Reimagining Development 3.0 for a Changing Planet

Jon Moris
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Reimagining Development 3.0 for a Changing Planet

Jon Moris

Summary

This working paper argues we need to reimagine development tactics to fashion Development 3.0, to match what business analysts now call World 3.0, a global system characterized by high turbulence and new threats. It begins by contrasting our former classification of countries spatially into First, Second and Third worlds with a new division of development epochs in sequence since the end of World War II. World 1.0 emphasized industrialization, urbanization, and modernization, lasting from 1945 to 1980. World 2.0 emphasized global trade, and a shift to private actors doing the work of development, from 1980 to the early 2000s. World 3.0 can be seen as superseding globalization by concern with emergent threats. World 1.0 privileged state actions to accelerate “nation building” within former colonies, whereas World 2.0 privileged private capital and free trade as engines for economic growth. Now, following wars, disasters, and the near meltdown of the global financial system in 2007/08, we enter World 3.0 as depicted by Ghemawat and others.

We review thirteen major changes not recognized within World 2.0 or its accompanying Development 2.0 regime. The major changes include the rise of homeless capital, the Conservative counter-revolution of the 1980s, the implosion of the USSR, rise of modern China, emergence of BRIC nations, a pan-urban world, rise of identity politics, reemergence of Africa, shift to non-state warfare, growing threat of climate change, MENA nations experience Arab Spring, digital worlds expand, and velocity increases. They suggest coming turbulence and unexpected outcomes, or “mashups” (Ramo).

These changes suggest a different emergent system, becoming World 3.0 which has profound differences from how we view our planet’s political economy (World 2.0).

If so, the paper outlines implications which suggest the time has come to “take on board” our changed planetary circumstances, and thus begin crafting Development 3.0.

“Where the wild things are”, introduces metaphors to change the ‘meta-narratives’ used for viewing World 3.0: “herding elephants,” “taming feral capital”, “swimming with tides” and “avoiding mashups”. They help us realize that long recognized problems (or “elephants”) may show unexpected behaviors to pose new threats within World 3.0.

The main argument of the paper then lays out a baker’s dozen changes needed if we hope to fashion more effective ways to promote development for us all. We must “rebalance society” (ala Mintzberg), refashion aid, privilege sustainability, emphasize fair trade, tame feral capital, devise better metrics, include all nations & peoples, seat G-20 not G-8, recognize semi-sovereigns, focus on a pan-urban world, build coalitions in networks, involve women & youth, and rebuild community leadership. All of which assumes we can offset a strong tide towards return to the excesses of World 2.0.

Keywords: development; BRICs; emerging societies; World 3.0; complexity; mashups.

Jon Moris is Professor Emeritus at Utah State University, after a long career in development spent partly in Africa with books on extension, rural development and irrigation and a time at ODI, London, working on African pastoral development.
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Acronyms and terminology

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Definition</th>
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<tr>
<td>BRICs</td>
<td>Brazil, Russia, India &amp; China, the 1 trillion $ plus economies in 2001</td>
</tr>
<tr>
<td>BRICS</td>
<td>BRIC nations plus South Africa, though smaller, to represent Africa</td>
</tr>
<tr>
<td>Complex organizations</td>
<td>Systems with multiple processes, states, &amp; behaviours</td>
</tr>
<tr>
<td>Conditionalities</td>
<td>donor imposed restrictions accompanying loan financing</td>
</tr>
<tr>
<td>Development 1.0</td>
<td>Initial, state-led investment to assist nations in post-colonial world</td>
</tr>
<tr>
<td>Development 2.0</td>
<td>Post 1980s efforts to encourage free trade &amp; globalisation,</td>
</tr>
<tr>
<td>Development 3.0</td>
<td>Rebalancing aid to encompass public &amp; private, all nations &amp; levels</td>
</tr>
<tr>
<td>GDI</td>
<td>Gender-related development index</td>
</tr>
<tr>
<td>GDP</td>
<td>annual gross domestic product (of nations) if per capita, per person averages</td>
</tr>
<tr>
<td>GES</td>
<td>Growth environment index, used by O'Neill team at Goldman Sachs</td>
</tr>
<tr>
<td>G-7, G-8</td>
<td>Heads of the major European &amp; Atlantic nations, plus Russia to form G-8</td>
</tr>
<tr>
<td>G-20</td>
<td>Heads of nineteen largest economies worldwide (including G-8) plus EU</td>
</tr>
<tr>
<td>HBR</td>
<td>Harvard Business Review</td>
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<tr>
<td>HDI</td>
<td>Human development index (alternative to per capita GDP), calculated by UNDP</td>
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<tr>
<td>HDR</td>
<td>Human Development Report (annual, by UNDP to offset WDR claims)</td>
</tr>
<tr>
<td>HPI</td>
<td>Human poverty index (another alternative to per capita GDP)</td>
</tr>
<tr>
<td>Mashup</td>
<td>major, unexpected consequences of interacting processes (ala Ramo)</td>
</tr>
<tr>
<td>MGDs</td>
<td>Millennium development goals adopted by UN to be achieved by 2015</td>
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<tr>
<td>NGO</td>
<td>non-governmental organization, INGO for international NGO</td>
</tr>
<tr>
<td>NSA</td>
<td>National Security Agency (USA)</td>
</tr>
<tr>
<td>Parastatals</td>
<td>hybrid organizations with public and private funding or participation</td>
</tr>
<tr>
<td>PPP</td>
<td>purchasing power parity (adjusted $ amounts to reflect local buying power)</td>
</tr>
<tr>
<td>Sandpile event</td>
<td>Per Bak’s explanation for unexpected, catastrophic failures</td>
</tr>
<tr>
<td>TNC</td>
<td>transnational corporation, alternatively MNC or multinational corporation</td>
</tr>
<tr>
<td>WDR</td>
<td>World Development Report (annual, by World Bank)</td>
</tr>
<tr>
<td>World 1.0</td>
<td>1945 to 1980, emphasis on nation-building, modernity, &amp; industry</td>
</tr>
<tr>
<td>World 2.0</td>
<td>1980 to early 2000s, emphasis on free trade &amp; globalisation</td>
</tr>
<tr>
<td>World 3.0</td>
<td>2007 onwards, anticipates BRIC rise and turbulence</td>
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Introduction

The pages to follow explore the rationale for adapting what we do to promote “development” in today's world, by recognizing key changes seen in business as constituting World 3.0, a term given currency by Ghemawat (2011) and parallel to the Marketplace 3.0 Mikitani discusses. In business, Harvard Business Review tells us to seek “transient advantage” in a rapidly changing world (McGrath 2013). In my field of development studies, a 2011 IDS Bulletin raised the basic question: Time to Reimagine Development? To which my answer here becomes: “Yes! And the task is urgent.”

Our exploration of this multi-dimensional, multi-faceted enquiry takes us through six large steps:

- Why development strategies divide into three, sequential policy arrays, equivalent to World 1.0, 2.0, and now 3.0 (our focus here).
- The dozen or so major changes in our planetary systems which the earlier, World 2.0 “globalization” emphasis failed to recognize
- Emergent versions of World 3.0 in several domains
- Preliminary implications when envisioning a major change in how we conceptualize development tasks, thus Development 3.0.
- New metaphors to redefine our ‘meta-narrative’ based on emerging “turbulent times” for our planet
- A baker’s dozen key changes to yield more effective Development 3.0 initiatives.

1 The three worlds of development

Back in the 1960s, “three worlds of development” connoted three clusters of nations sharing many traits but each cluster quite different from the other two. The First World back then meant the industrial economies of the North Atlantic, plus eventually Japan; the Second World included socialist nations within the Russian orbit (most being members of the USSR or Eastern Europe); the Third World applied to a diverse collection of poor nations, headed by China and India and loosely linked as “non-aligned” nations (meaning not direct allies of either NATO or the Warsaw pact nations). Here, instead, we distinguish three worlds in sequence, to depict three planet-wide approaches to governance and trade.

If we start with the ending of World War II, it brought realization that colonies no longer made economic sense, and must now become independent nations (mostly achieved by 1980, with a few exceptions like South Africa). Their economic development became a “privileged problem” (as Hirschman termed it), to be achieved by experts and financial assistance from rich nations coupled with national governments working to modernize their economies through urbanization and industrialization. The state held the reins, both in assisting nations (like the USA soon joined by the UK, Germany and other OECD nations), and in assisted nations (thus the Third World of poor states, as then defined).

World 1.0 privileged modernity above all other goals, associating it closely with urban life and industrial production. It had been created a century earlier in England and later the USA and Germany. It was what Stalin aspired to in his version of the USSR. New nations across the post-colonial world adopted “nation building” as their goal. Rostow in his (1960) The Stages of Economic Growth extolled the achievement of “lift-off” into self-sustaining growth as a result of strategic investments. Third World leaders agreed, but failed to follow their own guidelines once corruption entered.
This World 1.0 saw the United Nations as a forum for all countries, a rivalry between two superpowers (the USA and USSR), a nuclear standoff, and a growing number of “donors” willing to promote development in poor nations. Experts had secure careers giving advice, even as new ways for packaging funds were devised (projects, programs, and policies) and as national development policies became the focus for decision-making. Public/private partnerships emerged within “parastatal” organizations seen as carrying out nationally important goals. In Europe and to a lesser extent the USA, ‘development studies’ emerged as a new, trans-disciplinary network of specialties addressing such issues. The World Bank was created to fund public development projects, with the International Monetary Fund to assist nations with temporary fiscal problems. We also saw emergence of new academic journals linked to Development, with World Development the 2.0 flagship (taking over from Economic Development and Culture Change, its US Development 1.0 predecessor).

World 2.0 dates from about 1980, and would also last roughly three decades. In this revised version of our planetary future, “emerging markets” replaced “developing nations” as the focus for organized assistance. Economics as a discipline became privileged to guide interventions, notably Milton Friedman’s view of the superiority of market-based solutions to all problems. The World Bank moved to the head of the donors’ table. It now advocated an array of measures to privilege for-profit service provision as part of “open society” initiatives. Conditionalities were added to financial aid, insisting developing nations toed the new line. Meanwhile, the IMF imposed a standard package of severely deflationary policies on any poor nations it assisted because of revenue difficulties. Development studies, we were told, had been superceded by global free trade, a “rising tide would lift all boats.”

Donors turned away from governmental agencies to promote NGOs as private middlemen linking them to the very poor. In the economy generally, leveraged buy-outs, deregulation, outsourcing, stock trading, bond sales and the invention of new instruments (like derivatives) flourished. Massive accumulations of debt occurred as the high interest rates of the mid-1970s passed into history. It became a glittering, new epoch where market-based policies offered continuing profits into the distant future: some claimed business cycles were outmoded. Bill Clinton and Tony Blair flourished.

Part of Development 2.0 became disparaging the value and effects of official aid, with prominent works by Dichter (2003), Easterly (2006), and Moyo (2009) leading the way. All three authors have real experience, they know their subject. Others refuted their charges, giving counter examples to show World Bank funds have done some good (Manor 2007, Riddell 2007, Folke 2010). Riddell (page 253) tells us official aid has mostly succeeded in achieving short term, “gap-filling” needs, but its longer term country impact disappoints. Easterly (who writes with much sharper prose) tells us the West has spent 2.3 trillion dollars over five decades. Yet it cannot get a twelve-cent dose to cure malaria into the hands of the needy: do we call this a success? His prose sweeps us along, contrasting bumbling, rigid “planners” with wise, locally linked “searchers” (thus public sector versus private sector). It is heady stuff, even when he cheats, as depicting a Water Aid success in delivering pure water to Ethiopian peasants, but then characterizing it as “acting more like an explorer” (page 209). Phillips (2013) also highlights declining importance of official aid, but argues the various diaspora now substitute—another term to add—with private flows of remittances and peoples doing the real work even if not acknowledged by official aid givers.

A classic instance becomes the response to Haiti’s earthquake, which generated millions of dollars to various charities and multiple promises by donors. Katz titles his book The Big Truck That Went By. He tells us no lasting benefit ensued. An even worse example can be found with Chris Cassidy’s efforts to revive a Somali irrigation project (also funded by an international NGO), as told by Maren in The Road to Hell. Nor do accounts by field “experts” give encouragement. (Read Klitgaard’s Tropical Gangsters and Vaux’s The Selfish Altruist.) Gill visits one of Sach’s vaunted Millennium Villages in Ethiopia to find it occupies a barren
landscape with a cluster of incomplete structures to which the Ethiopian government has not allocated staff (2010:255-67). If we are serious about “inventing” Development 3.0, an initial order of business must be to rethink how aid addresses people in need. We can do better (our topic at the close of this paper).

Those in charge mostly still operate within a World 2.0 model for planetary affairs, assuming globalization works well. They continue to split between neo-classical economists, thus Rodrik Dani (whose title One Economics, Many Recipes says it all), and various critics, notably De Paula & Dymski (2005) and Fine (2006). The consensus remains that Bhagwati (2004, 2007) gives the best defense of globalization 2.0, in part because he acknowledges problems, such as his analysis of “the perils of gung-ho international capitalism” (pages 199-217). Ravenhill’s (2011) Global Political Economy keeps us up-to-date on the current literature.

Stay with us, economists promise, and a global convergence toward higher incomes will eradicate poverty and fuel on-going economic expansion (Spence 2011). They see changes on every side, but for the most part treat the evidence as if it applies to unrelated, bits of flotsam in the ocean of time where our planetary vessel proceeds as before, but with greater caution. Some see the crisis of 2007/08 as a sharp, but necessary corrective, our world economy now nearly recovered and rejoining the planetary game (O’Neill 2011, Economist 2013b).

Others argue larger changes have arrived which necessitate changes in business strategy. Two sources which triggered this paper have been Ghemawat’s (2011) World 3.0 (sober and well-informed), and Ramo’s (2009) The Age of the Unthinkable (provocative and visionary). Ghemawat tells us with examples that our world has changed, fundamentally. He is no wild-eyed, long-haired Marxist intellectual (as some perceive the species), nor a Utopian eco-crusader. Instead, he lays out key shifts in how globalization actually occurs (different from its assumed performance). (Mikitani advances similar claims, in Marketplace 3.0 analyzing emerging on-line retailing.)

