Asian economic statecraft. The US, in a position it may well come to regret, is present in none of these organisations. And this at a time when Asia-Pacific Economic Cooperation (APEC) has clearly run out of steam as a vehicle for US regional economic leadership in the Pacific. Unsurprisingly, the US, in what we might call its *second* Pivot to Asia, is trying to add an economic pillar to its security driven Indo-Pacific strategy via the May 2022 introduction of the *Indo-Pacific Economic Framework for Prosperity*.[17]

15 Ha-Joon Chang, *Kicking Away the Ladder: Development Strategy in Industrial Perspective* (London: Anthem Press, 2003)

16 "Are Free Markets History? The Rise of Homeland Economics", *The Economist*, 7 October 2023. See: https://www.economist.com/weeklyedition/2023-10-07.

17 See Charlton, G. and Gao, X. "The US Indo Pacific strategy's Weakest Link", *The Diplomat*, 19 February 2023. See: https://thediplomat.com/2023/02/the-u-s-indo-pacific-strategys-weakest-link/.

Development and sustainability in an age of geopolitics

Development, sustainability and the environment

The seventeen Sustainable Development Goals (SDGs), with the lofty aim of "transforming our world", were launched in 2015-2016. The aim was to secure them by 2030. But how realistic are these goals to remedying some of the core issues of poverty alleviation, inequality and gender discrimination in a debt-ridden developing world? Just over half-way through, prospects appear remote. Official Development Assistance (ODA) remains below 50% of the donor target of 0.7% of national income. The multilateral Development Financial Institutions (DFIs) and the Multilateral Development Banks (MDBs) exist in a semi-permanent state of under-capitalisation and increasing politicisation. Of course, development funding is not the be-all and end-all of development, but without the necessary support for the financing of developing world public expenditure sustainable growth will not be achieved. The world is not on track to meet the SDG 2030 goals. Major institutional actors such as the G7, the DFIs and MDBs, are not engaged in *joined up policy-making*, without which proper financing for the SDGs will not be met.[18] Institutional multilateral development cooperation is straining to make progress and other shocks have exacerbated the challenges.

Notably, according to the 2022 *Sustainable Development Goals Report*, the Ukraine-Russia crisis has put the 2030 Agenda in even further danger. Support for Ukraine has come at the expense of funding that could have been expected to go to developing countries. The IMF, World Bank, European Bank for Reconstruction and Development (EBRD) and the European Investment Bank quickly carved out substantial portions of their annual spend for support to Ukraine. By April 2023, US$23billion of the World Bank Group total spend of US$103 billion was earmarked for Ukraine. 4% of ODA funds were diverted to Ukraine in 2022. Individual donors such as the United Kingdom (UK), Sweden and Denmark froze some of their "non-essential" developing country spending. The EBRD, with substantial attendant negative political effect, delayed new operations in sub-Saharan Africa.[19] And the speed of the response to the Ukraine situation has not been lost on developing countries.

In addition, the development agenda is now inseparable from the systemic challenges presented by climate change. Any political, social and economic responses to the e*cological problematic* will have to be greater than was assumed for much of the late 20th century and the first decades of the 21st century. The institutional architectures developed after 1944 were not designed to deal with the ecological consequences of the late 20th and early 21st centuries. We must now learn how to design our polities, economies and international institutional practices to reverse the ecologically detrimental impacts *of* development *on* development. Current efforts – say creating a market for global carbon trading – will not suffice in the absence of a multilateral architecture capable of underwriting appropriate global policy making.

Distributional consequences are invariably ignored in neo-liberal economics, on the one hand, and the practices of globalisation in an international environment, where populist politics and

18 "The Sustainable Development Goals Report 2022 | DISD", 17 June 2023. See: https://www.un.org/development/desa/dspd/2022/07/sdgs-report/.

