

Dominant Development Paradigms: A Review and Integration

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This article reviews the experiences, concepts, and prevailing paradigms on development from the perspective of economic and international organizations and offers a framework to integrate them. The development phenomenon gathered momentum in the twentieth century as a means to mitigate poverty around the world. The phenomenon-driven nature of development has led to definitions based on different assumptions on the material and spiritual dimensions of development. This article contributes both a review of the main assumptions underlying the dominant paradigms on development and an integration of their core dimensions. The main argument is that for fruitful dialogues and actions among practitioners, social scientists, philosophers, and theologians engaged in promoting development a first step is making explicit the assumptions underlying the dominant paradigms of development to review and integrate at the social sciences, philosophical, and theological levels.

Introduction

Development is a challenge that emerges as a means to mitigate the predicament besieging nearly 50 percent of the world's population who live on less than two dollars a day.¹ In terms of income distribution, this reality means that 60 percent of the people in the world survive on 6 percent of the overall income—a diagnosis that drove 2006 Nobel Peace Prize Laureate Muhammad Yunus to conclude that “this is no formula for peace.”² Pope Paul VI had anticipated the same scenario five decades before, when he put forth a number of thought and action criteria to accomplish the goal of development as “the new name for peace.”³

This challenge rallies the efforts of people who devote their time to all dimensions of development. Indeed, public, business, and nonprofit officials as well as the leaders of religious institutions view development as their topmost priority. These initiatives include, for example, the Pontifical Council for Justice and Peace, created in 1967; the 2000 Millennium Declaration, with one of its eight goals envisioning the creation of a global alliance for development that engages both the private sector and society; the Conference on Business as Agent of World Benefit (Academy of Management and the United Nations' Global Compact) held at Case Western University in 2006; the Global Forum Webcast on Creating Shared Value (United Nations' Office for Partnerships, Swiss Mission to the UN, Nestlé, and Creating Shared Value) launched in 2008, and the New York Declaration by Business, made in 2010 by business leaders from around the world. These are just a few examples of the learning and action communities gathering public, private, and third sector organizations to work on development issues.

At the business level, companies are questioned for using an obsolete approach to value creation, with business goals confronting rather than meeting society's needs. As a result, company leaders are increasingly designing development initiatives with base-of-the-pyramid strategies, deploying corporate responsibility efforts, or building development into their core businesses. Some examples of these efforts to match core business objectives and society's development include Xerox's Device Recycling program, which is intended to encourage hardware returns, and its environmentally friendly photocopying business strategies; Volvo's new radiator, which decontaminates the environment; CEMEX's innovative housing program for the poor; and the Co-Operative Bank's products and services based on ethical and environmental causes.

However, a glance at these experiences and current literature lead to a conclusion: The development assumptions and notions used in different initiatives and serving as cornerstones for diagnoses and plans are not the same. Compare, for example, the Washington Consensus' per-capita GDP growth-oriented proposals of the 1990s and the Millennium Development Goals sketched by world leaders in 2000, as summarized in table 1.

Table 1: Millennium Development Goals—Some Metrics⁴

- GOAL 1: Eradicate extreme poverty and hunger.**
Halve the proportion of people who live in extreme poverty.
Halve the share of people who suffer hunger.
- GOAL 2: Achieve universal primary education.**
Ensure complete primary schooling for all boys and girls everywhere.
- GOAL 3: Promote gender equality and empower women.**
Eliminate gender disparity in primary education.
- GOAL 4: Reduce child mortality.**
Reduce by two thirds the under-five mortality rate.
- GOAL 5: Improve maternal health.**
Reduce by three-quarters the maternal mortality ratio.
- GOAL 6: Combat HIV/AIDS, malaria, and other diseases.**
Halt and reverse HIV/AIDS spread.
Halt and reverse tuberculosis spread.
- GOAL 7: Ensure environmental sustainability.**
Reduce biodiversity loss.
Improve living conditions for slum dwellers.
- GOAL 8: Develop a global partnership for development.**
Make available benefits of technology, Internet users per 100 population.

