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CONTENTS

The Subject and Numeracy: Economics and Development

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Abstract

This paper addresses two specific concepts underlying economic thinking that inform development studies and practice - methodological individualism and numeracy. Methodological individualism is the notion that economic analyses and models are based on voluntary individual choice-making by informed and rational subjects. This subject (agent) is then carried over to the aggregate economy to make national policy choices, with the caveat that there will be winners and losers for any economic change, and one group can compensate another. This paper shows that this is not a random process, but instead a systematic problem is present in that predictable beneficiaries exist, as do groups who bear the costs of development policies. Numeracy refers to both the numerical aptitude of the subject (agent) as development occurs, and the problem of using numerical measures for economic development, flattening out the complexity and nuance of inquiry and relevant conclusions in different contexts. Numerical indices attempting to capture economic success creates national hierarchies such that many developing countries find themselves to be given a low rank measure and feel compelled to follow policies that are considered to be efficacious globally, regardless of whether they are appropriate for a particular country or not. Although these arguments are general, examples from Bangladesh provide pertinent context.

Introduction

Economics can appear to be a contradictory discipline because it is based on the notion that the consumer "reigns sovereign" and the very existence of an economic equilibrium requires the presence of the consumer's preferences, and yet the consumer is so abstracted into a mathematical entity that (s)he is almost absent. Such a contradiction is barely perceptible when theory and practice are built on layers of assumptions and concepts.

This paper is a modest attempt to examine a problematic foundation on which economic theory rests and provides a basis for policy decisions. It also evaluates the manner in which applications are made for policymaking. Both of these are examined with particular reference to developing countries, with examples from Bangladesh.

The paper first enquires into the 'subject' of economics, by which is meant the agent taking wilful actions. After tracing this idea and its critique, the implication of defining a universal subject for developing societies is considered. It is found that in pre-modern contexts, even during the transition to modernity, there are multiple subjectivities that are tied to functions, communities, or other allegiances. The paper then examines a related tendency for empiricism and scientism within economics, critically presenting one aspect of the many quantitative applications in the field of development that is defined in this paper as numeracy.

Economic policy is based on historically developed disciplinary knowledge. Policy is considered to be more credible when it is founded on established theory, and the methods employed to generate the policy are rigorous. John Maynard Keynes's famous quote is relevant here. "The ideas of economists and political philosophers, both when they are right and when they are wrong are more powerful than is commonly understood. Indeed, the world is ruled by little else. Practical men, who believe themselves to be quite exempt from any intellectual influences, are usually slaves of some defunct economist." (Keynes, 1936).

Keeping in mind the importance of economic ideas and methods, the resulting implications for development policy are considered by focusing on the two specific points mentioned above.

The Subject of Economics

Within the social sciences, neo-classical economics has a strong fidelity to the idea of a cohesive, unified, subject. Resting solidly on this theoretical foundation, economics defines a homogenous subject who is rational and intentional, maximizes utility and profits, and subscribes to economic growth for his or her nation. The use of a consistent agent to form a central core of analysis has been called methodological individualism. Schumpeter first used the term "methodological individualism" (Udehn, 2002, Hodgson, 2007) and recognized it as belonging to the "pure theory" of economics.[1] The term

was further used and developed by Popper and his student Watkins for whom "the ultimate constituents of the world are individual people who act more or less appropriately in the light of their dispositions and understanding of their situation. (Hodgson, 2007).

One might say that economics became an individualistic science with the arrival of the marginalist revolution in the late 19th Century. Whether we look at the English Utilitarians such as Jevons and Mill, Austrians such as Von Mises and Hayek, or general equilibrium theorists such as Walras or Arrow, we see the adherence to methodological individualism being widespread in the field.

Arrow (1994) explains this concept as "a touchstone of accepted economics that all explanations must run in terms of the actions and reactions of individuals. Our behavior in judging economic research, in peer review of papers and research, and in promotions, includes the criterion that in principle the behavior we explain and the policies we propose are explicable in terms of individuals, not of other social categories. … In the usual versions of economic theory, each individual makes decisions to consume different commodities, to work at one job or another, to choose production methods, to save, and to invest. In one way or another, these decisions interact to produce an outcome that determines the workings of the economy and the allocation of resources. It seems commonly to be assumed that the individual decisions then form a complete set of explanatory variables. A name is even given to this point of view, that of methodological individualism".

Arrow further says and others (Udehn, 2002; Agassi, 1960; Wettersten, 1999) concur that the methodology of individualism has pervaded much of the social sciences, with the adoption of the scientific methods in Sociology, Anthropology, and other fields. Karl Popper and Max Weber are both credited with subscribing to methodological individualism but Popper is the stronger adherent. Popper distinguishes his version of individualism from the "psychologism" of John Stuart Mill, showing the distinctions that evolved as this type of thinking moved outside of economics. The accusation of "psychologism" involves an antipathy to psychological explanations of social phenomena on the part of economists while at the same time maintaining implicit psychological assumptions in economic theory. This has been called Sen's paradox (Hudrik, 2011).