19 See Prizzon, A. "A Growing Gap Between Development Cooperation and Development Needs", in Giovanni Grevi (ed.) *Forging Europe's Leadership, Global Trends, Russian Aggression and the Risk of a Regressive World* (Brussels, Foundation for European Progressive Studies, 2023). See: https://feps-europe.eu/wp-content/uploads/2023/10/Forging-Europes-Leadership.pdf.

geopolitics are becoming ever more salient, on the other. The will and capacity of the great powers to provide support for the developing world, by way of material and public goods of a sufficient magnitude to persuade them to acquiesce in global collective responses to the environmental crises, simply does not exist. Both populist politics and geopolitical strategising in the developed world are becoming more anti-environmental as the domestic political costs of unpopular green measures grow. The major states, Conference of the Parties (COP) rhetoric notwithstanding, have become increasingly bilateral and transactional rather than collaboratively international – and concessional – in their approach to problem solving on environmental issues.

Designing a new order that addresses the environmental question, and by extension the developmental question, will not work if unfettered market rules prevail. As Nobel Laureate Elinor Ostrom told us three decades ago, greater attention should be focused on the sustainable use of the global commons.[20] Prospects for the adoption of Ostrom's approach to building cooperative environmental institutions were not strong when she identified them. They are probably not much stronger now. Indeed, "greening" existing institutional design – without also addressing the increasing developmental calamities entailed in maldistribution, exclusion and continued northern domination of the agenda – also seems likely to fail. We cannot expect to sustain the material lifestyles that approximate the levels of affluence exhibited in the developed world in the last quarter of the 20th century. But many countries in both the developed and developing world are not yet willing to accept this as a fact of political life.

We should not expect anytime soon the development of something like a World Environmental Organisation comparable to the World Trade Organisation (WTO). Nor perhaps should we wish for one if it were to reflect the somewhat sclerotic state-led institutional structures of that particular style of late 20th century multilateral organisation. The organisational infrastructure that has developed overtime around the global discussion on the environment and climate change – from the UN Framework Convention on Climate Change (UNFCCC) through to Paris Summit Agreement of 2015/2016 and the subsequent COP – has been much looser, reflecting the hybridity of interests and actors with a stake in the issue. While the 2015 Paris Agreement, as of 2022, had secured 184 ratifications from 195 signatories, implementation has been sub-optimal.

The return of geopolitics

Geopolitics is back with a vengeance. This would come as no surprise to its intellectual father, Halford Mackinder, and its godfathers in the second half of the 20th century such as Henry Kissinger and Zbigniew Brzezinski. Talk of conflict in the security domain grows stronger while the US and Europe turn in on themselves – in both theory and practice – towards a 21st century version of neo-mercantilism. Trade protection – especially in Artificial Intelligence, cyber and intellectual property – and industrial policy is re-gaining popularity. The contradictory relationship between geopolitics and geoeconomics remains a block on a joined-up global development and sustainability agenda. The COVID-19 pandemic, high inflation, financial instability, lower growth prospects and fiscal imbalances in both OECD and developing worlds at times seem insurmountable. The IMF global growth forecast for 2023 of 2.7% means that global growth in the years since 2020 was less than 1.2%. Since the Covid era, the development funding gap for the SDGs has widened.

20 Ostrom, E. *Governing the Commons: The Evolution of Institutions for Collective Action* (New York: Cambridge University Press, 1990).

These macroeconomic prospects become even more daunting when the Ukraine war, and gloomy prospects for a cooperative world order in the face of great power geopolitical competition, are factored in. We now have perhaps the darkest view of the general breakdown in global political order since the height of the first Cold War in the early 1960s. If there was any doubt, the invasion of Ukraine confirmed a return to the predominance of geopolitics in the foreign policies of the world's major powers. The heightened emphasis on geopolitics casts shadows over prospects for global cooperation in the domains of development and sustainability as both become squeezed and marginalised.

The negative effects of the war in Ukraine on many parts of the developing world have led their leaders to believe that the West is not serious about development. The conflict might have given a boost to the NATO alliance, yet it has not caused major developing powers, such as India, Brazil and Türkiye, or many states of Africa and Latin America, to break with Russia and China. But it has seen a resurgence of interest in Southern cooperation captured in the renewed prominence of the BRICS. This surge has had a slow but solid gestation from the time of its inception in 2009.