Why such a variety of views on development? There are many explanations, but it could be argued that a main reason for that variety is the combination of the political nature of the phenomenon and the lack of strong conceptual basis at the scientific and philosophical level. The phenomenon-driven nature of development has led to definitions based on different assumptions on the material and spiritual dimensions of development. Although the concept of development could be traced back to Cardinal Newman,⁵ it lacks strong conceptual bases in the social sciences and in philosophy.⁶

Thus both academics and organization leaders need an all-encompassing view of development to guide their efforts. This requires a phased-in effort. Based on the argument that the assumptions contained in the paradigms we use to appreciate reality-shape theories and policies that, in turn, condition outcomes, this process should start with a historical and conceptual review of development in order to glean and integrate the core assumptions and realities underlying development visions. The second stage, supported on this integrated view of development,

involves the design of more comprehensive proposals. Finally, in the third phase, this entire process comes together, starting with assumptions, moving on to proposals, and leading to the results produced when these proposals are put in place.

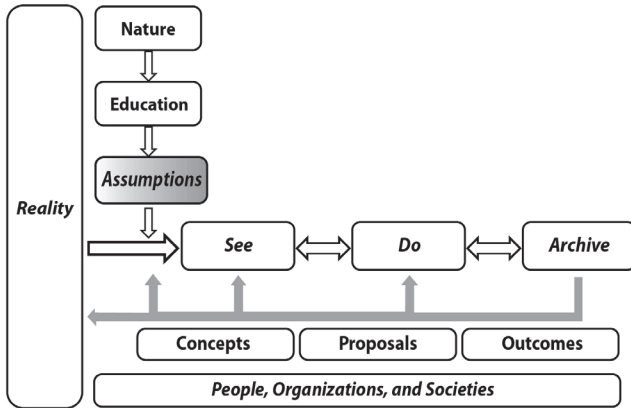


Figure 1
Development—Plan and Scope of the Article⁷

This article focuses on the first stage, that is, the review of key development experiences and assumptions in order to build a framework that integrates them. Its goal is to visualize in order to integrate, clarifying the assumptions underlying different development visions from the economic and international-organizational point of view.

This article contributes both a review of the main assumptions implicit in the dominant paradigms of development and an integration of their core in order to create fruitful dialogues and actions among practitioners, social scientists, philosophers, and theologians engaged in promoting development.

The scope of this article is limited by time-related and disciplinary restraints. Time wise, this article focuses on development experiences and notions drawn from the twentieth century when this phenomenon not only started to be researched but also began to be used as a public and private policy-making goal. From a disciplinary standpoint, while the development phenomenon is closely related to the fields of theology, philosophy, sociology, economics, and management, this article focuses on contributions by economists and international organizations. The idea here is not to put forth a new model but to merge the prevailing views of development as seen by Nobel laureates, like Amartya Sen, and international agencies such as the United Nations’ serving as a guide for both academics and

managers who devote their efforts to the study and pursuing of development. Once the assumptions underlying these views are made explicit, they could be compared and integrated with the assumptions on development from a philosophical and theological standpoint.⁸

To accomplish its goal within the above-mentioned scope, this article is divided into four parts. Once its motivation, objectives, and scope have been described, the next part reviews the historical evolution of key development notions since the last century and their assumptions, pinpointing the differences between growth and development as well as among development dimensions. Finally, this article introduces a framework that encompasses the views on development, while the last brings this article to an end, providing a number of proposals for reflection, integration, and action.

Development: Reality, Notions, and Paradigms⁹

The interest in development, added to its complexity, renders leaders' goals and efforts disjointed and leaders themselves unable to pursue a common end. Indeed, a current study reveals that "development" definitions and measurements vary greatly. Several stakeholders, with differing views, are involved in its characterization and gauging, enriching the outlook on reality but also lacking shared criteria to afford a more comprehensive view of development. Table 2 summarizes development definitions and associated metrics, as described in relevant literature.¹⁰