We learn, for example, that most trade stays within regional blocks, that cultural details still matter as factors influencing consumer choice, and that few industries achieve global coverage. Among a range of global forces often blamed for large positive and negative effects, some show only 2-4 percent global turnover, and hardly any exceed 25 percent. Perhaps he is too cautious, the Economist quotes Richard Baldwin of Geneva’s Graduate Institute to the effect that a “second unbundling” is underway which connects long supply chains with cheap labor. The Chinese share of global exports now tops 11 percent, with trade contributing more than half its national GDP (2013b:23). Rosenau (in his 2003 Distant Proximities) argues however that for each global thrust, we can identify a corresponding “push back” in defense of threatened practices and identities. He sees six types of global governance active within our territorial spaces: top-down, bottom-up, networked, side-by-side, and “mobius-web” type governance (for TNCs, IGOs, and NGOs) (page 397). My point here would be that whichever view one prefers, all agree major changes require adaptation in how we view and promote familiar activities within a changed planetary system. Specifically, World 3.0, The Growth Map and the Economist (2013b) tell the popular reader what business leaders think about our likely futures.

This paper summarizes what this, recent literature implies about World 3.0 as an emerging political economy, becoming the basis for discussing more appropriate strategies to guide Development 3.0 interventions. We start by itemizing a baker’s dozen major changes already recognized, asking how well those in charge have met today’s challenges. Developed nation leaders fail this test. This is so, not only in major nations like the USA and UK, but also in various threatened nations (such as Iceland, Greece and Ireland depicted by Lewis in his Boomerang). If we assume their continued ineptitude and evasions, our
planetary situation becomes even more challenged. Those responsible for safeguarding our well being seem distracted, chained or asleep (Mintzberg agrees). *That* becomes reason for the rest of us to pay close attention to these arguments.

2 A baker’s dozen major changes

Changes from World 2.0 began as far back as World 1.0, but were either unnoticed or disregarded. Most emerged in parallel, to become part of changed landscapes we view when thinking about “development” in coming decades. I do not document these trends in detail—most are well known to readers—but instead highlight their cumulative and interactive impacts, sufficient to constitute a changed, World 3.0 system. What have been the major changes?

The Marshall Plan instituted by USA after World War II became the model for later foreign aid. It used injections of capital to restore European nations (the preferred tool ever since). It yielded accumulated Euro-dollars outside US borders. From 1973 onwards the US paid for petroleum in dollars, also often held outside borders by non-citizens. Because oil prices were computed and paid in dollars, and given the booming Post-war U.S. economy, the dollar became the reserve currency held internationally—to the great benefit of US regimes once we began fighting our wars on credit. (Even today, *most* hundred dollar bills printed in the USA go at once to be hoarded in Eastern Europe or Argentina.) Homeless capital in huge amounts became the invisible player, sitting in every game but seldom mentioned by politicians, who pretended it did not exist. And, in an “open economy” system, such funds can move in and out of national borders almost instantaneously, creating a new and major source of potential instability.

The second, really large change started with the elections of Maggie Thatcher in the UK and Ronald Reagan in the USA, launching a Conservative counter-revolution to roll back the earlier emphasis upon state action to promote development. Dating from about 1980 (Reagan’s election victory), we saw a massive shift in how development was conceptualized, the accompanying policies, and the uses of official development assistance towards Third World nations (and within First World nations, Irwin 2011). Because this change privileged the private sector and free-market economics as a discipline, few economists admit its essentially ideological nature. They told the rest of us what we must do, and we followed: creating, then, World 2.0 with its faith in the beneficial impacts from globalization. A priority became dismantling the various regulations put in place after the 1930s Depression to protect citizens from high risk capitalism. This regulatory pruning continued over two decades, step by step removing safeguards, freeing capital to go where it wanted and to do what it wished. It became our elephant, assumed friendly and obedient, harnessed to accomplish the world’s work.

Meanwhile, donors demanded ex-colonial nations followed suit, installing sweeping changes labeled as “open society” incentives: budgetary stabilization, structural adjustment, privatizations, divestitures, and a shift from public, non-profit services to private, for profit providers. Trade restrictions were viewed as bad. Capital (but not labor) could move freely across national borders, without taxation. Debts became commodities, to be bought and sold many times over, public or private. At home, corporations which held capital reserves were raided, using highly leveraged funds, supposedly to increase ‘efficiency’ but actually to yield immediate gains to new owners. Now one could buy and sell options on future price changes, the market for “derivatives” expanded greatly.

Internationally, instead of the mixed economies post-colonial leaders had begun creating in the 1960s and 1970s, they must instead embrace global free trade (thus a “race to the
bottom”), MNCs and TNCs, and a loss of sovereignty over formerly regulated transactions. As part of this deal, trans-nationals were permitted to incorporate in off-shore, tax havens, thus evading taxes they might have paid “back home”. Production became uncoupled from place, a really major change dividing it into a ‘value-added chain’ with parts scattered over the planet. It was, we were promised, for the common good: sentient markets would protect us all. In China, it worked, moving millions out of abject poverty into poor but tolerable living (China’s gain came at Thailand’s loss, creating the 1997 Asian financial crisis).

Growing out of World War II was the division of the world economy between two superpowers, the USA and the USSR. Up to the end of the 1980s, nobody expected the rapid implosion of the USSR in 1991, or the shrinkage of ‘Mother Russia’ into a ‘Third World’ power with an economy about the size of Brazil’s. The reduction of Soviet power and then the decade-long effort to fashion market economies within ex-soviet and Eastern European states came as a surprise, our third major change. It was achieved, but at great social cost to those living within the former USSR, and most especially to older Russians. Under Yeltsin, they got a 1998 currency melt-down, a rise of oligarchs feasting on stolen wealth, emergence of open corruption, and an eventual transformation into Putin’s autocratic Russian state. Russia actually lost population, as social problems, death rates and crime soared. The Atlantic Monthly famously declared, “Russia is Dead” (Taylor, 2001). Not true, actually. Russia has great mineral wealth, and Putin revived his nation’s standing (Goldman 2008). However, Taylor’s article captured the US consensus about Yeltsin’s Russia.

A fourth and equally surprising outcome has been the rise of modern China. The success of Deng Xiaoping’s marketised Communism contrasts with Gorbachev’s failure. China overtook Japan in the 2000 decade to become our planet’s second largest economy. Up into the 1970s, we saw instead Mao’s Peoples Republic. It appeared an ideologically driven experiment in human social engineering, the most extreme of the surviving Communist nations (alongside little North Korea and Cambodia). Analysts anticipated an eventual liberalization and recovery of the Chinese state, but not quickly and not in ways to position itself as the next superpower arising out of Asia (as some had expected Japan would, back then). Nederveen Pieterse tells us the US National Intelligence Council estimates the US will lose its superpower status by 2025 (2011:2). True, China’s GDP is estimated at only 5.9 trillion dollars currently, less than half that of the US 14.6 trillion, but if we put it together with Japan’s 5.5 trillion GDP, the two combined already equal roughly eighty percent of US wealth and economic power: East Asia rising (Harvard Business Review, October 2012:32).

Of the 1.3 billion Chinese, approximately 300 million have become an emerging, urban middle class, whose aggregate purchasing power will in another decade equal that of the USA, and China expects to add another 100 cities to almost double its urban middle class by 2025. Very few anticipated anything like this back at the turn of the century in 2000, even though the trends had already become apparent. Today, we non-Chinese struggle to catch up, with books on China’s situation now best sellers (start with Jacques 2009 and Shambaugh 2013). The Economist salutes China’s arrival center stage, adding a weekly section on its activities alongside the USA and the UK. Its evolution confirms our world economy as a tripartite division between East Asia, the EU, and the North Atlantic, roughly equal players from this time forward. Analysts now see China’s rise as necessitating global “rebalancing” (our topic here).

A fifth and consequent change has been the emergence of other “developing country” markets (alongside China’s own), the BRIC nations O’Neill identified in 2001, now become BRICS (by adding South Africa for political reasons). Each of the initial four has GDP of more than $ 1 trillion annually (Economist 2013b:22). In combination, they hold foreign reserves six times the assets of the IMF (Nederveen Pieterse 2011:23). For commerce, ‘developing markets’ represent the one, major and not yet fully exploited opportunity for rapid growth. IMF estimates put it at just below 50 percent of future growth over the next decade; in 2008,
they accounted for two thirds of world GDP growth (Economist 2013b:23). Their recently poor citizens hanker after the same fruits of progress we enjoy. For businesses relying on retail profits, emerging nation markets constitute their best chance to sell goods and services they know how to market. It may not happen. Gemawat and others warn local retailers hold strong advantage in many places, and export growth is slowing, but at least the potential beckons. In business, global prospects now rule. As Winters and Yusuf put it, our leaders find themselves Dancing with Giants.

A sixth change has been the fact that over half our planet’s humans now live in cities, which are increasingly located in these same emerging markets. Post-modernists like to claim we have entered a post-urban world, assuming urbanity no longer divides city folk from their country cousins (just ask the Chinese!). Instead, and most especially in China, urban living has been linked closely to notions of modernity (thus also invalidating post-modernist assumptions). Chinese cities now exhibit among the most toxic air in the world, and have recreated on new ground many classic urban problems. Our planet has not entered a post-urban phase, but rather experiences a pan-urban spread of shanty-towns, urban sprawl, gaudy palaces, and social problems on a scale greater than ever seen before. This is where most people will now live, participating in conurbations of business and settlement almost too large to manage by conventional means. And many are coastal, subject to rising oceans and fierce storms beyond those known from the past.

A seventh change has been the rise of identity politics, famously forecast by Samuel Huntington’s Clash of Civilizations with his eight potentially competing cultural bases. Again (as with Kaplan’s “coming anarchy” prediction for Africa), Huntington’s analysis became prescient when the US military returned to Iraq and Afghanistan, both along his ‘fault line’ between militant Islam and ‘the West’. Where his ideas fall short, however, relate to the increased potentials for identity conflicts within modern economies, thus America’s deep divisions between ‘red-state’ and ‘blue-state’ politics, or (for a European example), Belgium’s continuing political stasis. We observed in the US 2010 and 2012 elections a genuine “mashup”, wherein big money was set free by a very Conservative US Supreme Court to wage political warfare within a modern, advanced democracy. The result so far has been to immobilize the US government, keeping its youthful president from dealing with America’s many, emergent problems. In the EU, we encounter equally deep divisions coupled with a total lack of imagination to fashion new solutions which do not penalize average citizens for foolish actions by their leaders—a situation depicted by Lewis in his Boomerang.

Eighth comes the re-entry of sub-Saharan African nations onto the world stage as potential future markets and as sources of vital resources. In regard to “development”, Africa more or less left the domain for privileged support with Kaplan’s “coming anarchy” prophecy (in 1994). His view that elites would withdraw into protected enclaves even as their states collapsed did not earn him academic approval, but did prove prophetic. A new vocabulary emerged to depict the results: internally displaced persons, failed states, complex emergencies, kleptocracy, hybrid governance and child warriors vied for attention. With an apparent great opportunity offered by the Soviet collapse, and South Africa free (in 1994), western donors put African needs on a low priority, maintenance only basis. (As always, when in doubt: hold a conference. Toney Blair’s effort to engage African leaders in rethinking their continent’s future merits mention.)

The Chinese and Gulf States did notice Africa, however. Across sub-Saharan Africa, the Chinese have replaced former colonial powers and the US as the largest donor (van Dijk 2009). Chinese projects and workers have spread widely, securing resources and valuable land with long term leases, sometimes meeting others from Saudi Arabia or the Gulf States with similar intentions. Their successes in part result from a “mashup”: the available communal and tribal lands which had not enjoyed private tenure, are now being signed over to foreigners by greedy elites (see below). Given “open markets,” South Africa’s well funded
firms penetrated and displaced local corporations across East and Southern Africa, even as Nigeria and Ghana have emerged as West Africa’s leading economies. Despite droughts, wars, plagues, and AIDS, Africans now participate in vibrant local economies, to the surprise of Europe and North America. The World Bank now computes its Africa Infrastructure Country Diagnostic (AICD), to chart increased investment in Africa’s 29 most important nations, representing 85 percent of Africa’s GDP. Demographics also help: projections show Nigerians may outnumber US residents in less than 40 years (Economist 2013b:24).

A ninth change largely uncommented but powerful has been a shift in how nations conduct warfare, which I define here as organized and deliberate attacks to disable an opponent. War 3.0 does not offer a pleasant scene. The USA has waged economic warfare on several nations with whom our leaders had serious differences, notably against Sadam Hussein (from the first Gulf War up to 2001), against Myanmar (where it worked) and against Iran (in question currently). Such measures penalize average citizens for their leader’s actions, hoping they may exert pressure from below to force leadership changes (usually a fallacious assumption). More recently, we have defined an essentially religious conflict as if it originated from a territorial enemy. Actions meant to remove threats end up multiplying them, using nasty and mostly secret tactics and instruments (Duffield 2001, Munkler 2005, Kilcullen 2009). (Any time your general’s chief advisor has a PhD in political anthropology, you might guess something has changed!). On these new landscapes, drones, computer viruses, high tech enabled warriors, extremely expensive aircraft, ships and even satellite killers compete, plus cyber-warfare and perhaps nanobots entering the fray: War 3.0 already emergent. It relies on an enormous but secret IT industry, vastly larger than any aid program, mostly off record in terms of funding, weapons, and controls (see warning below about ‘mashups’). How, indeed, will ‘big data’ predict our future if the largest actors cannot even be described?

The tenth shift is not acknowledged by American Conservatives, to the detriment of us all (because their refusal blocks US leadership on the world stage). It concerns the obvious fact of “climate change” (so labeled to sidestep politically unpalatable “global warming”). This is for American liberals a strange situation. Our Pentagon holds major reviews to identify conflicts which may spill over onto American terrain because of global warming. Big industry salivates over sea routes across the unfrozen Arctic. The Harvard Business Review identifies various climate-linked threats under a heading “What Keeps Global Leaders Up at Night” (April 2012, pages 32-33), notably emerging scarcity of fresh water, food shortages, rising greenhouse gas emissions, and climate-linked catastrophes. Yet US Conservatives refuse even to debate the topic (vide the US 2012 election). Big money enters politics to postpone necessary mitigations, earning its short term profits at our future expense (Bond 2012). We Americans allow greedy politicians to dictate terms of debate on a topic of huge importance and great urgency.