Fuelled initially by the BRICS's frustration with the Bretton Woods institutions, which led overtime to the creation in 2016 of its bank – the New Development Bank – it has further built on a growing resentment towards the demonstrated: 1) disregard for the food security and health needs of the "Global South" during the COVID 19 pandemic; 2) on a growing resentment of what is seen as the West's cavalier use of financial sanctions; 3) its manipulation of the international payment system; and 4) its backtracking on climate finance commitments, as in the US' refusal to commit funds to the second tranche of the UN Green Climate Fund for developing countries.[21]

Notwithstanding the frequent dismissiveness of the Western media about the potential of the revamped BRICS to be an influential international actor[22], the body has gained momentum in the wake of the Russian invasion of Ukraine. The Johannesburg Summit of August 2023 saw the induction of six new members from some 40 applications. The BRICS might only be an *informal non-binding multilateral organisation*, but effective 1 January 2024, BRICS countries will represent close to half the world's population, 40% of its GDP and shortly overtake the G7 in total GDP.[23]

It reflects a growing dissatisfaction with, and critique of, long held liberal US-led orthodoxies of global order.[24] At the very least, a competing vision of global order espoused by the BRICS renders the West's position as the dominant source of ideas and driver of development thinking as problematic, certainly when seen through non-Western lenses.[25] This does not mean all BRICS members have an antagonistic relationship with the US. Some members are democracies and

21 Williams, A. "UN Climate Fund Fails to Secure Pledge from US", *The Financial Times*, 5 October 2023. See: https://www.ft.com/content/fc97cbb0-e4e3-427b-a5a6-f30d50444e11.

22 "The BRICS Bloc is Riven with Tension", *The Economist*, 17 August 2023. See: https://www.economist.com/international/2023/08/17/the-brics-are-getting-together-in-south-africa.

23 *Growth Rates of the real GDP of the BRICS, 2020-2028.* See: https://www.statista.com/statistics/741729/gross-domestic-product-gdp-growth-rate-in-the-bric-countries/.

24 Sidore, S. "The Global South's BRICS Should Not Be Ignored", *The Nation*, 17 August 2023. See: https://www.thenation.com/article/world/the-global-souths-brics-play-should-not-be-dismissed/.

25 This view abounds in the media outlets of the developing world. By way of example only, see Liaqat, S. "BRICS: The Unmaking of the World Order" *The Nation*, 1 October 2023. See: https://www.nation.com.pk/01-Oct-2023/brics-the-unmaking-of-the-world-order and *Tri Continental, Thirty Third Newsletter*, "The BRICS have changed the Balance of Forces, But They Will Not By Themselves Change the World", 17 August 2023. See: https://thetricontinental.org/newsletterissue/brics-summit-johannesburg/. For sympathetic Western perspectives see Raby, G. "Another Brick Laid Building the New Order", *Pearls and Irritations*, 13 October 2023. See: https://johnmenadue.com/another-brick-laid-building-the-new-order/ and Gardels, N. "From Bandung to BRICS: The Long March to Global Order Shaped by the Global South", *Noema*, 8 September 2023. See: https://www.noemamag.com/from-bandung-to-brics/.

maintain close relations with Washington. But many of them and other developing countries – albeit cautiously – look in the direction of China as an alternative source of ideas on world order.[26]

As part of its ongoing *Global Civilisation Initiative*, China has launched its proposal for a *Global Community of Shared Future* as a blueprint for global governance built on what it argues is a fairer alternative to a US-led hegemonic order.[27] As much a rhetorical device as a practical road map, it is not without appeal in the "Global South". Chinese "standing up for the little guy" rhetoric goes down far better in the "Global South" than Transatlantic leaders like to think. One anecdote catches the zeitgeist. A developing country leader is reported to have said to Larry Summers 'what we can get from China is an airport. What we get from America is a lecture".[28] Interestingly, the September 2023 Delhi G20 Summit reflected a Western sensitivity to Southern development issues, including the need to progress the SDGs, greater than at any time in recent years.[29]