Table 2: Development Definitions¹¹

Reference	Notion	Definition	Metrics
1. Allen and Thomas (2000)	Economic growth	“A continued increase in the size of an economy—i.e., a sustained increase in output over a period of time.”	Gross Domestic Product (GDP) variation.
2. U.S. Department of Commerce (2000)	Economic development	“Economic development is ... enhancing the factors of productive capacity—land, labor, capital, and technology—of a national, state, or local economy.”	GDP and job creation
3. Bernstein (1983), cited in Allen and Thomas (2000)	Economic development	“Increase of society’s productive capabilities, in terms of their technologies (more efficient tools and machinery), technical cultures (knowledge on nature, research and ability to develop improved technologies), and the capabilities and physical, technical and organizational tools of those involved in production.”	Labor productivity increase
4. Brundtland Report (1987) ¹²	Sustainable development	“Satisfying the needs of current generations, without compromising the possibilities of future generations to meet their own needs.”	Environment (e.g., local air quality), society (e.g., car accidents in roads/1,000), economy (e.g., long-term unemployment rate)
5. United Nations’ Program for Human Development (1992)	Human development	“The purpose of development is to create an environment where all individuals can expand their capabilities and opportunities can be enhanced for present and future generations.”	Human Development Index (HDI). This index combines three metrics: life expectancy at birth, educational level, and per-capita income. ¹³

Table 2: Development Definitions (*continued*)

Reference	Notion	Definition	Metrics
6. Sen (1990, 1997, 1999) ¹⁴	Human development	“The expansion of human freedom to live the kind of lives that people have reason to value.” This freedom is achieved by “the expansion of people’s capabilities” (Sen, 1999).	Literacy rate, health rate, farming expansion, industrial development, people’s political participation, real per-capita income
7. Rocha (2006), based on North and Ostrom ¹⁵	Socio-institutional development	Enhancement of the socio-institutional environment (rules governing social decision-making, distribution of capabilities and income), organization (structure of networks or relationships) and capabilities (quality of networks or relationships). ¹⁶	Proxy indicators, such as organizational transparency, and sub-indexes, like the World Economic Forum’s Institution Index.
8. Monterrey Consensus (UN, 2002) ¹⁷	Development agenda	“Our goal is to eradicate poverty, achieve sustained economic growth and promote sustainable development as we advance to a fully inclusive and equitable global economic system” (paragraph 1).	Indicators used for measuring the Millennium Development Goals (see table 1).

These definitions stem from both implicit assumptions in development views and the historical evolution of the concept itself. They point to at least three major distinctions that will enable us to separate development from other associated phenomena: (1) “development” understood as “economic growth,” (2) “development” viewed as “economic development,” and (3) new “development” views. Next, these distinctions will be explored within their respective original historical settings.

Development and Growth

First, a distinction must be made between “development” and “growth,” as both terms are often used as synonyms. Indeed, “economic growth” (table 2, item 1) refers to a quantitative change in the scale of an economy, while “economic

development” (table 2, items 2 and 3) is a qualitative change that requires adjustments in an economy’s capabilities.

The concepts in table 2 emerged as a result of the needs and urgent requirements prompted by events in the past eighty years. In fact, the modern notion of development surfaced, reactively, after World War II, driven by the need to grow. It was then that development became assimilated to growth, construed as “a continued increase of the size of an economy (its GDP), that is, a sustained output increase over a period,” usually measured in terms of GDP variations.¹⁸

Both concepts merged to serve the goals pursued at that time: rebuilding a share of the West that, devastated by the war, was threatened by widespread poverty, which, as viewed by leaders amidst the Cold War’s ideological polarity, could translate into a breeding ground for communism. Thus the international institutions created to regulate economic relations in the post-war period—the World Bank, International Monetary Fund, and United Nations—and the United States took development, construed as growth, as a priority.¹⁹

Development and Economic Development

Having clarified the historical and conceptual distinction between growth and development, a second challenge awaits in disentangling economic development from development.

Europe’s reconstruction after World War II was envisioned as an experience-based transfer effort intended to analyze and replicate—taking into account individual cultural and political settings as much as possible—the traits that had driven some Western nations, such as the United States, to the degree of economic development achieved at the end of the war.