A quick review cannot marshal all the evidence. On this topic, the literature is immense (Stern 2006, Metz et al. 2007, Helm & Hepburn 2009, Giddens 2009). Let me note briefly three related facts, increasing the urgency of discussing “where the wild things are”. First, climate modeling tells us that the water supply to Asia’s great rivers in China and India derives critically from snows on the high Tibetan Plateau. These snows now shrink, changing seasons locally but also diminishing outflows of vital, fresh water. Perhaps formerly Chinese scientists didn’t pay attention to global warming, but certainly no longer. If present trends continue, Chindia faces enormous tensions related to diminished waters in the major river systems upon which perhaps 2 billion people depend. Second, too much attention goes to carbon dioxide emissions, which of course are only one among a family of “greenhouse gases”. Scientific studies of the Canadian arctic show as permafrost melts, it “burps” methane gas in large amounts—a much more potent greenhouse gas. This in turn triggers an accelerating feedback loop, changing the overall situation more rapidly than models predicted, heading us all rapidly towards an “ice free” planet. Third, we now understand more about the essential role of Antarctic ice maintaining deep flows of very saline water in a
planet wide, deep ocean circulation system. We have also learned polar ice melts more rapidly than was thought possible, exceeding historic levels of ice loss not seen for hundreds of thousands of years. Put these facts together, and our scientists tell us that huge swings in climate can occur in decades, not centuries, nor millennia. Indeed, each successive intergovernmental panel on climate change has found its predecessor too cautious: the actual changes exceed predictions. These are therefore hardly the abstract and distant dangers Conservatives depict; they have become real and present dangers our politicians sidestep, ignore or prevaricate about. When the Harvard Business Review becomes more radical than our most liberal US politicians, we must recognize our political system is, well, broken.

The eleventh change directly illustrates our failed leadership on the world stage. I refer to the re-entry of MENA nations into active, geo-political consideration, first because of US and Israeli resort to military ventures aimed at increasing their security—notably verging for a time on outright failure—and second because of the Arab Spring which flowered in 2011 but has not yet realized expected outcomes (the Economist, July 13, 2013). Looking back, we now understand that Egypt’s long tolerance of Israel negotiated originally by President Carter should have been its one, best chance to achieve peace in the Mid-East. Instead, US willingness to arm Israel and its tolerance of Israeli nuclear capabilities and expansion onto Palestinian lands removed any pressure on Israel's leaders to act when acting was feasible. Now, perhaps that option has been lost permanently. In World 3.0, average citizens across the Mid-East see from Al-Jazeera (in its Arabic broadcasts) what Israel does to its colonial subjects in nearby Palestine. Those snapshots fuel a rising anger among the young (Telhani 2013). Salafist Islam appeals to fundamentalist youth all across the Mid-East, and also to some in the UK, Germany, and the USA (witness the Boston marathon event). Such reactions are normal, but get portrayed as unusual and pro-terrorist by US media.

Radical Islam now spreads into Africa, funded by oil profits. West Africa exists as a patchwork of mostly north-south tending states, with Islam dominant in the north but Christianity and paganism surviving in the south. A vigorous and mobilized Islam could rip apart the entire, West African fabric from east to west. (It almost happened in Mali until the French belatedly intervened, and remains an on-going problem in Northern Nigeria.) We forget that in the Sahel the elitist French model for secondary schooling meant very few youth gained eventual employment because of education. Their parents often opposed government schooling as a waste of money, instead putting children into traditional, Muslim schools. They instructed a new generation of disaffected youth (Villalon 2012). Thus these initial conflicts are not the ending of this episode, merely the first act in a continuing drama with many to follow—and for such outcomes, our leaders are partly responsible.

For our twelfth change, we add the digitally enabled world, starting with modern computers during Cold War days but today embracing a huge arena of activities, technologies, and future potentials (Lanier 2013). This yields Mikitani’s Marketplace 3.0, with retailing now competing for on-line customers. Business gears up to use “big data,” made possible by transfer of statistics into digital form, manipulated by powerful software (see HBR, October 2012). It also includes a revolution in teaching technologies, incomplete but vastly different (and more powerful) than earlier tools. It encompasses the gradual demise of paper books, with perhaps half book sales going to e-books, and with libraries selling off their treasured volumes to seat readers instead at computer screens. We have created multiple, virtual realities: for our children, in their video games, for our students with on-line courses, for our military planners with their war games, and for most avenues of human activity in the modern state. Reality, we are told, now resides on servers “in the cloud”, introducing a deep vulnerability should cyber-war break out (see further arguments below).

To round out our baker’s dozen, we recognize also increasing velocity in all domains of our daily lives, a speeding up older citizens (like myself) see more clearly. Recall for a moment
the summer of 1997, when Thailand’s currency lost a quarter of its value in weeks once international investors panicked, when South Korea and Indonesia suffered as well simply by contagion. Today such collapses would occur in a day, we refer to “spikes” in stock market values created by computerized trading within minutes of some rumor. Books will increasingly exist as electronic blips in the “cloud”. Hurricanes, wars, and financial crashes occur so often we lose track, our youth are focused on today’s fashions and news, updated hourly on their face-book accounts.

Considered jointly, the thirteen major changes we have briefly sketched here give rise to at least six 3.0 scenarios: planet 3.0, climate 3.0, world 3.0, marketplace 3.0, warfare 3.0, and knowledge 3.0. They interact, creating new outcomes outside existing scenarios. All merit close attention. We shall later (in section 6 below) depict how these new facets of our shared planetary system require equivalent changes in development initiatives (thus Development 3.0).

3 Emergent versions of World 3.0

Those who work within academic disciplines often lack awareness just how much has changed, to merit the label World 3.0. In the business domain, however, corporations compete within actual situations. For them, recognizing changed circumstances becomes crucial for economic survival. This paper argues that the same imperative ought to influence the rest of us, so let us pause momentarily to outline in capsule form what these new labels portray.

We begin with Planet 3.0, where today’s situation emphasizes the huge costs to us through losses of our “ecological subsidies” which formerly sustained humanity. Among the most worrying are the acidification of oceans (collapsing marine food chains) coupled with their overfishing (removing key marine species); extinctions on a planetary scale (which are forecast to accelerate as total human populations climb); the loss of rainforests (thus our “planetary lungs”); increased dangers from ill-advised ventures such as petroleum drilling in the Arctic Ocean; and collapses of fresh-water availability—the list keeps expanding (as should be expected, with rising population on a shared planet).

For each planetary resource, let us imagine an initial totality as divided into quadrants. Use within the first quadrant for exploitation focuses on constructing appropriate property rights and finding cost-effective extractive technologies (as seen in World 1.0). By the end of quadrant two, with half the resource gone (where we are in regard to rainforests), we should begin measuring what remains, relative to extraction rates and likely future conflicts (entering World 2.0). By the end of our third, World 3.0 quadrant (now reached in some maritime fisheries and exceeded in old-growth forests), economic science no longer suffices. Hard political decisions must be made, or the whole resource will be extinguished while we debate policy changes. Overall, we are in third quadrant exploitation situations for many key resources, a situation where ecological issues must now trump efficiency considerations, and where direct and perhaps drastic interventions must be considered—anathema to economists. At the very minimum, we require better ways to estimate and then act upon necessary trade-offs. Environmental losses and threats can no longer be treated as arcane and subsidiary concerns (here read Foley 2010, though he remains too cautious).

Climate 3.0 then emerges as being really important, a centrality many citizens now recognize but our political leadership tries to ignore, downplay, or circumvent. Forecasts of its implications do not reassure, here read Parenti’s (2011) Tropic of Chaos. As our tenth shift from World 2.0 discussed above, space limits further explication here except insofar as to affirm its huge importance within geopolitical policy debates.
World 3.0 enters our discourse from business, in particular Ghemawat’s (2011) book (by this same title). Coupled with other sources already mentioned, it emphasizes changing conditions which any astute business person should comprehend. Among key features are varying global forces which become transmuted within regional blocs, the rapid rise of BRIC nations, an underlying instability within capital markets, our increasingly urban life styles, a shift of political momentum to the Eastern Pacific, the digital envelope which now portrays and defines us, and the shift towards on-line purchasing worldwide. Since these same traits are discussed throughout this paper, let us leave World 3.0 as a concept except to insist it differs from World 2.0 and it matters to the rest of us.

Marketplace 3.0 builds upon the above traits to explore how business will occur over coming decades as gradually China replaces the USA as our planet’s largest economy. Many analysts have predicted that brick and mortar retail outlets must either add on-line purchasing (and rapid delivery), or, indeed, the trade will migrate to on-line orders without reference to localized retail outlets. Paradoxically, despite this vast expansion in scale for a few large retailers (notably Amazon), they in turn acquire very particular knowledge of our individual wants through tracking all purchases and internet use. If so, national regimes must craft new forms of taxation suited to this changed environment.

Let us return to War 3.0, introduced above and an especially dynamic domain for policy choice. We can think of War 1.0 as carrying forward the mechanization of warfare in World War II fashion, applied later in Korea, Vietnam, and ultimately in the Bushs’ Gulf Wars. Here the logic favors ever larger and more lethal instruments to deliver destruction across entire landscapes. War 2.0 had its roots when John F. Kennedy created Green Berets, an experiment to see if special forces could forestall a Communist takeover in Vietnam. (Kennedy died just when fallacies in his policy became evident.) Indeed, the 1993 US forces fiasco we know through Bowden’s Black Hawk Down (2000) represents precisely this type of situation, a helicopter assault trying to remove a Somali war lord from his urban nest. (It did work, ultimately, to eliminate Osama bin Laden, but at great political cost.) It has taken a further two decades for leading military thinkers to absorb lessons of the Blackhawk down disaster, read Kilcullen’s (2013) Out of the Mountains.

This important work emphasizes many of the same changes we explore relative to the wider, Development 3.0 domain. Kilcullen advised US General Petraeus. He explains that US forces in Iraq had nearly lost their war by 2006, when a changed strategy finally brought fatalities down. As he notes, roughly fifty percent of the fighting took place in Baghdad itself, urban warfare with inevitable civilian casualties. The US forces won temporarily by paying Sunni fighters to guard their own homes, and in effect shutting down the entire city to create localized safe havens behind roadblocks and concrete barriers. However, no such solution would work for any megacity such as Mumbai or Lagos. And, indeed, today’s insurgents are often what he terms “conflict entrepreneurs”, younger men who gain by fighting even in contexts which harm their own people. Also, communication about events has become instantaneous. Today’s insurgents find instructions how to fashion modern “weapons of mass destruction” on the internet—a “democratization” of weaponry that fosters its privatisation. It creates a totally different combat situation from what massive US forces have been prepared for, and one where no military victory will last—exactly what the US ought to learn from its expensive and increasingly futile involvements in Iraq and Afghanistan.

War 3.0 splits apart the veneer of civilized life we like to associate with UN resolutions and peacemaking forces, overlaid upon an underlying, raw savagery which came bubbling to the surface in Rwanda (1994), then across much of the Eastern Congo (depicted best in Prunier 2009, see also Racymaker 2010). What are we to make of conflicts which deliberately involve children, transforming them into pliable terrorists (Singer 2005)? Or of indeed the privatized military industry portrayed in Singer’s Corporate Warriors (2008) and
the robotics revolution in his (2009) *Wired for War?* Something, indeed, has changed: War 3.0 differs profoundly from earlier versions.

Looking ahead, we see huge asymmetries between sclerotic, heavily armed conventional forces trying to protect territory, and nebulous, highly mobile insurgents whose methods and goals change constantly as they shift their attacks opportunistically. We see drones of many sizes and capabilities becoming preferred instruments for waging war (see rival essays in *Foreign Affairs*, July/August 2013). We can expect cyber-attacks which disable entire economies, but whose perpetrators cannot be immediately identified. We anticipate genetically modified organisms living outside the bounds of public science, able to inflict huge and perhaps uncontrollable damages. When wars erupt, they may become extremely unpleasant. And yet in the background massacres by machete still occur, as they have just recently in South Sudan and Central African Republic. War 3.0 cannot yet be accurately mapped, but at the least requires different thinking from present discourses.

As a starting point, Kilcullen proposes we model insurgencies as if they were biological systems (2009:198). His ideas build upon an earlier argument by Rauch (2002), who warned that effective responses must be targeted at nodes where change occurs in networks, not at entire systems. That, in turn, implies we know enough about situations to delineate systemic boundaries and to identify interactive networks. War 3.0 requires unlearning much which our leaders regard as established truths from earlier conflicts.

Finally, let us recognize Knowledge 3.0, this being a transition underway but often ignored by the academic towers (or “silos”) who adjudicate today’s information flows. The principal change has been to shift information out of print into digitized, cyber-space. A second change has been to sever the earlier link between academic certification and good jobs, so that well-trained youth find themselves unemployed. A third change has been the arrival of major environmental and policy problems lying outside conventional specialties. Mastery of writing and analysis matters more than ever, but no longer grows out of intense and early specialization within the older academic disciplines. The more important policy topics (such as climate change, poverty, gender, security, and urbanization) lack disciplinary homes. A fourth change (see section 6) argues we cannot leave economics as the privileged, master discipline to define discourse when we address development issues. Development 3.0 must engage all relevant concepts and disciplines.

It would take far more space to explore these scenarios in detail. Realize, however, that all these modified scenarios apply to our singular, planetary home. The changes affect our lives powerfully; they also become increasingly interactive. Today’s world system exhibits complex and interconnected processes. If so, it really does matter that we match World 3.0 with appropriate tactics, Development 3.0 (discussed in our final section).

4 Some preliminary implications

Let us briefly “take on board” what these new circumstances imply about how we might promote “development” in the old sense of organized interventions to assist local people. To a considerable degree, these changes arise out of pronounced asymmetries not adequately recognized within existing paradigms. They also exhibit a duality of causation, proximate situations rewarding actions which however make the long-run situation even worse. They have been with us for some time, but are now so unbalanced that earlier solutions adopted within Development 1.0 and 2.0 cease to be effective. Let us note six sources of tension, making Development 3.0 necessary and also validating a search for better “meta-narratives” when delineating our shared situation (section 5).
First, we begin by acknowledging the growing gap between our planet’s rich (people and nations) and the poor (people and nations). This is such a central feature within today’s global economy we return to it below under discussion of Development 3.0, where it becomes one of the most important dimensions that must be addressed. This is so because many conventional remedies advocated by the economists who rule our intellectual discourse cease to deliver positive outcomes within highly skewed systems. The impressive rise of China’s rural populations out of absolute poverty masks the parallel widening of the gap between elites and the rest of us, a growing asymmetry which now threatens our future unless we act more decisively. For Kilcullen, the gap which matters the most emerges between the urban poor and privileged elites who occupy highly visible gated communities in their midst (section 6.10 below).