Without endorsing the Russian invasion of Ukraine, and indeed often expressing disapproval of it, many developing countries see the US approach, posed as an existential battle between democracy and authoritarianism and a global defence of liberal values, to be hypocritical given the current state of its own domestic politics. Western sanctions towards Russia have not been widely adopted by the developing world. Indeed, of the 40 countries to place sanctions, only two are from Asia with none from Africa or Latin America. Most developing countries, along with bigger players such as India and Brazil, have, with impunity, refused to ostracise Russia and continue to trade with it. This response reflects a strongly held view that for the West – read the US and its supporters – geopolitics takes precedence over any concerns of development and sustainability.

Moreover, the role of authoritarianism is of less concern to many countries than the US and its Transatlantic partners assume. "Global South" economic development is clearly secondary to the spread of democracy in US priorities. But long-held assumptions implicit in US development thinking, that democracy is a necessary pre-requisite for development, disappeared in much of the developing world with the failure of modernisation theory in the 1970s and the rapid economic development of East Asian states, initially Japan followed by South Korea, Singapore and the other Newly Industrialising Economies such as Taiwan, Vietnam and ultimately China. What we may still call the "East Asian model of state driven capitalist development", remains attractive in many parts of the developing world in a way that the Soviet economic model never was, and the US model is now not.

The empirical record of China's growing global influence is real. China is now the top trading partner of more than 120 countries. More than 140 countries have signed up as participants to the Belt and Road Initiative and China now owns, manages or has invested in more than 100 ports in some 60 countries. At the same time China, building on an anti-colonial narrative

26 See Prebble, C., Cooper, Z. and Marlowe, M. "Multipolarity: What is it Good For?", *War on the Rocks*, 27 April 2023. See: https://warontherocks.com/2023/04/multipolarity-what-is-it-good-for/.

27 PRC Ministry of Foreign Affairs, *A Global Community of Shared Future: China's Proposals and Actions*. See: https://www.fmprc.gov.cn/eng/zxxx_662805/202309/t20230926_11150122.html#:~:text=China%20has%20made%20a%20five,new%20prospects%20for%20international%20exchanges. For a discussion see V. Pant, H. and Mankikar, K. "A Chinese Toolkit for Global Influence", Observer Research Fund, 4 October 2023. See: https://www.orfonline.org/research/a-chinese-toolkit-for-global-influence/.

28 Cited in Rachman, G. "How the Ukraine War Has Divided the World" *The Financial Times*, 17 April 2023. See: https://www.ft.com/content/40c31fda-1162-4c40-b3d5-b32e4ac5d210.

29 See Sahay, M. and Sharma, L. "Navigating Realism And Global Challenges: An Analysis of G-20 Summit Declaration – Analysis", *Eurasia Review,* 24 September 2023. See: https://www.eurasiareview.com/24092023-navigating-realism-and-global-challenges-an-analysis-of-g-20-summit-declaration-analysis/.

and notwithstanding at times counterproductive overly zealous "wolf warrior" diplomacy[30], has worked assiduously to emphasise the need to create a world order resistant to US hegemony in which the developing states can think, feel and act more like equal partners. That the substance of China's proposals may be weaker than their rhetoric is less important than the vision of world order picked up by developing countries.

Few non-aligned, or semi-aligned countries, nowadays see a problem with maintaining ties with both the US and China at the same time. The strategy of hedging to secure benefits from both sides is a realistically possible game in an era where neither the US nor China have clear cut hegemony and where they need to pay more attention to the influence of larger middle powers, "awkward powers" or "swing states" such as India, Brazil, Indonesia, Türkiye, Saudi Arabia, South Africa and Indonesia.[31]

Conclusion: whither development in an age of geopolitics?