Next, physical capital and the systematic advancement of technology became the characteristic signs of the so-called developed countries. As a result, at first, the notion of development was tied to *industrialization*, a term that referred to features such as technological innovation and capital investments, which were viewed as necessary to fuel development. This process continued to be measured by means of a progressive increase in per-capita income—none other than a nation’s economic growth rate. Economic growth became synonymous with economic development, while the link between development and economic development also grew stronger.

Development

The previous views on development suggest that it is necessary to make yet another distinction between economic development (table 2, items 1 through 3) and the new notion of development (table 2, items 4 through 8).

- *Economic development*: Traditional views construe development as a national economy's ability to drive and sustain annual gross domestic product (GDP) or per-capita income increases. This notion prevailed until the 1970s and defined development as an "economic phenomenon whose rapid overall and per-capita GDP growth would trickle down to the masses, translating into new jobs and economic opportunities, or would create the necessary conditions for a broader distribution of the economic and social benefits borne by growth."²⁰ As noted below, the results of this assumption were not as expected, and, consequently, economic development was redefined as poverty, inequality, and unemployment reduction in a growing economy.²¹
- *Development*: The new notion of development emerged during the 1970s, after many developing countries had accomplished their goals over the previous decades and, yet, failed to see any major changes in their population's living conditions. This scenario worsened in the 1980s, as development fruits only benefited the wealthiest groups, both inside and among nations.²²

Table 2 definitions based solely on economic assumptions (items 1 through 3) show that several authors focused on the economic dimension of development and growth, neglecting the intrinsic connection among the economic, social, institutional, environmental, and human realms.

Empirical evidence proved that efforts zeroing in exclusively on features such as technology and infrastructure were ineffective or insufficient. Indeed, some authors realized that the failure of development models like the one prescribed by the Washington Consensus in the 1990s suggested that economic policy in and by itself was not enough to propel development—much less in a sustainable fashion.²³ In turn, with a more critical view, the theorists of the new development notion passed judgment on traditional theories, labeling them as follows:

- Reductionist—because these theories view development as being strictly economic, isolating this phenomenon from history, nature, time, and space.

- Exogenous—as development is construed as a set of attributes (GDP growth, economic structure industrialization) acquired via external resources or conditions.
- Static—these views neglect development’s intrinsic interaction and dynamic dimensions.
- Universalist—on account of their pretended universal prescription with formulas theoretically applicable to dissimilar scenarios in different times and places.

The successful examples of countries such as Germany and Japan—with the latter replicated later in other Southeast Asian nations, such as Singapore, South Korea, Hong Kong, and Taiwan—revealed the need for additional conditions. Thus the lessons learned started to imply the development of human capabilities to make production structure streamlining possible. As a result, development came to be attributed not only to the existence of financial stocks (savings) or to infrastructural traits (technology) but also to investments in education and health, as well as people’s technical and intellectual capabilities—a key new factor in the battle against poverty and its underlying causes.

This paradigm shift placed economic drivers in a broader context that also included people, society, and the environment, paving the way for new notions within the new development agenda, such as the following.

First, sustainable development is viewed as the assurance of “better living conditions for all and for future generations,” focusing on the environment.²⁴

Second, human development is viewed as the expansion of people’s capabilities and freedom. Rising poverty and inequality have bred discontent with development concepts and the need for a comprehensive approach, paving the way to a perspective focusing on education, culture, autonomy, wealth distribution, and opportunities to access better living conditions. As a result of this dissatisfaction with the outcomes from reforms inspired by the globally prevailing development scheme, the notion of human development emerges, drawing closer to an integrative approach. Human development is construed as “the expansion of human freedom to enable people to live the kind of life they value” and that freedom comes when people’s capabilities are expanded and measured in terms of economic, social, and human metrics, such as real per-capita income, literacy rates, life expectancy, healthcare, and political involvement.²⁵

Third, socio-institutional development is viewed as improved socio-institutional environment (rules governing social decisions as well as capability and income distribution), organizational setting (relation structures or networks), and socio-institutional capabilities (network quality and public-private relations).²⁶