Second, the incidence of catastrophic events (in our personal lives, communities, and nations) have become genuine uncertainties rather than stochastically defined risks. In market economies, we rely centrally upon estimates of risk to guide public and private decision-making. We expect insurance to make up the difference when micro-units experience catastrophe, but insurance only works when genuine unknowns do not interfere or when the size of catastrophes remains manageable. Alternatively, we ask OECD donors, the United Nations agencies or the Red Cross to mitigate those disasters too large to be offset by insurance. However, as Ferris (2011) warns, the scale and frequency of disasters now overwhelm the disaster response industry, our Development 2.0 answer to emergent disasters. Living subject to feral forces (the “wild things” depicted below) becomes a new experience for the post-World War II generation. It, too, must enter our thinking when fashioning Development 3.0.

Third, I have watched the “hollowing out” of local services in much of Africa during that continent’s three lost decades (the 1970s through 1990s), and find in the literature that many Latin American rural communities have experienced equivalent depredations. At a certain degree of loss, a “tipping point” is reached and nearly everyone with the capacity to move tries to go elsewhere to start over under better prospects. In today’s world, perhaps half of Albania would empty if the people thought they could gain a place in Italy next door (whose television they watch daily). In today’s Syria, the nation’s second largest city Aleppo is convulsed as organized savagery overtakes local residents. All across Africa, younger people think of the better lives they could enjoy if only they could cross the Sahara and find boats to take them across the Mediterranean. All across the Andean region, others wonder how they might make it to coastal cities, and from there to the United States. As noted below, private entrepreneurs now offer precisely such options, at very high personal cost to the migrating poor. On a planetary scale, unofficial immigration (both within country and towards rich nations) emerges as a defining policy problem for our new, 21st century. It is a problem which greatly exceeds anything conventional solutions offer, becoming another “elephant” in your room. (Once again, Paul Collier takes on the topic for the UK and the World Bank, read his Exodus.) A powerful reason for crafting Development 3.0 becomes the evident need to offer something better in places like Albania, South Sudan, Samoa, or rural Mexico. Denied local opportunities, people will indeed ‘vote with their feet’ (Hirschman’s exit option).

The other face of this situation has been increasing reliance of many smaller nations (and failed states like Somalia) upon remittances as their most important source of income. This response gets mangled when large nations like the USA try to control movement of funds to “terrorists”, because often remittances also follow unofficial paths to their destination. (Here see Gorney’s “Far from Home” 2014.)

If we step back from the messy but important details of today’s “exodus” out of Africa into Europe and out of Latin America into the USA, we see the root problem arises because we
have liberalized property rights (access to land) and movements of capital, but not the third factor of production, labour. Migration occurs when labour seeks to move to places where capital now creates jobs and a better life, but our conventional policies try to hold these movements back, leaving labour under tight control while owners of capital gain a free hand to snap up good property and to shift profits off-shore.

The youth in MENA nations and in sub-Saharan Africa have abundant reasons to be pessimistic about their immediate prospects, both areas for different reasons experiencing “waithood” status for today’s youth (see below). In MENA nations, Davidson (2011) tells us the Gulf States cannot survive much longer in their present form, to see his predictions verified just as his book went to press. And yet the Arab Spring didn’t usher in tolerable governments and expanded popular participation, at least not in the Gulf region. Meanwhile, in places like Libya and Egypt, the revolution brought instead chaotic rule by militias (Libya) or a return of military rule (Egypt), creating such chaos now people wonder if the old days were not better. In truth, for young people in Africa and in the Middle East the contrast with the better living they can visualise in modern media with their own personal prospects for freedom and salaried work become extreme—perhaps most of all in South Africa. Whether this particular asymmetry will explode we cannot yet say, but it, too, underscores the need for different tactics.

Fourth, as already noted, we now operate daily within a flood of information relating to almost any topic we might wish to understand. Back in 1997 Shenk’s *Data Smog* warned that as our world has grown vastly more complex, our responses have become more simplistic. Data as such convey no illumination. When it overflows to become bewildering noise, it forces users to make quick choices which parameters they will monitor—as Nate Silver puts it, to identify signals within a cacophony of voices. Here we encounter four constraints. First, conventional academic disciplines are not well organized to deal with interdisciplinary, systemic phenomena, which require instead matrix understanding derived from cross-boundary networks. Second, the volume of “big data” makes it imperative we reduce it radically when searching for relevant signals, but apparent threats and contradictory data push us towards resorting to earlier “theories-in-use”. At a time when we should see things anew, we get instead faith-based analyses looking back to past events and old ideologies. Third, the digital universe has a short-term and present bias. It collapses awareness of trends and rewards narrow scope exploration of key topics. Today’s youth no longer try to understand the overall system. Our leaders do not encounter an engaged citizenry with a shared concept of the overall situation. Instead, each interest group now has its own fora and ways of looking at the larger reality, generating predictions which satisfy immediate interests but will fail over the longer run. Finally, the greatly increased velocity of events, trends, and accompanying data (as already noted) change our view of knowledge generation itself. Books become *consumables*, with a “shelf life” of less than eighteen months. (This paper, for example, was submitted in August of 2013, but by January of 2014 had already become dated.) In regard to asymmetry, we swim as individuals in a digitized ocean, whose tides overwhelm the rafts which once kept us afloat.

Fifth, let us recognize the continuing importance of effective governance despite the huge size of feral capital and the overwhelming power of markets within today’s global economy. In the 1970s, for a time ‘development administration’ had a respected place at the table in discussions about international development. Today, that influence has been lost, even though we do have an excellent journal (*Public Administration and Development*). In reality, better governance emerges repeatedly as a key to unlocking “virtuous” pathways towards tolerable living over time. Nations with better governance respond effectively to emergent opportunities, threats, and disasters, whereas those without (such as Haiti, Yemen and South Sudan), suffer greatly.
In my specialty (local service providers), I find only a single volume giving grounded review over many nations, the photographs in Banning’s (2011) *Bureaucratics*. Here we see harried Indian civil servants with mountains of 19th century files behind their desks, in contrast to efficient and clean offices within China. No narrative accompanies the photographs: the realities facing poorly paid administrators in places like Yemen, Bolivia or Liberia remain unanalyzed. US Conservatives frequently insist efforts to improve ‘nation building’ divert support which market-based interventions should instead receive (thus Development 2.0). However, note the horrendous record US neoconservatives achieved in Iraq as well as what is happening currently in Libya, Syria and Egypt. The threats Mali, Northern Nigeria, Central African Republic, and South Sudan now pose to their own people and the international system reflect breakdowns in effective governance coupled with an abundance of arms and finance willing to sponsor mischief. Good governance cannot do it all, but remains an essential precondition for progress (Grindle 1995). It will become even more important as we encounter people living in megacities, whose size dwarfs what external aid can attempt, even when advocating attractive remedies.

Finally, if we consider carefully what Knowledge 3.0 entails, we realize our present ways of reporting events, analyzing trends and measuring performance reflect past situations rather than present needs. For over a century, the social sciences have modeled themselves on reductionist, natural science models of human behavior. For this same century, we enjoyed media which usually tried to represent world events faithfully. But this central function no longer holds, at least not in the USA. Here people resort to multiple television channels and thousands of blogs, our main newsmagazines now reduced to op-ed mouthpieces. Knowledge 3.0 has fractured, at a very time when having an informed consensus matters supremely.

Meanwhile, we have also segmented our intellectual worlds into many, parallel specialties, each with associated concepts for portraying our lives, communities, nations, and policies. Some are highly inappropriate (see discussion of better metrics below). Furthermore, the speed of change divides our remembered experiences by generation: today’s “new Russians” inhabit very different policy spaces from what older Russians remember under Communism. (I find Burawoy’s *The Extended Case Method* a good starting point, but leave this particular debate to others.) Our academic analysts fail to engage complex and layered realities, yielding contradictory qualitative and quantitative research results. We also have not thought through how to curate digital information, now that libraries sell off their treasures for pence on the pound. Major intellectual works arrive, but shortly thereafter disappear (long before disciplines recognize their worth). Instead, we cope with ‘big data’ documenting our lives in great detail for good and ill.

At the end of 2013, media commentators in the USA sought to reassure the public that indeed some features of modern living are now far better than in the past, even if our planet sees increasingly severe tornados, hurricanes, typhoons, and droughts. Air travel, for example, has become much safer, the incidence of lung cancer has diminished greatly. In general, such examples arise from more effective public and private partnerships (here contrast Haitian and Philippine responses to disaster). The World 2.0 answer, unleashing capital to do whatever it wishes globally, does not supply effective solutions in our changed situation even if it can lift people out of absolute poverty. Nor does resort to military power suffice (War 2.0), as we noted above. We must craft better initiatives, forms of collaborative community engagement which forestall sectarian conflict (section 6 below). To achieve this shift away from ineffective conventional solutions requires recognizing new and growing threats.
5 Where the wild things are

We have lived with the above asymmetries for some time. Individually, their components appear familiar. Why, indeed, should we now see them instead as major threats?

All in all, today’s planetary situation displays both major reasons for hope, and major threats whose size and potential dangers grow. In looking back at the high hopes many held for the Arab Spring of just three years ago, I find our conventional paradigms partial, faulty, and misleading. Read, for example, Dabashi’s *The Arab Spring* of 2012, forecasting an end to postcolonial domination by the great powers. Instead, by end of 2013 Egypt’s armed forces living on US money have outlawed all criticism. Without denying the power of select, disciplinary insights, I suggest our planet has entered a period when we can anticipate greater *wildness*, the arrival of feral forces we do not yet fully understand, most of all during revolutionary transitions. How to incorporate such factors into affirmed ‘meta-narratives’ becomes our topic here.

Let us start by reference to the continuing problems Michael Lewis described in his “travels in the New Third World” (meaning today’s *western Europe*). The *traits* are not new, but their magnitudes and interactions are more extreme. The near collapse of private capital in 2008 followed by equivalent threats to public financing within the southern Euro zone in 2011 made it apparent things have changed, really changed. The few who understand these incredibly complex adjustments warn us of the potential for “sandpile” events, an outcome within complex systems which the Danish physicist Per Bak first explained (reappearing in Ramo’s *The Age of the Unthinkable* and in Ramalingam’s *Aid on the Edge of Chaos*). As with the Arab Spring, the initial shocks can be viewed as phase one within a more threatening, multi-phase scenario.

Let us return to the question of ‘big data’ as just mentioned. At any one time, humans operate with mental models carried forward out of our shared, recent pasts. Mostly, such “theories in use” allow us to cope with events, even if our theories fail to predict actual events (Schon 1983, Senge 1996). As in many diseases, so in the body politic Lindblom’s “science of muddling through” allows a patchwork of partially effective reactions, interpreted as successes caused by our analytic smarts. Then some huge event like the 1991 fall of the USSR takes place, and we must re-adjust our mental frameworks. The main finding from Lewis’ three problem cases—Iceland, Ireland, and Greece—must be how very little political leaders understood about events they thought they controlled. If you get your analysis *totally*, incomprehensibly wrong, don’t be surprised if your actions come back to haunt you later.

A preliminary step into a better future starts with re-imagining our shared situations, crafting better concepts which may yield “night vision” to see things already present which our existing senses deny or cannot comprehend. Ramo (2009) provided us with *The Age of the Unthinkable*, depicting new threats which interact within planetary turbulence. I poach from him “mashups,” and Per Bak’s “sandpile” event hypothesis.

But first let us introduce Zerubavel’s “Elephants in the Room,” by which he means large and obvious forces or problems in our lives we consistently ignore or downplay. While he writes about personal and family dilemmas; I extend his concept to include things our national leaders know about but wish to ignore, postpone, or circumvent, thus “policy elephants”. I warn that tame elephants can become rogue monsters, if left unattended. For World 3.0, that monster exists within *feral* capital, living outside our borders and hunting *us* as its prey.

These apparently whimsical metaphors flag real problems. Only by reframing them into strange contexts do we break out of our normal, conventional “discourse” for such entities
In his way, Ramo gives us today’s version of Maurice Sendak’s “Where the Wild Things Are”: the place, planet earth; the time, our near future.

5.1 Herding elephants

In his small book, Zerubavel notes humans often manage to ignore “elephants in the room”: major and important problems left unattended, which we pretend are docile and not worth attention. As used here, they are persistent problems that our politicians ignore. Fifteen come to mind: persistent poverty, global warming, nuclear wastes, overfished and acidified oceans, gangland deaths, undocumented workers, addicted substance abusers, on-line pornography, international terrorism, urban gridlock, international crime syndicates, dwindling rain forests, indebted poor nations, homeless capital, and leveraged living. All are known, huge, and mostly ignored within World 2.0 policies. Ramo closes his paperback by noting that while Chinese leaders tackle many problems simultaneously, our US president tries for one major policy achieved a year, then is criticized for being too active (pages 265-66).

By calling such problems “elephants,” we highlight several features. Usually such beasts grow over time, beginning as a minor feature but becoming threatening if allowed to expand. We tend to see them as tame, denying the possibility they might show new behaviors and turn upon us. Usually, too (like the proverbial elephant and the blind men), experts differ in their portrayals and suggest various remedies. The disparity in diagnoses invites inaction: let us study it, governments suggest. Because our planetary elephants are known from earlier experience, their needs, habits, and movements should not surprise us—but sometimes they do. Elephants after all travel in herds, and some may become rogue bulls visiting our gardens at night. Also, as complex entities, they exhibit behaviors, not just outputs (Senge 1996, Ramo 2009:16-18).

World 2.0 provided time enough for several of our outstanding “elephants” to receive close scrutiny, notably within poverty studies and analyses of climate change. Let us briefly note the contradictions which make poverty reduction such a controversial policy domain, even though everyone agrees it needs to occur. For a long time now the overall distribution of planetary wealth has remained about the same, despite a large improvement for China’s many poor. Very broadly, the top forty percent of our planet’s citizens (meaning today’s industrialized nations) hold 94 percent of its total income, whereas the bottom sixty percent enjoy just six percent (the UN Human Development Report, 2005). Furthermore, excellent and detailed research by Wilkinson and Picket (reported in their The Spirit Level) tells us that even in richer nations, rates of mental illness, imprisonment, and obesity rise sharply in relation to increasing inequality. Poverty really matters: the ratio of wealth owned by the top 20 percent relative to the bottom 20 percent has widened greatly during Development 2.0 decades, going from 30 to one in 1960 to 74 to one in 1999 (Rogers, Jalal & Boyd 2006:49). Yet because of China’s success moving its poor across an arbitrary poverty line, neoclassical economists continue to argue we should expect convergence in wealth over time (Spence 2011). Redistribution has become anathema to western economists, who insist it harms more than it helps. And so, despite huge research attention to poverty, in practical terms it persists as we turn aside to engage other matters.