We are in the age of geopolitics where the issue of "development" and the interests of the developing countries have become increasingly squeezed in an evolving international environment that is conducive to neither development nor sustainability in the "Global South". Development cooperation in an era of geopolitics has become a – greater – tool of foreign policy for the bigger powers. We are now only six years from 2030, and shortfalls in the SDGs targets are glaringly obvious. According to the *2022 SDG Report*, a combination of interlinked crises, and conflicts – COVID pandemic and the Ukraine war – are putting the SDG 2030 Agenda beyond reach with immediate negative impacts on food, nutrition, health, energy, education and the environment in the developing world.[32] Indeed, many states in the "Global South" see their food and energy shortages in a causal relationship with US-allied sanctions on Russia.

Geopolitics is in command, both empirically and intellectually. This reduces the development agenda to the status of a second order problem. Empirically, we do indeed live in an increasingly conflict-ridden world for which we were not prepared – as Ukraine and the Hamas-Israel conflict testify. But we need to remind ourselves that the relationship between practice in the global sphere and the ideas that drive it are closer than we often appreciate. If the globalisation era saw both the development policy and the intellectual-cum-scholarly analytical agenda dominated by the neo-liberal economist, the heightened conflict – both real and rhetorical – between the US and China in the current moment is, we might say, springtime for the realist geopolitical analyst after the wilderness years of full-blown globalisation.

As we now understand, the neo-liberal economist damaged globalisation by over-hyping its virtues and downplaying its disadvantages. We should perhaps therefore pose a cautionary note for the relationship between the primacy of current geopolitical practice in international relations and the ideas-base that underpins it. Let me put it as a question for further reflection:

30 See Martin, P. *China's Hidden Army: The Making of Wolf Warrior Diplomacy* (Oxford: Oxford University Press, 2021).

31 On awkward powers see Abbondanza, G. and Stow Wilkins, T. (eds.) *Awkward Powers: Escaping Traditional Great and Middle Power Theory* (Palgrave MacMillan, 2022). On swing states see Conley, H.A. *et al*, "Alliances in a Shifting Global Order: Rethinking Transatlantic Engagement with Global Swing States", 2023, German Marshall Fund. See: https://www.gmfus.org/sites/default/files/2023-04/Global%20Swing%20States_27%20apr_FINAL_embargoed%20until%202%20May%202023.pdf.

32 United Nations, *Sustainable Development Goals Report*, 2022. See: https://unstats.un.org/sdgs/report/2022/.

is it possible, taking advantage of its moment in the sun, that geopolitical analysis, in its search for threats and enemies – especially vis China in the technological sphere and geographically in what is now designated "the Indo Pacific" – is in fact boosting politico-strategic contest between the US and China in the way that neo-liberal economics excessively boosted globalisation? This is not as conspiratorial as it sounds. At this time, with both the US and China being more activist, the need for good geopolitical analysis is crucial for both government and the private sector alike.

But, in this age of geopolitics, talk of conflict in the security domain grows stronger while in the economic domain the US, Europe and China increasingly turn in on themselves as neo-liberal explanations of globalisation are checked. In the US – with stirrings in Europe – we are seeing a 21st century return to a version of neo-mercantilism – homeland economics – driven by trade protection and domestic industrial policy clothed in the euphemistic language of strategic competition (e.g. de-coupling, de-risking, on-shoring and friend-shoring). This is the language of geopolitics, not globalisation. Indeed, the very language of the "Indo Pacific" and talk of strengthening alliance structures in the region reflects the privileging of the security agenda. It is at odds with the neo-liberal privileging of the "Pacific" economic agenda embodied in the discourse of "open regionalism" and APEC prior to the global financial crisis of 2008.

The privileging of the security problematic over the economic is not without consequences of both an economic and a political nature. *Economically*, the volatile nature of the contemporary security order is clearly a major setback, if not *the* major challenge, to the future of globalisation. But it is also a crippling factor in the economic modernisation priorities of the developing world. *Politically*, deeper geostrategic competition is likely to intensify. This has the consequence of alienating the US and partners from the developing world, at this very time when the US is looking to it to support its view of world order against the views emerging from Beijing. In such circumstances it is unlikely that the world's major power will engage in the redesign of the global economic institutional order necessary to address the core development issues of poverty eradication, enhanced equality and sustainability.

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