Specifically, the notion of socio-institutional development emerged in the 1990s when several authors began to argue that development necessarily required society's widespread reliability and trust, as well as the certainty resulting from stable rules (across all institutional levels). This implies the citizens' commitment to collaborate in the pursuit of a shared view of the common good. It also hinges on the institutional guarantee that all individuals can use social goods, such as communal places and public institutions unthreatened by opportunistic behaviors. Thus a multiplying effect further enhances overall trust levels. The works by Douglas North and Elinor Ostrom contributed to advance this notion of socio-institutional development.²⁷

Fourth, the millennium development goals, set in 2000 by the initiative of the United Nations, are targets for “addressing poverty in its many dimensions—income poverty, hunger, disease, lack of adequate shelter, and exclusion—while promoting gender equality, education, and environmental sustainability. They are also basic human rights—the rights of each person on the planet to health, education, shelter, and security.”²⁸

This view apparently follows the human-centered view of Sen and the socio-institutional view of institutionalists such as North and Ostrom. However, it has intrinsic contradictions given that it includes proposals such as abortion, which means not respecting the basic human right to live, as both medicine and law testify, on which the other human rights could be fulfilled. These types of contradictions ask for a richer view of development, which is summarized in the next section.

Toward a Comprehensive Approach with People as the Focus of Development

The views on development discussed so far rely on a number of assumptions about human nature, interpersonal, and cross-organizational relations, thus leading to different corporate and public policy designs that spawn dissimilar—even opposing—outcomes. For instance, those who assimilate development to economic growth and shareholders' return maximization take a materialistic view of development and believe in an automatic trickle-down effect from wealthier segments onto more disenfranchised groups. Those who consider human development as the cause and end of development subscribe to a human view and the need for cooperative efforts by the people and organizations involved in the development process. Another example, which is circumscribed only to material dimensions in the dominant paradigms, is related to the definition of poverty.

Most importantly, the underlying assumptions are not only implicit but also prioritized without making explicit any meta-criterion. For example, in the economic views of development (either economic growth or economic development), the economic criterion was the meta-criterion given the context in which those views were formulated. The same reality showed that this prioritization was wrong, as the poverty outcomes of the 1970s have shown. However, the current dominant view of development does not provide a meta-criterion for judging why some people have the right to decide over the life of other people (as in the case of abortion), which openly contradict the view of development as freedom as proposed by Amartya Sen.

Thus a combination of the notion of human development and socio-economic development seems more comprehensive, as centering on both people and context, and focuses on creating both physical and spiritual development conditions. In particular, the concept of human development is strongly aligned to the idea of overall human development for all individuals, including both physical and technical dimensions, such as culture acquisition, respect for others' dignity, and the acknowledgement of supreme values, such as the right to live.²⁹

Figure 2 encompasses all development dimensions discussed in this article.