As for climate change, our second and obvious “elephant”, in the USA popular commitment to action against climate change has stalled (as noted above). The decade since Al Gore had his election stolen gave holders of private wealth time to mobilize vigorous counter-attacks. During the very years when determined, broad front actions should have become the international priority, instead our leaders held conferences, and then more conferences. We assume this elephant stays docile, and manageable: and most likely this time we are wrong. In reality, any wild force of nature may turn upon us, with devastating consequences.
This paper argues that in our emergent World 3.0, timeliness becomes essential. We must take action to limit further destruction of marine resources and oceanic acidification. We must limit the spread of child pornography through Skype and the internet. We must let undocumented workers emerge into tolerable lives and a shared future. We must defuse religious wars and de-link them from internationally sponsored terrorism. We must save what remains of our planetary rain forests. There are, oh, so many elephants to herd!

5.2 Taming feral capital

Let us turn to the dangers we face from feral capital, the wild species which lives outside our borders but desires to feast on our wealth and livelihoods. Capital, we learned in school, refers to the means used to make other things. Initially in World 1.0 it meant factories, and the funds to create them. In the 1950s, we learned about interest and discount rates and project appraisal, distinguishing development from recurrent capital. Then in the 1960s we discovered human resources as another form of capital, also biological capital to create a “green revolution.” In the 1980s, we added social capital, and then micro-capital given as credit to poor women.

All the time in the background and over the fence lurked those Euro-dollars morphing into petro-dollars, looking for fast returns. Mostly untaxed and unreported, our “off shore” capital now reaches roughly twenty trillion dollars according to the Economist (February 16, 2013a), already a quarter larger than the entire American annual GDP. It comes and goes as it wishes, yielding irrational “spikes” in the stock market, fleeing weaker economies at the first signs of stress, creating “bubbles” if opportunities surface. We don’t really know very much about it, except that it is huge, and no longer tame. A small elephant has grown into a rogue bull, while our leaders watched—and did nothing. The problem? In adopting Development 2.0 tactics, our leaders opened the gates so any form of capital comes and goes without license, taxation, or restriction. “Dirty money” now moves instantaneously almost anywhere on the planet, an enormous but invisible presence at many boardroom tables, one more elephant in our crowded room. Here size really matters, creating a potential for “mashups” that would have been inconceivable a few decades ago. Need to reverse engineer a drone? Or modify Stuxnet to attack US nuclear facilities and urban power grids? Want to pay for suicide bombers? The funding exists, and much of it lives outside reported banking accounts.

Development 2.0 also saw our financiers invent new and expanded ways for making money (Glynn 2006). The 2008 crisis in the USA exposed the enormous expansion of unregulated and unreported derivative contracts, a way of insuring against future changes in value for other commodities. Such agreements were in effect issuing insurance against things the buyer didn’t own, and thus became almost infinitely expandable. Ghemawat warns that over the counter derivative contracts seeking to hedge against upsetting future events have a notional value of $ 615 trillion dollars. Of course, these huge obligations could never be repaid in actual fiscal crashes. They matter, however, to bankers, who feared other bankers had taken on enormous and unreported obligations. This fear almost shut down internal flows of credit in the US economy, forcing the public to secure huge private debts to restore faith in the continued operation of international capitalism. (For details, read McLean and Norcini 2011.)

Leveraged living should worry us almost as much, because people, corporations, and nations deep in debt become vulnerable. Thanks to reporters like Lewis, Patterson or the McLean and Norcini duo, we can see in detail the incredibly foolish things bankers and leaders did, not once but again and again—casino capitalism run wild. This was the greedy, unmentioned downside of an “open economy” portfolio. Entire nations sank hopelessly into debt, to become Greece or little Cyprus (or big, insolvent USA, too). Most didn’t follow Iceland in walking away from absurd levels of debt. Their citizens will pay dearly decade after
grim decade for the follies of their leaders, while bankers receive gigantic payments to stop doing more harm. But getting angry misses the point.

What we have seen has been an organized effort to shift future savings into our current accounts to be spent now. Few resisted. As Lewis puts it succinctly (page 39):

> When you borrow a lot of money to create a false prospectus, you import the future into the present... Leveraging buys you a glimpse of prosperity you haven't really earned.

In World 2.0, everybody leveraged their expenditures: individuals, families, corporations, municipalities, and (most definitely) the U.S., Greek, Italian, Spanish and other Third World governments. We almost all did it (even the Swiss, listening to Phil Gram newly arrived from Texas), secured by promises of repayment, but these in turn had become commoditized, sold and resold, until (for US real estate) nobody really knew who ultimately owned what. Polanyi in his *Great Transformation* first warned of the consequences, telling us that to make capital and labour into commodities would yield bitter fruit, and he wrote before debts had become so widely traded.

Any such credit binge lasts only as long as those buying debts believe they will be repaid, becoming a faith-based economic system. Entire economies became giant Ponzi schemes (as did little Albania's for a brief time after rejecting Communism), delivering tolerable outcomes so long as gullibility persisted. It is quite funny to read about the medieval economic historian who blew the whistle on Ireland's property bubble, mostly financed by other Irish believing (like Icelanders) they had discovered an innate gift for making money. Morgan Kelly tried to warn his compatriots, to be scorned as a crazy egghead, until the world heard and Ireland's property boom came crashing down. Here it sits on dismal peat bogs, where many half completed houses slowly rot. (Lewis, pages 89-101). The lesson remains simple: debts open the door to wolves. We have lived for three decades like earlier African presidents, piling on promises upon promises which Development 2.0 encouraged because of liberalized financial laws.

The highly leveraged world financial system became vulnerable to a “sandpile” event: an avalanche which sweeps away the mountainside (Ramo 2009:41-63). In the 1980s, we teachers warned such things happen, to improvident Third World banana republics. We failed to understand the same payoffs work in developed nations, delivering equivalent pain on an enormously more grand scale. It happened in the US housing boom (2007/08), then in the European bond market (2011) and still bedevils the EU's witless leaders (and perhaps American's future). So, yes, Development 2.0 delivered remarkable growth, but it also carried immense and unacknowledged risks.

5.3 Swimming with tides

Tides as conceptualized here constitute massive shifts in valence brought about by thousands, even millions, of individual decisions, creating powerful but potentially unstable pressures often ignored by decision makers. The best examples, literally, come from our oceans, both their likely rise against our planet’s many coastal cities, and their being emptied of economically desirable marine life. A moment’s reflection identifies many more. We have already noted the enormous reach of homeless capital, and the resurgence of identity politics. We could add the rise of global jihadism (advocated by Salafists, a brand many non-Muslims have yet to recognize), the digital revolution collapsing libraries and dooming paper-copy books, sales uncoupled from place (Mikitani’s *Marketplace 3.0*), training also uncoupled from place (various versions of on-line and video-conference instruction), and other sweeping changes. In little Blanding, Utah, where I work, businesses must display
wares on Facebook, or lose customers. The tides are real forces active in even remote, red rock Utah.

Allow a brief methodological digression, mentioned in regard to “implications” above. At university, we read Black’s pioneering work in statistics, telling us how important it was to distinguish genuine uncertainty from stochastically governed variation which allows sophisticated risk assessments. Our US PhD mathematicians hired after 2000 sought to apply “big data” about past trends to pinpoint risks in advance and in-depth. However, as we teach social science graduates, correlations do not necessarily reflect causations. This simple warning got overlooked. The new models seemed powerful and extremely refined. They also worked when tested against past data. The analysts forgot they were charting the skin of sleeping giants, who might awake and behave very differently. What happens when everyone panics? Patterson’s book The Quants illustrates such a situation, explaining how misapplication of sophisticated probabilistic models by very smart people almost brought down the financial system.

Indeed, our entire constructed, conventional supply-and-demand world works reasonable well under average conditions reflected in correlated events. Prices motivate effective responses, insurance hedges against occasional disaster. What our leaders fail to realize (even today) is that free market supply-and-response breaks down at the extremes. What happens when five hundred people fight to pass through one exit door? What happens to insurance rates when killer hurricanes arrive along our coasts every three or four years? When ocean levels rise three feet within a few decades? Or (as in Africa) when once-a-century droughts now occur every decade? In truth, we are not prepared because in extreme circumstances the unthinkable occurs: our usual safeguards fail. That becomes the danger posed by World 3.0. Tides leave, and tides return. Their stability is transitory, the danger points when currents shift. Harvard now teaches its students about “transient advantage” (McGrath 20013). Business has learned what the rest of us do not yet acknowledge. McGrath closes her piece by warning: “Speed is imperative”. Do any of our politicians listen, or understand?

A swimmer seeing onrushing tides must decide whether to “go with the flow” (but then lose mastery of resulting situations), or to fight against huge odds. Africanists have finally realized they face such choices, analyzed by IDS scholars in the March 2011 IDS Bulletin devoted to Working with the Grain. For example, a failure to acknowledge attitudinal tides helps explain the strange results from initial educational investments in poor and remote regions (yielding a “bright kid escape routine”). It most likely also accounts for depressed economic performance in places like Bangladesh, Pakistan, and Egypt, countries whose economies ought to be far more vibrant than they are (O’Neill 2011). Perhaps the tidal wave of violence which overtook Mexico during the past decade explains its faltering economic performance in contrast to earlier predictions. Another way to frame such choices would be in regard to “windows of opportunity” versus “windows of adversity”. One’s peak efficiency in promoting any major change occurs when doers join a tide as it builds towards its crest. The best chance to shift direction coincides with the “tipping point” when tides reverse. Come afterwards, and your venture can be doomed by the undertow, no matter how hard your team tries.

Analysts do need to identify, map, and measure such tides, whose force has often been discounted by those looking backwards for their scenarios. (DFID did sponsor useful research on “drivers” of socio-economic change.) Tides interact with landscape features, sometimes causing unexpected collapses, at other times subject to Ramo’s “mashups” or Per Bak’s “sandpile” events. These concepts refer to sudden and catastrophic moments when a previously stable system may exhibit changed valences for decision-making across the whole landscape. Those for whom these ideas resonate will want to study closely Rihani (2002) and Ramalingam’s (2013) Aid on the Edge of Chaos.
5.4 Avoiding mashups

“Mashups” arise as novel threats resulting when different processes interact in new and unexpected ways, generating unforeseen consequences (“blowback” in intelligence parlance). We can list many for today’s leaders: uncurated information, commodified debts, rogue genetic engineering, proliferating drones, sandpile equilibria at tipping point, cyberwar terrorism, for-profit illegal services, nano-bots on the loose, and velocities unchained. All reflect potential unexpected consequences from technologies devised for mundane purposes, but reconfigured to yield different and perhaps destructive uses. Dealing with them requires thinking and then acting upon the apparently “unthinkable” (Ramo 2009). Let us discuss five briefly here.

The first one relates to US and Saudi collaboration in creating radical Islamic youth, initially crafted by the CIA Director Casey as a more effective way to fight Russians in Afghanistan. At that time, Pakistan was ruled by a military leader committed to very strict Islam, who insisted all funds and weapons passed through his ISI. The Saudis financed madrasa schools, which conveyed the Wahhabi version of militant Islam linked to the royal house (De Long-Bas 2004). The students became eager fighters against the occupying Russians. Americans supplied weapons and logistic support, including shoulder fired Stinger missiles. It worked: the Russians were soon gone.

One of the young men who spent a week in a cave fighting Russian special forces was a Yemeni. Osama bin Laden came from a family grown rich on construction contracts for the Saudi monarchy. Apparently nobody stopped to think what these young fighters might do later, given oil profits and successful eviction of a European power from the Islamic heartland. Osama’s initial complaint was simply the continuation of US military bases on Saudi sacred soil after the first Gulf War. Today, of course, yesterday’s boys are men, deeply antagonistic to the West, and eager to give Saudi oil profits to any teenager willing to become a suicide bomber. Never before have oil profits, traditional Islamic instruction, willing martyrs, and reason for waging jihad combined with modern technology and multiple targets. This particular “mashup” will squat on our doorstep for decades to come. It actually feeds upon US and NATO efforts to eliminate radical leaders through drones and other forms of military action.

A more recent example may be the so-called Stuxnet “worm”, launched to cripple Iran’s nascent nuclear industry, our second type of “mashup”. Of course, computer viruses have been present for over a quarter century, and complex nuclear processes for much longer. The beauty of this new worm, as Israelis might have viewed it, was it affected flows within nuclear processes. It spread via Microsoft Windows, and targeted Siemens industrial control systems (which are used globally). Experts agree that to design and insert such a virus into Iran’s nuclear establishment took major resources, beyond what any private hackers could attempt. Probably it originated as a “black bag” operation launched with Israeli and US backing (the two governments with resources and will to attempt such action). An early version was developed in 2005, used we are told to attack Iran’s nuclear program in 2007. They say it worked, but we cannot know definitely: the details are secret. Even so, one finds considerable information interested parties have cobbled together, read about it on Wikipedia (accessed July 28, 2013). As of that date, while Stuxnet malware infected 59 percent of Iran’s computers, it also afflicted 18 percent of Indonesia’s, 8.3 percent of India’s, even 1.5 percent of U.S. computers.

Consider, however, what Stuxnet might do when suitably modified and applied to US military and industrial processes. The USA has thousands of vital processes that use Siemens software in one way or another to regulate flows, mostly within industrial applications. Wikipedia tells us that Stuxnet attacked two servers of industrial-systems security, disabling one. Since then, a second variant with substantial improvements has appeared in March of
2010, and a UK Sky News report (25 November 2010) said an anonymous source claimed it was being traded on the black market. Given how many industries rely on computer regulated flows, this new type of malware could eventually cause enormous damages far exceeding any temporary gains realized by the Israeli and their American friends. And, of course, we get major “collateral damage” when other nations like Indonesia or India also have their systems attacked. What were military bureaucrats thinking? We cannot say: the details remain secret.

Or consider the threat of “big data” applied to real people, our third mashup. We read Edward Snowden’s extravagant claims of NSA’s “big data” capabilities, now verified by his initial releases of some of his store of “top secret” electronic documents. Initially, the US administration portrayed his theft as a high crime. Then, in December of 2013, the Obama Administration released its own panel’s review of NSA surveillance, verifying much that Snowden claimed. In yesterday’s world of physical spies and locked briefcases, no such “leak” could occur except at the very top. In today’s world, however, we find acres and acres of electronic data banks using increasingly complex software, which must be serviced by somebody. For over two decades, the US military has routinely outsourced such tasks to private contractors, hoping to hide from public scrutiny just how large this phalanx of technocratic operatives has become. It was inevitable that some junior technician might eventually squeal. Our US government portrays Snowden as a criminal, for breaking draconian secrecy regulations. Many Frenchmen view him as a hero, for blowing the whistle on emerging capabilities holding great dangers for us all.