There have been numerous discussions of methodological individualism, leading to a plethora of literature on the topic. The ontology of society – whether only individuals exist and carry out actions or whether they exist and act as groups has led to debate on this chicken-and-egg problem among sociologists (Agassi, 1960 and Toboso, 2001). Concepts such as institutionalism, holism, or even institutional individualism have been coined as a result of these discussions. According to Toboso (*ibid.*), institutional individualism applies when individual actions can only be understood as elements or components of some other entity. For instance, a thrust for individual action may come from churches, political parties, groups, associations, corporations, states, or other institutions of which individuals are members.

While there is an excellent compilation of the many uses and interpretations of methodological individualism by Hodgson (2007), and others (Bouvier, 2002; Hudick, 2011), we will follow the common understanding of this term, as laid out by Arrow.

Within the discipline of economics, the very existence of a theory without micro-foundations is impossible: all microeconomic analysis begins with individual agents responding to boundary conditions and then continues with aggregated responses to determine a relevant market, which is the common domain of economic analysis. Microeconomics is, by its very definition, the framework used to study individual behaviour. However, that same study must be generalizable to a universal agent, without a face or name. In every economic sphere, this abstracted agent optimizes and reaches maximum utility derivable from given circumstances. The deployment of methodological individualism is not confined to microeconomics. It is also assumed to be present in macroeconomic theory since the New Classical revolution of the 1980s, after which economists began to require macroeconomics models to have micro-foundations (Mankiw, 1991; Rosenberg, 1995).

The individualism of microeconomic theory is resolute, even when the context presents a problem with assuming individualism. An example can be found in the theory of public goods that are non-excludible or cannot be provided to some consumers without being provided to others[2]. In a world of individuals, no one has an incentive to pay for such goods in the hope that others will do so, providing the good to non-payers for free. Since all individuals are capable of reasoning in this manner, in many cases we should not expect public goods to be provided. However, it is obvious that many such goods are provided. One could explain the provision of public goods by appealing to the preference of the community or the coercion of individuals by the group to pay for the good. But these explanations are not consonant with methodological individualism. Instead the appeal to voluntary individual choice leads to the well known "free rider problem" and an indeterminate solution to the provision of public goods by rational agents in society.

The Subject of Development

The subject of economics is the implied subject in development theories and models. A properly developed modern subject who comes about through the development of societies breaks with his past, and with the doctrines of personhood and socio-political standing of the kind that dominated Europe until the 18th Century or dominates those parts of developing countries that we now consider backward. Weber (2007, pg. 463) details this promised evolution as "the experience of the individuated juxtaposition of the solipsist observer and the surrounding world for which her/his standpoint becomes also the vanishing-point, the point at which all axes of vision and time syncretise, is generally interpreted to signal the emergence of qualitatively new possibilities of human social being." Charles Taylor outlines this transition from the institutional order of the middle ages and an ethics of "honor" to one where there is a new, inclusive, and flattened order of individuals. The subject is the source of rationality and universality as well as the subject of empiricism and inquiry. When development policymakers talk about patron/client relations, nepotism, or corruption, their frustrations double because the modern subject who supposedly will bring about a new societal order and a consummate work ethic is absent in the chaotic, half-baked transformations that are instead found in developing countries.

Not all writers have welcomed this new subject. Those who espouse Feminist economics have called into question the idea of an autonomous abstracted subject. England (1993) considers this formulation as "the separative self" – one that has no connections with anyone – and shows how it results in the inability to make interpersonal utility comparisons as well as the exogenous determination of preferences and tastes. Both of these are inherent in methodological individualism. Feminist economists say, "objectivity, separation, logical consistency, individual accomplishment, mathematics, abstraction, lack of emotion, and science itself have long been culturally associated with rigor, hardness and masculinity" (Nelson, 1995).

Other thinkers have expressed similar reservations about the possibilities that modernity offers the economic subject. Theodore Adorno, (1997, 12-13) who writes that "enlightenment dissolves the justice of the old inequality but… Men are given their individuality as unique in each case so that it might all the more surely be made the same as any other". In other words, the subject renders human into hordes or herds, with a false sense of the collective, and a tendency to converge to fascism. Adorno's well-known critique of the Enlightenment and modernity is considered to be a necessary part of a liberal culture that ought to have a "medium of therapeutic self-critique" (Honneth, 2000, pg. 122).

The question we may ask is whether such a subject is relevant in developing countries. Who is the subject of development and can we apply methodological individualism to her/him? Note that there is no steady subject during the process of social change. The subject is likely to be displaced from his/her community and village, urbanized, and subscribing to individual aims and gains. The anthropologist will attest to changes in values, morays, and kinship associations that occur with development; the breakdown of old hierarchies and emergence of new aspirations and relationships.

James Scott and Samuel Popkin both have written extensively about peasant behaviour. Scott (1977) attempted to explain what appeared to be irrational behavior exhibited by peasant households. He maintained that peasants were primarily motivated by subsistence and argued that a fear of food shortages explained production, social, and moral arrangements in peasant society, in addition to "puzzles" such as resistance to innovation and the desire to own land despite the adverse effect on income of such ownership. The 'moral economy' of the peasant also determined his relationships with other people, and with institutions, including the state. Scott studied agrarian society in Burma and Vietnam to demonstrate how transformations during the colonial period systemically undermined the moral economy of the peasant.