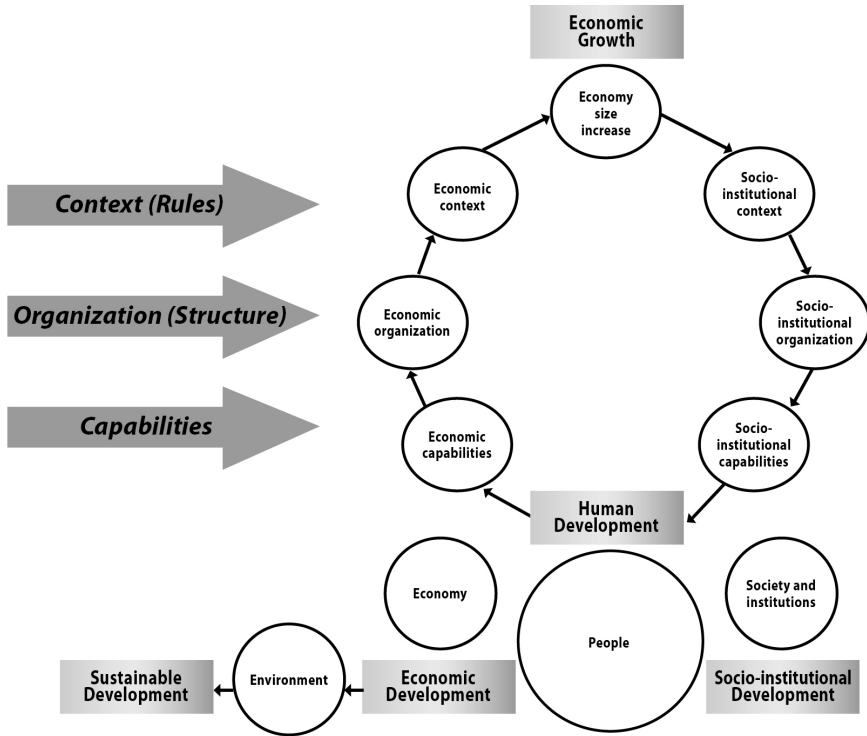


Figure 2
Integral Development³⁰

Conclusions, Limitations, and Avenues for Future Reflection and Action

This article takes a look at major development notions, considering the importance of this phenomenon, both on account of the efforts to fight poverty—a paramount challenge in our time—and the time devoted by public, private, and third-sector officials to promote it. From a historical standpoint, this review of the notions and paradigms embedded in development approaches leads to a richer view of the development phenomenon, integrating its diverse dimensions.

The focus of this article is on reviewing and making explicit the assumptions underlying the dominant paradigms on development and an integration of their core dimensions in order to create the conditions for a fruitful dialogue among practitioners, social scientists, philosophers, and theologians engaged in promoting development.

In this regard, this article suggests at least five paths for future reflection, integration, and action, both for organization leaders and academics. First, it is necessary to explicitly establish the assumptions, together with their prioritization, underlying development views. This article shows how approaches based on paradigms such as growth, economic development, and human development lead to different results. Therefore, future studies and proposals should make their assumptions explicit, describing their prioritization and impact on expected outcomes, so that they can be subject to public scrutiny.

Second, to prioritize assumptions, integration among the economic and international views, the social sciences, philosophy, and theology is needed. The reason is that each of these realms has its own autonomy, but there are also strong areas of interdependence. One of these areas is the criterion for prioritizing assumptions, given that each realm cannot provide for itself the criteria to prioritize its own assumptions.

Third, one of the above-mentioned criteria is distinguishing between development means and ends. For instance, Latin America's experience proves that taking economic growth as an end and viewing capability development as a means leads to rising inequality, as Latin America has become the world's most unequal and inequitable region as a result of the pursuit of policies aimed at economic growth. On the contrary, when development is viewed as an end, with growth deemed as a means, as seems to have been the case of nations such as Taiwan and South Korea, the outcome tends to lead to a more harmonious development in comparison.

Fourth, a realistic, objective historical review is needed to build development proposals. This article also traces the historical circumstances that have influenced the focus of development views on some dimensions over others. Thus, a consideration of the historical developments and theoretical assumptions that serve as a basis for development views will contribute to more sensible, reality-grounded development approaches.

Finally, if underlying paradigms are made explicit and prioritized, historical developments are taken into account, and ends and means are clearly differentiated, it is possible to build more consensual, realistic approaches to development, drawing away from unilateral formulas supported on ideologies that only contemplate development's economic and materialistic dimensions.

This article features a number of limitations. Considering its scope, three of its limitations are key and point to future research opportunities. First, this article focuses on the assumptions and notions underlying development approaches proposed by devoted economists and leaders. It is necessary to further explore how development tenets influence reality transformations. For example,

several studies show that the impact of policies such as the ones outlined by the Washington Consensus in 1993 are grounded on assumptions that equate development with economic growth. Similarly, other studies and reports issued by the United Nations' Development Program and Global Compact track the outcomes of policies based on notions focusing more on human development. Drawing a comparison among assumptions and streamlining outcomes, it may be possible to gain a better understanding of how different underlying concepts lead to dissimilar policies and results.

Second, the method used in this article is more inductive and historical than deductive, philosophical, and disciplinary. It will prove convenient to delve into the ontological and epistemological roots of development, incorporating them to the rather practical approach of this article. For instance, narrowing in on the realms of economics and political economics, it may be useful to take a closer look at the approaches spanning from Adam Smith's to Amartya Sen's views, from focusing on the nature and causes of prosperity to zeroing in on human capabilities, respectively.