Remember Dick Nixon? He proved an intelligent and dynamic U.S. President. However like others before and later, when offered the opportunity to peek, he could not resist. Watergate took place because somebody decided to “bug” Democratic Party offices before their national convention in an election year. Personally, I don’t think Dick Nixon ordered the act. It was possibly John Dean, his lawyer (read The Silent Coup). But that is irrelevant. Which political leader under threat is not going to use vital information, if the desired data already exists in secret data files? So perhaps Bradley Manning and Edward Snowden were correct to warn us, their mashups meant in good faith to protect us from even worse, future mashups. Welcome to World 3.0 and War 3.0.

“Big data” arise, we discover, because almost everything done digitally gets tracked by somebody, if not NSA then various private corporations eager to expand sales by better targeting of their advertising (Lanier 2013). As noted above, this has become part of Marketing 3.0. Consumers now expect what they do enters various data bases about which we know nothing. (Europeans demand stronger protection for their privacy than Americans do.) However, the technology also offers rich harvests for those willing to take advantage of our own (and our corporations’) gullibility. In late December of 2013, in the USA Target retailers had to announce that perhaps forty million bank card accounts had been compromised because their automated billing system had been hacked over a three week period (reported in USA Today for 20 December). Ease of transaction we learn carries the downside of huge risks of identity theft. These are cyclical processes. Initially, technology offers new capabilities used for positive gain. And then, those wanting illegal access find ways to highjack legitimate data flows, and costs escalate.

Meanwhile, Google, Apple and Microsoft who urge us to trust our data (and very lives, since so much is now done digitally) to storage in a “cloud” (meaning their own, distant servers) now fret that the world knows that NSA has shared in their digitized data bounty. What if, ultimately, hostile forces penetrate “the cloud”? If NSA could do it, so can others. Meanwhile, we are urged to stop storing personal data within yesterday’s computers, making us all entirely vulnerable in ways we cannot yet conceptualize. The internet was developed as a shared, common resource, which we assumed became a benign tool for increased collaboration. We began to rely upon it before hacking became an automated, computerized
function with immense reach and power. Cyber-war emerges as a real threat to individuals as well as to their nations. So, at a minimum, we should expect digital World 3.0 offers major scope for new and unanticipated “mashups” far exceeding what we conceptualize so far.

Our fourth “mashup” refers to emergent profit-making businesses which live “over the line” within nonformal and illegal territory, doing things for private gain which the formal system defines as illegal. The obvious example would be the huge influence of illegal drug cartels operating out of Mexico but active all along the marketing chain from distant producers to US consumers. Now, organized crime is hardly new to the USA. What has changed has been its size, sophistication, and international reach, connecting to even Europe, Russia, Africa, and Asia. Furthermore, all the advantages free market economists extol for private action also benefit privately organized supply of illegitimate outputs which however serve somebody's interests (thus ivory poaching in Kenya to serve huge Chinese demand). Other examples include the coyoteros who now organize movement of illegal migrants across Mexico into the USA (Martinez 2013), African war lords selling blood diamonds (Campbell 2004), and ex-fishermen now become Puntland pirates (Bahadur 2011).

Kilcullen’s “conflict entrepreneurs” gain from hijackings, piracy, militias, and warlords. Their actions trigger major shifts in opinion, breaking open peaceful compromises to allow increased scope for their own profits. Thus field reports on the jihadis who now persist in parts of Africa and the mid-East tell us many are not actually devout Muslims (as we assume), but instead use sectarian conflict as a means to reap payoffs to well-armed, younger men intent upon seizing power. Thus whether we depict “Christian” Nuer militias or “Muslim” jihadis doesn’t matter: all operate in similar ways to maximize their own aggrandizement, Kaplan's (1994) “coming anarchy” in action. Weak regimes under corrupt and greedy rulers open the door to such transactions, a situation made worse by sectarian strife, droughts, and high payoff returns from illegal actions.

Our final “mashup” explains the rich harvest African elites reap from land-grabs all across the continent. Across colonial Africa, European powers generally avoiding giving native peoples secure and individual land rights. Instead, they set aside tribal enclaves (often defined by language) as “national” or “communal” areas, within which customary law held sway. In Africa, independence regimes initially carried forward earlier systems setting aside land for national parks or safeguarding usufruct tenure by peasants (Adams & Mulligan 2003). However, fifty years have passed. In today’s Africa, elites increasingly realize they can privatize much of the land held earlier for peasant use, claiming it must be better used under “development”. Peasants still occupy much of the territory in question, but now they face leaders determined to oust them and so to reap huge personal profits. In 1998, I travelled in southern Ethiopia where the regime was considering selling off its ranches and stock routes, formerly a national asset built up with UNDP and FAO support, to a wealthy external entrepreneur. Similar alienations have taken place in Tanzania’s Maasailand. Indeed, all across the continent suddenly former “tribal” land can now be sold or leased for profit to the Chinese, the Saudis, and various other interested parties (Boone 2012). The result has been a land rush which parallels what we saw in the US West once Anglos pushed Native Americans off their holdings.

Of course, takeover of native lands also occurred during the 1990s within Amazonia (depicted in Moran 1993 and Little 2001), and here, too, illegal gold miners invaded areas set aside for the region’s few surviving Indians. So, indeed, Development 2.0 proved unable to protect the very people most in need of recognition and assistance.
6 Changes to empower Development 3.0

There are indeed many changes any astute analyst would put forward if asked how our current programs and emphases within the “development” domain need to be improved. They cluster into another baker’s dozen interventions:

1. Rebalancing society (as advocated by Mintzberg),
2. Refashioning aid and NGOs as instruments of change,
3. Privileging sustainability above profitability,
4. Fair trade to replace free trade,
5. Domesticating feral capital,
6. Devising better metrics,
7. Working with all peoples in all nations, cities, and communities,
8. G-20 to replace G-8 on the world stage,
9. Recognizing semi-sovereigns,
10. Getting serious about urban situations,
11. Building solutions within networks,
12. Involving women and youth,

Note, however, the “swimming with the tide” metaphor: major, systemic changes require special circumstances to override the usual constraints keeping leaders from achieving bold or controversial changes. The first five components within this recommended plan of action involve undoing damages inflicted by Development 2.0, thus matters which engage existing powers directly—something rarely feasible in practice, even if sometimes recommended in theory.

In the USA, President Obama had such an opportunity on one, specific day, but chose to believe his Treasury Secretary who counseled that the world financial system remained too fragile to risk imposing significant restrictions on our profligate bankers. They came to a White House meeting expecting to be chastised, and instead left amazed that this young President let them off the hook. We shall not see such an occasion again, until at some future time the Chinese begin to refuse to buy U.S. debts. (Perhaps this was the price Americans pay for electing lawyers to run the affairs of state.)

Over three decades ago, I noted that in undertaking development tasks, we find four approach ideologies: top-down (governmental action), bottom-up (popular action), outside-in (commercialization), and inside-out (revolutionary mobilization). Each has its merits, but also characteristic faults (Moris 1981 chapter 7).

Here we have focused on the downsides which accompany uncritical advocacy of globalisation, the “outside-in” ideology of Development 2.0. The question now becomes whether strategically we can indeed fashion effective leadership from a bottom-up, “adaptive pluralism” starting point (as Chambers 2010 puts it). It must have sufficient momentum (and so organizational sustainability) to overcome great governmental inertia, as well as determined ideological resistance from globalisation advocates. Chambers has always been the optimist, urging that a participatory revolution can be achieved, given sufficient involvement by those who have most at stake (thus women, the poor, and youth). Mintzberg, too, says we must ignore governmental gridlock and get on with supporting successful movements—his “why not?” options—wherever they occur (Mintzberg & Azevedo 2012). I am not so certain, observing our timidity and conflicting advice when confronted with genuinely revolutionary situations, as in the 2011 “Arab Spring”. The self-appointed guardians of society get very nervous when confronting “dreams of development” advocated by a temporary coalition among regime opponents (as in Libya, Egypt, and now Syria).
In his writings, Chambers devotes considerable attention to “scaling up” within bottom-up, popular movements. What few current analysts have addressed has been how to “scale-up” into an effective and sustaining organization from a revolutionary base, using “inside-out” ideology. In our western tradition, we have identified this option with Marxism, seen always as the enemy (except among certain, marginalized western intellectuals). Now, however, we see it once again growing in power, drawing upon religious identities to recreate the Crusades of a millennium ago. We find ourselves unable to understand what is happening, even as our misguided leaders defined it as territorial warfare based on rogue states (thus US wars in Iraq and Afghanistan, and Israel’s attempted destruction of Palestinian opponents). Rohde in Beyond War insists there are no military solutions to Mid-eastern issues. However, we move onto uncharted terrain. The temptation to call in the army within development efforts, Development 3.0 emergent.

6.1 Rebalancing society

This is why Mintzberg (2013) now calls for a “rebalancing of society”, our first component within Development 3.0. Power must get shifted away from the “let-them-eat-cakers” (Rosenau’s term for libertarians and the Hard Right): otherwise we shall make little progress even when knowing quite precisely what to do. So let us realize these other changes will not occur until some larger crisis forces leaders to privilege what serves the collective good. The tide once again runs against such initiatives. However, tides do eventually turn. Let us hope at that moment our leaders show more wisdom than they have so far. Meanwhile, the rest of us must engage reality to offset and transcend Development 2.0 limitations.

6.2 Refashioning aid and NGOs

Official aid often has been reviewed and criticized, as noted above. The roles of INGOs as intermediaries and NGOs as receivers have equal faults. Both “industries” (as termed here) need major revision—to large a topic to address in these pages—a further “clearing of the decks” before coming storms.

6.3 Sustainability above profitability

First, and most profoundly, we must recognize that contexts rather than disciplinary preferences should determine priority goals. In everyday life, no single criterion always defines what is good or bad. We teach students there are usually multiple criteria, with varying saliency depending on context. Six are widely recognized: efficiency, profitability, and innovativeness (for private sector activities); and sustainability, transparency, and fairness (for public sector activities). Unfortunately (for planet earth), economics and business always privilege the first two (Nadeau 2003). They treat efficiency and profitability as the most important of all organizational goals. Their choices depend on judgment, not science. Imagine a business (like Apple) competing in highly dynamic situations (like World 3.0). Its managers discovered innovativeness mattered more for survival than did short term profitability—it all depended on context.

In a planetary system characterized by zero sum situations and highly turbulent threats, sustainability trumps efficiency. For a quarter century analysts have explored sustainability as a concept and means for assessing performance (Rogers, et al. 2005, Baker 2006,
Adams 2008, Leach, Scoones & Stirling 2010). However, economists routinely give it low priority, perhaps after fairness. In a highly unequal world, fairness does also matter. (Our recent “solutions” to the housing bubble and then bond market collapses have tended to be very unfair.) If we privilege public sector criteria above private goals, we get different policy choices: the entire analytic framework changes. Economists will howl like wolves denied red meat, but this reordering of privileged goals must occur to deal with World 3.0.

When we privilege sustainability as a genuine priority, we find the topic already commands a large literature and committed following among non-economists. Let us start with two attempts to wean us from growth economics: Daly’s Beyond Growth, and McKibben’s Deep Economy. If we follow with Adam’s Green Development and Panayotou’s Instruments of Change, we acquire a reasoned starting position for policies suited to Development 3.0.

Note, however, that organizational sustainability (our topic here) requires different concepts, more collaboration, and great skill when fashioning better services for the poor (a topic addressed by the World Bank in its 2004 WDR).

6.4 Fair trade instead of free trade

Stiglitz & Charlton (2000), Ghemawat (2011), Klein (2001), MacArthur (2000) and Kaplinsky (2000) have in varying degree argued against our current “race to the bottom” which results from the neoliberal advocacy of “free trade” (now enshrined in WTO regulations). Many readers will already know these arguments, more emphasized in Europe than in the USA (see Thun in Ravenhill 2011). Again, we know in detail what a better system requires, but free market economists remain adamantly opposed. Merchandise exports soared from 16% of global GDP in the 1990s to 27% in 2008, which they see as a direct result of liberalized trade laws (Economist 2013b:23).

6.5 Domesticating feral capital

Along with uncoupling of manufacturing from place has come an even larger freeing of capital to roam where it will, thus the “feral” capital we discussed earlier. Large corporations routinely manage their accounts to put profits into untaxed havens, and (in the USA) their share of overall taxation has declined. In any equitable system, corporations must begin paying their fair share. Furthermore, as argued here, homeless capital has reached a size to be profoundly destabilizing to our financial institutions. Again, this is a huge topic which evaded regulation and scrutiny under Development 2.0: not so, for Development 3.0.

6.6 Devising better metrics

International business now adjusts its activities to exploit “big data” which our digitized world offers to savvy users. This astonishing deluge of information has been much in the news with regard to NSA’s monitoring of phone and internet traffic (see above), but that enormous pool of data represents only part of a gigantic, digital universe. In the 2012 U.S. elections, Obama’s people for the first time made sophisticated use of modern social science to target potential voters. In this regard, they far outperformed their Republican, pro-business rivals: and the business world sat up and noticed. Large corporations now employ their own teams of statistical analysts, the Quants Patterson writes about. We get from the McKinsey Global Institute excellent analyses of the emerging consumer market created by Asia’s burgeoning cities. We find O’Neill’s team at Goldman Sachs crafting their own “Growth environment index” (GES) which rates nations along thirteen dimensions, five macro-economic and eight micro-economic (2011:36-44). Such efforts deliver real payoffs in today’s world. Metrics now matter. Existing metrics will be used as “big data” to project likely futures with many, immediate implications. If so, we had better see that such projections employ reasonably accurate measurements, reflecting actualities rather than simply statistical artifacts.
When, as O’Neill notes, analysts tell us Mumbai may have somewhere between 15 million and 30 million urban residents, these enormous margins for error tell us our present databases have many faults (2011:70-71). The largest relate to a widespread failure to accurately assess the size and wealth of the nonformal sector (for obvious reasons), the omission of key components in our models (like methane from permafrost or oceanic acidification), and biased measurements of actual performance (thus per capita GDP estimates, basic to many international comparisons). Nonformal activity matters hugely within Africa’s and South Asia’s urban conglomerations, as it does also in South America. Yet because it remains so elusive, many predictions simply exclude it from consideration. The same could be said of corruption, another often omitted “elephant”.