Third, considering the body of work on development found in the Catholic Church's social doctrine, a more in-depth analysis will reveal how the assumptions and criteria contained in papal encyclicals on development compare to economists' and international agencies' plans to promote development.³¹ For example, the notions explained in Pope Benedict XVI's encyclical *Caritas in Veritate* share significant agreements with the United Nations' view on development as inferred from its Millennium Goals with people, societies, and the environment deemed as objects of development. However, sharp differences separate both views in terms of development dimension priorities and consistency in action paths. For instance, these approaches differ in how they weigh human development as compared to the environment, and as a result, they have different proposals regarding human life.

Notes

1. World Bank, available at www.worldbank.org.
2. Muhammad Yunus, *Creating a World without Poverty: Social Business and the Future of Capitalism* (New York: PublicAffairs, 2007), 238.
3. Pope Paul VI, encyclical letter *Populorum Progressio* (March 26, 1967), 76.
4. Adapted from United Nations, “Millennium Development Goals: 2010 Progress Chart,” available at http://mdgs.un.org/unsd/mdg/Resources/Static/Products/Progress2010/MDG_Report_2010_Progress_Chart_En.pdf.
5. See M. P. Cowen and R. W. Shenton, *Doctrines of Development* (London: Routledge, 1996).
6. See Manfred Spieker, “Development of the Whole Man and of All Men: Guidelines of the Catholic Church for Societal Development,” *Journal of Markets & Morality* 13, no. 2 (2010): 263–78.
7. Based on Héctor O. Rocha and Sumantra Ghoshal, “Beyond Self-Interest Revisited,” *Journal of Management Studies* 43, no. 3 (2006): 585–619.
8. This section lists the bibliography recommended to explore the disciplines that influenced the development notions and experiences discussed in this article. The ideas and criteria developed by the Catholic Church’s Social Doctrine provide a rich corpus and, given the aims and scope of this article, are not analyzed here but are related to the definitions offered by economists and executives. For example, the notions on overall development for all men expressed by Pope Paul VI in *Populorum Progressio*, furthered by Pope John Paul II in *Sollicitudo Rei Sociales* and Pope Benedict XVI in his latest encyclical, *Caritas in Veritate*, are included in the development concepts that surfaced in the 1970s, as noted next. For analysis of the Catholic Doctrine of the Church on development, see Spieker, “Development of the Whole Man and of All Men.” In particular, for cross-disciplinary approaches to *Caritas in Veritate*, see Domènec Melé and J. M. Castellà, *El Desarrollo Humano Integral. Comentarios Interdisciplinarios a La Encíclica “Caritas in Veritate” De Benedicto XVI* (Barcelona: ITER, 2010).
9. For more on the notions and theories underlying the definitions in this section, see Tim Allen and Alan Thomas, *Poverty and Development: Into the 21st Century* (Oxford: Oxford University Press, 2000), who provide a framework for development meanings and views; David Coates, *Models of Capitalism: Growth and Stagnation in the Modern Era* (Cambridge, UK: Polity Press, 2000), who explores economic growth theories; Cowen and Shenton (*Doctrines of Development*), who make a distinction between “imminent development”—a spontaneous, unconscious development pro-

cess that flows from within—and “intentional development”—deliberate efforts to advance a number of given objectives; the US Department of Commerce, “What Is Economic Development?” classifies economic development theories according to its basic categories, development definition, key dynamics, strengths, weaknesses, and applications, quoted in Kenneth E. Corey and Mark I. Wilson, *Urban and Regional Technology Planning* (New York: Routledge, 2006), 197–98; Department of the Environment, Transport and the Regions, *Sustainable Communities for the 21st Century* (London: HSMO, 1997); Amartya Sen, *Development as Freedom* (Oxford: Oxford University Press, 1999); Paul Collier, *The Bottom Billion* (Oxford: Oxford University Press, 2008); Jeffrey D. Sachs and John W. McArthur, “The Millennium Project: A Plan for Meeting the Millennium Development Goals,” *Lancet* 365, no. 9456 (2005): 347–53; and Michael Todaro, *Economic Development*, 7th ed. (Essex, England: Addison-Wesley, 2000), who compares the development theories that have emerged since World War II.