Many economists still do not recognize that we should measure outcomes, rather than outputs and impacts, when assessing development (Earl, Carden & Smutylo 2001). In each domain, analysts need to look closely at models and associated assumptions. A good example comes from Stern’s celebrated attempt to assess the economic costs of global warming and mitigation efforts, which were almost certainly underestimated because of his assumptions (Helm & Hepburn 2009:35). His underestimation wouldn’t matter, except his conclusions became today’s conventional wisdom among economists. In Lomborg’s effort to have Nobel Prize economists review our global crises, they refused even to deal with climate change, as they did also the role of education (2004).

How to measure national, regional, and personal “development” has received much attention, though still controversial. It overlaps a separate literature on human well-being, starting from Sen’s work (see Nussbaum & Sen 1993, Nussbaum & Glover 1995, Gasper 2004:166-79, Gough & McGregor 2007, van Praag & Ferrer-I-Carbonell 2009). Many analysts now employ the Human Development Report’s indices, thus its HDI (based on mean longevity, GDP/capita adjusted for PPP, and literacy) and its HPI (Human Poverty Index), as well as a GDI (Gender-related Development Index). Elkins and Max-Neef insist any adequate indices should include security, welfare, identity, and freedom (1992). A separate set of issues asks whether GDP measures achieved wealth, or just economic turnover (Repetto 1992). Prescott-Allen (2001) shows how different national achievements appear if charted against draw downs of nonrenewable resources and other environmental factors (also measured by UNEP). Hecht (2005) explores needed changes in national accounts to privilege sustainability about profit (as advocated here). Such measurements require difficult choices and great sophistication. However, if businesses tap complex “big data” enabled by modern computers, surely we can afford equivalent attention to wealth and livelihood measurement.

The wild-card remains the great importance of inequality (as already noted), and its invisible but powerful bias when averages are used to depict nations (as the World Bank does routinely with per capita GDP data sets). Kenya appears a fairly advanced African economy, well above Tanzania next door, if we rely on GDP per capita as our measuring stick. In reality, when I go back to Kenya (as I did last in 2006), I found peasants and slum dwellers just as poor as they had been three decades earlier, but now they are overlaid by a vastly richer elite. Just what does it mean, if we treat GDP averages as having representational utility for a highly unequal country, anyway? Such questions merit closer scrutiny within Development 3.0, aiming to become inclusive (Groves & Hinton 2005). (On other indices the World Bank does better. Its 2006 Atlas alongside Bhargava 2006 has much to offer.)

Let me highlight Palma’s work (2011) on inequality in Latin America and Southern Africa, where he questions many neoclassical explanations. He finds that middle classes worldwide usually protect their gains in similar degree. Instead, the major differences occur in regard to how much GDP due to the bottom instead gets raided by the top quintile. The most unequal nations occur in Latin America and Southern Africa. Their elites not only steal the wealth from the other “statistical tail” in the distribution, they take it in mobile form to export into safe
havens, whereas Asian nations reinvest twice as much in local, physical capital—all except the Philippines, whose wealthy mimic their Latin cousins. For my money, this richly documented and analytically powerful study shows what can be done to understand World 3.0.

6. 7 Working with all nations and peoples

Development issues now affect all nations, all peoples, all communities, and all levels (Robinson 2002). Whereas Development 1.0 focused on poor nations, and Development 2.0 on emerging markets, Development 3.0 must address both public and private issues, and must deal with emergent problems even rich nations’ experience. China copied ‘western’ markets, only to find it has now embodied the same faults our own markets show. We cannot afford to assume First World nations do things correctly, or to believe markets will heal themselves if left to operate without regulation or monitoring. Chinese cities have created an extremely unequal class structure, a monstrosity China’s leaders could have avoided, just as they might have limited toxic emissions much earlier in their pursuit of modernity. The USA needs a national, high speed rail system, even if leaders lack the imagination and means to create one. Coastal cities in all nations face greatly increased threats, whether in poor or in rich nations.

Because markets are not sentient, real humans become the conscience watching and advising our befuddled leaders as they meet increased challenges, whether in rich or poor nations. Increasingly, problems of poverty, ethnicity, and urbanization occur within larger units, and engage overlapping loyalties (see discussion of semi-sovereigns below). Canada has its First Nations, just as the US has its Indian Nations: both often overlooked in global development reviews, yet among the very poorest US and Canadian citizens. Perhaps the most egregious failure associated with western democracies has been their inability to devise better solutions to assist Southern Europe’s unemployed and embittered youth. Since humans constructed the EU in all its bureaucratic magnificence, why cannot they show equal creativity to remedy its faults without harming the youth?

6.8 G-20 to augment G-8 on the global stage

Development 3.0 must also press to have nations’ economic power better reflected in our international politics, thus G-20 nations having more influence than the G-7, First World regimes. We noted earlier the rapid rise of BRIC economies which will increasingly predominate in World 3.0. However, our institutionalized politics reflect the World 1.0 situation, concentrating power in Europe and America.

O’Neill flags tomorrow’s major players based on economic size. He is correct to urge they need to sit at the table in most international negotiations. His data also pinpoint anomalies. South Korea in most respects now looks and acts like a developed nation, kept back from this status by its modest population size. In the Americas, Mexico should have greater importance than it does, constrained by deep internal problems linked to the drug trade (and its US consumers). Nigeria ought to be Africa’s star performer, but its corruption and religious conflicts cripple its performance.

In addition, existing comparative data (flawed as they are) separate “high growth” nations (measured by O’Neill’s GES index) from others whose performance lags behind what they might have achieved. Let us look closely at both types of cases over time, measuring all dimensions. Just why have Iran, Iraq, Egypt, Pakistan, and Bangladesh stagnated? Many might guess because of religious factors, but Rosling’s statistical analysis shows otherwise—at least in regard to having large families (view his lectures on You/tube). Development studies once claimed such topics, let us do serious analysis with controlled comparisons over time. Note, too, that O’Neill’s projections for BRIC economic performance a decade ago
proved too cautious (2011:41), but much more so for China, Russia and Brazil than for India. Why?

The question arises whether to turn back to World 1.0, reviving support to the United Nations as a more neutral forum for exchanging experiences related to development. Richard Jolly and colleagues would probably approve, giving us a (2009) book defending important ideas the UN has contributed, plus a chapter outlining ten top issues for our current decade (pages 214-236). These include:

- Tackling global warming
- Strengthening global governance
- Supporting fragile states
- Balancing regionalism with globalization
- Moderating inequalities
- Responding to population growth and migration
- Bridging divides of culture and identity
- Shifting the focus of security to individuals
- Incorporating culture and human rights into development
- Improving educational quality worldwide.

Now, these represent laudable objectives. However, few younger scholars would hope the UN might attain them, given its very mixed record promoting Millennium Development Goals (Vandemoortel 2011, Gill 2010). What seems overdue is to give BRICS and followers more say within international affairs (already achieved by China, but lagging for other nations).

Part of this readjustment to balance requires recognition that developmental autocracy survives and may yet flourish internationally. With Fine and Nederveen Pieterse, I admit that given what we see in places like Singapore, China, and Russia, we must conclude the “developmental state” has not died, and merits continuing attention. From our “western” experience in 2008 and with the EU in 2011-13, we cannot anticipate our leaders imposing necessary constraints to tame “feral capital” (as termed above). That fact does not mean leaders in China, Russia, Singapore, Venezuela and Brazil will be equally cowed. (At some point, leaders on planet earth must begin to tax the flows of profit which trans-national corporations direct to tax havens.) Theoreticians warn that “developmental autocracy” has become out-dated and vulnerable (Pei 2006), but this overlooks the dismal performance we see from our western, democratic leaders under similar threats (Nederveen Pieterse 2011:43). China builds its high speed, national rail system, while the USA debates whether it should even plan for one. Of course, for any such ventures Scott’s (1998) Seeing Like a State warns that “high modernism” can trick leaders into expensive and unproductive infrastructural investments: we shall see.

6.9 Recognizing semi-sovereigns

We tend to forget that in many nations exist parallel, semi-sovereign entities, some formally accepted, others as shadow hierarchies outside official recognition, as in Central Africa (Racymackers 2010, Meagher 2012). War 3.0 as it has emerged over two decades now requires rethinking many aspects of sovereignty (Taylor & Botea 2008, World Bank 2011). Within the US West, some native nations like the Navajo have negotiated formal recognition from state governments (the Navajo overlap three states), yielding on paper semi-sovereign status. Actually, worldwide, we find many such instances, often a source of considerable tension at the national level. One thinks immediately of the Kurds, in their long struggle to obtain recognition in Iran, Iraq, and Turkey—and they are just the largest of many ethnic enclaves seeking separation (Goldberg 2008). Or consider the six tribal areas along the troubled Afghanistan border governed federally by the Pakistan government, or the various attempted breakaway units within the Caucasus. Development 3.0 needs explicit recognition
of semi-sovereigns as a different type of overlapping polity. Meanwhile, our leaders deal with de facto breakaway nations, such as Somaliland, Puntland, and Somalia (forced in part by Puntland pirates). If the Czechs managed it peacefully, why cannot we achieve similar civility elsewhere?

Development 3.0 needs to bring such situations into public view, so analysts can work with all stakeholders to find tolerable means for cooperation even when citizens must learn and respect multiple and overlapping loyalties (Hagmann & Peclard 2010). With our American Indians, many Anglos do not realize they can act independently within existing laws. Native leaders feel vulnerable, based on bitter past experience. Most likely, their fears are realistic, which is why we require overt and effective answers to defuse complex rivalries. For Islamic regimes, similar issues surface between Sunnis and Shiites, and between Salafists and secular citizens in places like Egypt or Libya.

6. 10 Getting serious about urbanites

Development 3.0 must deal with pan-urbanism with all its diversity and threat potentials. On the whole, the development industry has avoided coming to grips with our planet’s rapidly growing “cities of the poor” (Gjok-Ling 1998). For decades, the World Bank avoided urbanization in its World Development Reports. The UN version of Habitat, at its Nairobi headquarters, has done far better, and becomes the first choice for those seeking organized (if inflated) data bases and possible policy options.

Look at Latin America, where the Bank predict 80 percent of the population will live in cities by 2015, about the same as “developed” North America (Fay 2005). (Even Amazonia has become largely urban.) Fay warns that the poor in Latin America’s huge cities live in varying situations, which must be described and analyzed separately. Most cities present a wide array of opportunities, with complex local histories, poorly understood by policy makers (and external experts). At a minimum, we must discover how to deal more effectively with the nonformal sector, a topic initially addressed by Moser (1978), de Soto (1989 & 20000) and Portes, Castells & Benton (1989). In their recent text, Hahn and Kastner open their preface with this depiction of today’s urban Africa (2012):

Urban agglomerations in Africa are among the most astonishing places in the world. Characterized by outstanding growth rates, these places are also known for being chaotic, dangerous, or at least a challenge for everyday life. Whereas many urban settlements in Africa are classified as slums by UN-Habitat, cities in Africa are fertile places for art and among the best connected ones in matters of communication, circulation of goods, and migration.

Exactly. Finding “what works” in such places becomes a top priority in Development 3.0.

As already noted, in approaching this dimension of tomorrow’s tactics, we gain nothing by insisting we all inhabit a post-urban world. (In science, defining a topic by what it isn’t rarely helps.) Our pan-urban world exhibits classic urban problems, which we know (our “elephants”) but haven’t solved very well, plus new ones which constitute a “browning” of our planet, diseases of scale. Having lived in some forty towns and cities during my peripatetic career, I confirm that dealing with urban realities at a moderate scale (thus Geneva, Switzerland or Boise, Idaho) has much to commend it—but most definitely this is not what our coming decades will experience.

Instead, difficult problems will morph into city-wide phenomena within conurbations of ten or more million, mostly poor, residents. They become virtually unmanageable: just visit Lagos, Nigeria! Also, the older generation of development experts (thus people like myself) for the most part analyzed urban-rural relations, not the interiors of gigantic, sprawling, shantytown
encircled developing cities. Cairo shows what can result, dangers arising out of an emergent class structure combined with identity politics and fuelled by new media. Expect a menagerie of negative forces interacting in fiendish ways to frustrate, abrogate, steal or avoid attempted solutions.

Allow one personal example. I lived in Dar es Salaam, Tanzania, when German aid helped install a city water mains system to service its many poor sections. The Germans put into the ground pipes with a projected life of eighteen years, which to politicians seemed a lifetime. Of course, eventually, at about twenty-five years, the pipes began to break, and a much larger city of more than two million faced replacing most of its water mains. Now, too, the World Bank had adopted free-market ideology: the contract must go to some private company, which could fix the problem more effectively and efficiently. Nobody fixes broken water mains for an entire city efficiently and effectively. Having received the contract, the private firm spent the money only to discover still more breakdowns as the remaining system collapsed once water pulsed through aged pipes. Of course, private corporations can declare bankruptcy and walk away from their limited liabilities. This is what happened, leaving the Dar es Salaam municipality to fix a collapsed system, its funds already expended.

A peek at big data confirms these cityscapes will be tomorrow’s middle class, the main repository of wealth awaiting organized marketing and better services. McKinsey generated a useful scenario-building report in 2011, “Urban world: Mapping the economic power of cities,” with a follow-up in 2013, “Urban world: Cities and the rise of the consuming class” (access at McKinsey’s Global Institute on the internet). Their experts tell us that 1.5 billion people now live in the 600 largest cities, 22 percent of global population, earning $ 30 trillion in 2007 (over twice the US total GDP). Their forward estimates see a quarter of the planet’s population in the 600 largest cities by 2025, earning $ 64 trillion, thus 60 percent of world GDP. By this time 135 new, mostly developing nation cities, will have entered the top 600, and of them 100 will be in China. The greatest growth will occur in Asia, providing our planet’s new ‘middle classes’. If you know today’s urban Asians, you will realize these populations come with elite tastes, too: say goodbye to sharks and elephants.

If so, “development studies” as we now see it requires further, and rapid, revision. Our students must know cityscapes intimately, must have reviewed the occasional success stories (as in Curatiba, Brazil), and must be prepared to craft better answers to long-recognized problems (of waste disposal, sprawl, effective and cheap public transport, potable water supply, youth gangs, urban violence, ethnic tensions, and nonformal employment). It can be done, but (as on other issues we review) a great deal of innovation and engaged collaboration will be required.

6.11 Building coalitions within networks

When seeking answers to these emergent problems, we look to solution-oriented networks, not disciplinary towers (or “silos”) for new ideas and for organized knowledge about potential actions. In this regard, ‘development studies’ (as found in Europe) and as given voice in key journals like Development and Change, IDS Bulletin, World Development, Public Administration and Development, and (for field workers) Oxfam’s Development in Practice lead the way. The IDS Sussex (and others like it, such as the International Institute for Social Studies in the Hague) provide marvelous resources, not bound by disciplinary conventions. (Note that Harvard shut down its equivalent Institute some years ago, claiming its work lacked sufficient rigor.) Development studies get published in roughly twenty international journals, exchanging ideas and experiences among students, teachers, researchers, and practitioners. Yet we are told our field is comatose, unneeded by a planet served by global free trade: post-development arrived—a central theme within Development 2.0 discourse. Really?
Such attitudes matter, because any ‘network’ subject resides across borders between established, disciplinary towers. Almost all our emergent problems occur as ‘network subjects’ of a trans-disciplinary nature: climate change (obviously), but also persistent poverty, terrorism, identity politics, land grabs, hyper-urbanization, gender equality, graying populations, failed states, digital empires, alternative energy, human rights, and regime change. As funding becomes scarce, those holding power whack off the vines spreading across academic terrain before they sacrifice their own, privileged perches. (My home US university does not subscribe to any of the five top journals in the field of international development, an “applied” and expensive subject not emphasized by privileged US disciplines.)

The “death” of development studies in Europe left no identifiable corpse because, meanwhile, sub-fields emerged as service “industries” in their own right, each with its own journal (thus Disasters), experts, “best practices”, preferred donors, and usual working procedures embodying accepted “discourses”. For example, micro-credit has grown to such an extent it, too, becomes an industry (here read Bateman’s 2012 expose). Other such field empires support food, disasters, humanitarian aid, education, health, trade, agriculture, environment, energy, security, finances, media, climate change, and refugees. Usually our sources stay within their self-selected domains, because practitioners face so many organizations, donors, and experts all competing to promote some aspect of this larger domain we term ‘development’. (Development texts these days arrive as edited volumes, allowing a spattering of topics across these diverse landscapes.) Ramalingam (chapter 16) calls for “networked organizations”, but this task will not be easy: high walls already cross our intellectual landscapes. Information flows rapidly within existing silos, but may take a decade or more to jump over into new, unrecognized territories. A welcome change arises from the World Bank’s “open data” policy and its recent publications such as its 2011 WDR on Conflict, Security & Development and its 2012 WDR on Gender Equality & Development.

Similar networks exist at a community level, but may be dwindling under digital challenge (Putnam 2000, Packer 2012). If they do not, as Lewis in Boomerang says they don’t within modern Greece or as Turnbull found for his Uganda Mountain People, a society becomes paralyzed, unable to respond within turbulent times. Mintzberg argues his third sector plurality consists of an invisible network of organizations, actors and people whose activities define and enrich place. They are both public and private, and perhaps hybrid between, but because invisible get little explicit attention. I fully support his conclusion that we must “rebalance society” to restore considerations of place to our analytic frames, as Michael Porter’s “shared value” concept attempts for businesses. Kilcullen also affirms that collaboration at a community level must replace resort to military action in tomorrow’s conflicts (2013). And, indeed, Rosenau titles his book on networking individuals to influence politics People Count! (2008). However, any redistribution of power will be resisted, easiest to achieve during occasional crises when leaders must do something.

Any time we turn to the creation of new and better service networks, and of locally grown leadership, we need to realize that at the “grass roots” level we find only a few, long used models: the community project (often grant funded, and thus unsustainable), the service agency or cooperative, the local business, and a network of NGO assisted volunteers. For-profit businesses usually (but not always) do well, because profits pay expenses and the unit extinguishes itself if it fails to meet local needs. However, as was noted earlier, if business owners choose to export profits (as they do in Latin America, Africa, and in ex-socialist nations), then they jeopardize local success. Thus each of these standard options has strengths, but also characteristic problems—why we distrust technological evangelists (Rogaly 1996) but do seek experienced practitioners for contextualized advice.

The four approach ideologies mentioned earlier are all partial solutions, specifying initial beliefs but not all the components needed for success—a fact often ignored by “true
believers”. In real world situations, each must be matched with appropriate organizational models suited to local contexts (Honadle 1999). Thus, we need something at this micro level equivalent to the commercial handbook Business Model Generation, telling “what works" in local contexts (Osterwalder & Pigneur 2011).

In so doing, I look back deep in time to flag two important sources, Korten’s (1980) review of successful rural development programs, and a World Bank staff paper by Smith, Lethem & Thoolen (1980) telling us to differentiate appreciated, influenced, and controlled factors within project design. Korten found that successful, larger scale development efforts undergo three learning curves, in sequence. Their proponents must first discover what works, then how to make it pay, and finally how to replicate it by going “to scale” elsewhere. Trying to learn all three at once, specified in initial project planning, guarantees disaster. As for Smith, Lethem and Thoolen, they point out that within generalized development efforts, people involved must find ways to exert influence over many stakeholders they do not control. Development 1.0 privileged the controlled world, 2.0 the exchange system, now 3.0 must deal with all factors (some of the key ones not under control).

Both papers suggest different working procedures from how most authorities lay out project, program, and policy design. I tried to frame similar guidelines in my 1981 text (pp 115-125), and in revisiting them find most still apply. Chambers in his books provides a wealth of further suggestions, stressing the crucial importance of getting local people to take ownership of problems but also attempted solutions. Note, too, that such prescriptions gloss over difficult, meso-level issues which arise later in program development (thus part of “going-to-scale”), addressing sustainability questions.

For survival, organizational sustainability becomes the key challenge, an imperative weakened when outsiders govern what people do. This was the genius Mohammad Yunus showed in his early version of Grameen Bank: it mostly covered its costs (he says) and generated its own leaders (Holcombe 1995, Rogaly 1996, Bornstein 1997, Rahman 1999). All in all, development practice evolves slowly and incrementally, whereas development fashions among policy makers show sharp discontinuities (Development 1, 2 and 3). Meanwhile, the way forward as Rosenau argues in his (2008) People Count of necessity and by default becomes working within networks at varying scales.

6.12 Involving women and youth

We must also find ways to make better use of our planet’s women and youth, the two underutilized segments of our various national populations (“underutilized” in terms of effective engagement to achieve shared development goals). For women, the goal becomes shifting their present work out of the purely informal and “shadow” economy with its shifting “multiplex” livelihoods into more secure, recognized and productive formal arrangements (Hallward-Driemeier 2013). McGillivray when testing metrics to measure development (in contrast to per capita GDP), found only two which added information: youth literacy and gender empowerment (2007:147).

As for engaging our planet’s youth, we have much less to work with insofar as what present “successes” offer. Honwanda coins the term “waithood” to depict Africa’s frustrated, mostly unemployed youth who possess few skills as they occupy part-time positions on the margins of their societies (2012:3). As it happens, in the poorest and sometimes violence prone nations, they constitute a majority of citizens even though globalization offers them little beyond watching Al Jazeera. When one travels through MENA nations, everywhere one finds underemployed youth, awaiting a better future. As noted above, if we do not find better ways to engage them in a shared creation of a new and better world, they may come back to revisit our lives with a vengeance. The point remains that our planet’s youth possess genetic
capacity to learn rapidly, and our digital world offers many avenues for collaborating on a planetary scale. Jihadists have discovered this resource already: why cannot we learn the same lesson? So, at the least, we know where to start.

6.13 Enabling effective communities

We turn to the actual organization of better futures for us all, what Mintzberg calls moving “from exploiting resources to exploring our resourcefulness”: the essential task for Development 3.0. This is what the unemployed, college education youth of Spain and Greece are not getting from their ineffective and cautious EU leaders, here read what Jolly and others tell us in Be Outraged (2012) in contrast to Gill & Raiser (2012).

A large literature exists outside conventional economics which talks about mobilizing resources to address future needs. Our goal becomes strengthening “adaptive pluralism” as advocated by Chambers (2010) or Brohman’s “popular development” (1996). Indeed, a three volume Encyclopedia of Community provides a feast of relevant ideas, concepts, and experiences (Christensen & Levinson 2003), which authors draw upon to say what must be done (start with Bornstein’s How to Change the World and Green’s From Poverty to Power, representing two sides to an on-going debate). We find many exiting ideas, though few anticipate the turbulence we may encounter in World 3.0.

Whether any of these “hope movements” will actually achieve their goals can be doubted, given the transitory nature of so many past efforts to offset the crushing power of unleashed capitalism (Dinnerstein & Deneulin 2012). Even so, we have deep knowledge relevant to our future tasks if we can just find better ways to empower new leaders beyond present networks. Grounds for caution arise from works like Putnam’s Bowling Alone (2000) and Packer’s The Unwinding (2013) who tell us in contemporary US (and so “western” society) the tide runs strongly against such efforts. My comments here acknowledge that we know a considerable amount about how to encourage effective actions, but that most depend on an accompanying exercise of power denied to people at intermediate levels in existing formal systems.

In theory, our goal becomes to craft new modes of cooperation which become:

- Sustainable
- Contextualized
- Multivocal
- Collaborative
- Networked
- Nimble
- Empowering
- Inclusive

Just how to enable local organizations to act in these ways will be contentious, and imprecise. Personally, I have not seen many lasting successes. Even our star performers, such as Yunus’ Grameen Bank, turn out to have major flaws when uncritically exported (Bateman 2012). Nevertheless, for the record here are my own suggestions where Development 3.0 should focus.

We do know about collaborative teamwork which puts specialists and local people into action together to realize shared goals. Thanks to Robert Chambers (2005, 2008, 2012) and his IDS colleagues, practitioners can draw upon three decades of experience acquired in all parts of the world (see also Burkey 1993). In the USA, our extension staff promote “asset based development” (Kretzmann & McNight 1993, Richardson 2000) but it lacks agreed procedures to mobilize change efforts within sustainable, localized structures—Mintzberg’s
“pluralities”. Here *local knowledge* matters immensely, because (in my experience) virtually all social science furnishes contingent results, valid for one time and place but not necessarily applying elsewhere (Bicker, Stillltoe & Pottier 2004).

Where I go further would be to stress the equal importance of *contextualized learning* (as noted above). In practice, this means studying meso-level variables, a major gap in existing studies of development. Merilee Grindle in her *Going Local* documented varying situations in thirty Mexican municipalities, showing what can be done with the help of enthusiastic students. Two decades ago, Copestake and I outlined key differences at the community level, things like aggregate cash flow, previous history with development, “backwash’ attitudinal influences of remittances, trust in local leaders, and the like (1993). Field workers know such differences can be hugely important at a local level, even if lost in national averages.

For example, all across Africa one encounters a particular complexion we might term “remote rural areas”, which I experienced as a child in Singida, Tanganyika, saw again in my 1967 fieldwork in Kenya’s rural Mbere countryside, then a decade ago discovered documented from Zimbabwe (Bird & Shepherd 2003). Similarly, in a separate paper I outline commonalities which occur again and again across the Greater Horn of Africa based on high conflict situations where pastoralists live (Moris 2014). Paying closer attention to documenting and then understanding such emergent systems within nations helps “contextualize” Development 3.0 (Moris 1981:27-30). In place of universalistic prescriptions, it yields locally appropriate solutions for different “pathways”, such as Scoones and Wolmer explore (2002) for Mali, Ethiopia, and Zimbabwe.

In Development 1.0 and 2.0, one often discovered that benefits and costs get reversed as one moved up and down the territorial hierarchy (or the supply chain). Where I work in the desert West, an enormous Peabody Coal plant yielded major benefits to California power uses, and to tribal offices among the Hopi and Navajo, but huge costs to aquifers and almost no localized benefit to poor Navajo occupying the surrounding landscape. A new sub-field ‘political ecology’ does analyze such things, and needs to become part of our usual scrutiny of all development situations.

In truth, most gains from “development” go to intermediaries (true for private and public ventures), not to those designated as target beneficiaries. Adams and Mulligan (as noted) find post-colonial regimes have stayed with the Development 1.0 models for resource conservation, sometimes because these tired and ineffective institutional models still allow payoffs to local officials. The actual *people* who “do” development mostly work within agencies and programs, at two or three levels below the top officials, and rarely get studied (with few exceptions). To spot what happens and who benefits or loses, one must document the entire delivery chain. We cannot afford repeat experiences of the “race to the bottom” which Development 2.0 delivers, while greatly rewarding those at the top. Also, this is where communities link to higher level national and international institutions.

Finally, revitalization efforts must occur within *communities*, where diverse organizations vest their local agents, and the level at which citizens and their families encounter larger organizations. Here live hospitals, schools, police, shops, cafes, recreational facilities, churches or mosques or temples, libraries, forms of higher education, and the local municipality. They comprise the face of engaged, joint activity for members. They are rarely documented in detail, though their traits determine the attractiveness of place. They have been long studied by sociologists, but are relatively overlooked in business and economics. As Mintzberg reminds us, such “pluralities” constitute the third leg to support modern living, a mixture of public and private which however follows adapted rules to reinforce the virtues of place. These days, they are also greatly challenged, as higher decision-makers impose local cutbacks to pay for the sins of our profligate corporate and national leaders.
In this domain, we encounter a parallel world of interrelated concepts, studies, sources and movements which cluster around what might be termed broadly "sustainable community development," in which governance reform must play a central part (Grindle 1995). Thus initial efforts would be to shift such activities forward onto center stage, displacing the growth economics holding center ground throughout Development 2.0. The challenge comes in devising organizational forms which tap some local revenue generator (to become financially sustainable), which will reinvest profits, and which encourage continuing, localized leadership.

As a reader, you may have expected I would devote most space to this central task, whereas here I have emphasized instead the crucial importance of "rebalancing" (as Mintzberg terms it). Most of us who have worked in the field can list many, modest changes we see as individually desirable. I close by enumerating my own guidelines, were I to advise those undertaking this task "in the field". Realize, however, our knowledge what to do accompanies sharpened awareness that basic changes must be attempted soon if we are to survive and prosper, my larger theme throughout this paper.

- Make organizational sustainability the first criterion.
- Build resources within networks, not disciplines.
- Draw on behavioral economics, not conventional ideology.
- Use Rosling’s graphic to identify and monitor trends.
- Be proactive, not reactive.
- Exploit “windows of opportunity”.
- Do not assume support from politicians!
- Cultivate effective local collaboration and engagement.
- Find an income generator first.
- Identify and involve long term, local promoters.
- Start by mobilizing local assets while avoiding debts.
- Build competencies by modest steps.
- Empower the missing women and youth!
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