10. Cf. Héctor O. Rocha, “Entrepreneurship and Development: The Role of Clusters. A Literature Review,” *Small Business Economics* 23, no. 5 (2004): 363–400.
11. This definition is drawn from the United Nations’ Global Commission on Environment and Development, created by the UN’s General Assembly in 1983.
12. The United Nation’s Program for Development (UNDP) expanded this metric in 2010 to measure insufficiencies not only involving health and education but also key utilities, such as drinking water, sanitation, and electricity, revealing not only how many people are poor but also the composition and intensity of poverty. For example, a person with unmet needs in 70 percent of these metrics is clearly in worse condition than an individual lacking in 40 percent of these metrics. For more on this topic, see www.undp.org.
13. Amartya Sen, “Development as Capability Expansion,” in *Human Development and the International Strategy for the 1990s*, ed. K. Griffin and J. Knight (London: Macmillan, 1990), 41–58; idem, “Development Thinking at the Beginning of the 21st Century,” Development Economics Research Program, STICERD, LSE, no. DERP No 2 (1997); idem, *Development as Freedom*.
14. D. C. North, ed., *Institutions, Institutional Change and Economic Performance* (Cambridge: Cambridge University Press, 1990); Elinor Ostrom, *Governing the Commons: The Evolution of Institutions for Collective Action* (Cambridge: Cambridge University Press, 1990).
15. Héctor O. Rocha, “The Entrepreneurship and Cluster Foundations of Development: Theoretical Perspectives and Latin American Empirical Studies,” in *Entrepreneurial Strategies: New Technologies in Emerging Markets*, ed. A. Cooper, S. Alvarez, A. Carrera, L. Mezquita, and R. Vassolo (Malden, MA: Blackwell, 2009), 114–59.

16. United Nations, “Report of the International Conference on Financing for Development,” A/CONF. 198/11 (New York, 2002), <http://www.unmillenniumproject.org/documents/aconf198-11.pdf>.
17. Extended from Héctor O. Rocha, “Entrepreneurship and Development.”
18. T. Allen and A. Thomas, *Poverty and Development into the 21st Century*.
19. While Cardinal Henry Newman was a pioneer in the use of the term *development* (see Cowen and Shenton, *Doctrines of Development*), US President Harry Truman was the first leader to use it in the twentieth century’s international setting as part of his policy to fight poverty.
20. M. Todaro, *Economic Development*, 7th ed. (Essex, England: Addison-Wesley, 2000).
21. Even the World Bank, after championing “economic growth” as the goal of development in the 1980s, joined the new wave. Currently, its mission focuses on a “poverty-free world” (www.worldbank.org), stressing that development means “quality living” and “fighting poverty.” Cf. World Bank, *World Development Report 1991* (Oxford: Oxford University Press, 1991).
22. United Nations Program for Development, Human Development Report 1992 (Oxford: Oxford University Press, 1992); Todaro, *Economic Development*.
23. The Washington Consensus amounted to a set of economic policies that during the last decade of the twentieth century Washington, DC—based international financial institutions promoted for Latin American countries in order to boost their growth.
24. Department of the Environment, Transport and the Regions, *Sustainable Communities for the 21st Century* (London: HSMO, 1997).
25. Amartya Sen, “Development Thinking at the Beginning of the 21st Century.”
26. Héctor O. Rocha, “The Entrepreneurship and Cluster Foundations of Development.”
27. D. C. North, *Institutions, Institutional Change and Economic Performance*.
28. Jeffrey D. Sachs and John W. McArthur, “The Millennium Project: A Plan for Meeting the Millennium Development Goals,” *Lancet* 365, no. 9456 (2005): 347–53.
29. See Paul VI, *Populorum Progressio*.
30. Adapted from Rocha, “The Entrepreneurship and Cluster Foundations of Development.”
31. See Manfred Spieker, “Development of the Whole Man and of All Men”, 263–78; and Melé and Castellà, *El Desarrollo Humano Integral*.

Editors' note: It has come to our attention that there is an error in Figure 1 on page 10 of this article. The word "Archive" should be "Achieve." We regret the error and appreciate any continued quality control from our authors and readers.