Samuel Popkin represents an opposing strand in this argument, suggesting that the Asian peasant is no different from anyone else and is just as rational (and capable of development). Popkin (1979) presents a model of rational peasant behavior, which illustrates how village procedures result from the self-interested interactions of peasants, in contrast to a model in which a distinctive village community is primarily responsible for ensuring the welfare of its members.

The recent *World Development Report* (World Bank, 2015) takes up the question of economic behavior and applies behavioral and experimental economics to development policy. The report is replete with examples of policy interventions primarily in Africa and South Asia, showing that behavior anticipated by standard microeconomic theory did not set optimal policy. Instead, economists undertook experiments in local contexts to determine why a particular program did not work and found that specific *socially determined* barriers including cultural cognition had to be taken into account. These contextual nuances suggest no universal guide, and show that different heuristics inform economic choice. The report recommends changing social norms, mindsets, and building skills incrementally among the poor, in addition to addressing many biases that development professionals bring to development policy. In other words, the aim of these adaptations in approaching development is to make interventions more efficient.

Whether we subscribe to an always rational subject or one that is yet to blossom as progress occurs, analyses conclude that the subject is expected to benefit from economic development policies. An additional implication is that the individual is likely to accelerate that process through her/his own development. However, this may not be the case in most instances as many development policies cause changes that people are not adequately prepared for, in addition to redistributive effects that are addressed below.

A Theory of Sacrifice

The subject (agent) of development is carried over to the aggregate economy under the assumption that national economic policy reflects a homogeneous individual or a set of similar individuals who can be aggregated to provide a social welfare function which meets the same consistency requirements that the individual does. However, the redistribution that occurs during any economic change, including those engineered through policy, indicates that not everyone will benefit from such a change and therefore they are unlikely to subscribe to the same policy.

Sectors of the economy may decline and others expand in the name of efficiencies or modernization. Depending on the specific model of development, there will be winners and losers. Income inequalities may be affected in any given direction but there will always be beneficiaries of a new economy in addition to those whose livelihoods are being negatively effected.[3]

In the past two decades or more, the developing world has seen that trade liberalization policies which are designed to provide uniform incentives to businesses result in price reductions for import competing goods that are made by small or medium producers. These producers are unable to compete with the low price products offered by large-scale producers abroad. The businesses that must close down because of competition from imports result in many job losses, particularly since those disproportionately affected are small and medium industries which tend to provide more employment than larger capital intensive firms. How are these workers compensated? The assumption in economics is that their skills are somehow transferable and they find jobs elsewhere or that someone else gets a new job and that in the aggregate, one person's loss is compensated by another's gain. The problem of distribution is thereby skirted through the aggregation of the concept of methodological individualism. All people are the same and one person's loss of a dollar is symmetrically opposite to another person's gain of a dollar. In sum, all have gained if more have gained than lost or the total gain exceeds the total loss, even by a small margin.

But, this argument is problematic since poverty generation for one group is not compensated by wealth creation for another. An example is shrimp farming in Bangladesh, which is considered a development activity, generating exports, foreign exchange for development, and growth for the economy. However, the process of shrimp farming has resulted in the loss of rice production for many small farmers whose lands have been acquired often through distress sale. Does the flourishing of one industry at the cost of asset losses for farmers be consider as development? Is everyone better off? How are they compensated if they are not? This kind of question is not limited to shrimp farming but for any development activity that requires the acquisition of land.

In addition, public lands are often used by the poor and forest dwellers who informally live near or within the forests. The proposed 1,320 MW Rampal and the 565 MW Orion coal based power plants are to be located within 14km of the Sundarbans, a 3,860 square miles mangrove forest listed as both a UNESCO World Heritage site and a Ramsar-protected wetland. The location of this project will not only cause environmental degradation, but also cost the livelihoods of those who have little voice.

Groups that rely on existing natural resources for a large share of their income (Anglesen, et. al, 2014) will be the ones that are affected adversely from the common forms of development policies mentioned above that are prevalent throughout the world. These are referred to as "environmental income" and refer to extraction from non-cultivated sources such as natural forests, other non-forest wild lands such as grass, bush and wetlands, fallows, as well as wild plants and animals harvested from croplands. In addition policies that restrict the access of the poor to natural resources such as forests but allow the state to exploit these same resources does not give priority to the needs of their citizens.

Providing infrastructure such as power, gas, and communication inside cities in developing countries enhances rural-urban migration. The price of land tends to increase substantially during such a development process aptly termed "urban biased" (Lipton, 1977). The benefits of such asset price increases go to the existing elite or newly emerging beneficiaries of growth, usually limited in number, and having some connection to the elite. Real estate based wealth is the major source of wealth in Bangladesh and the prices of an average apartment in an affluent area has increased five fold over the past decade (Financial Times, 2014) Such wealth, which primarily consists of capital gains, is not taxed, further encouraging investment. Very frequently the state itself stands to gain if the value of land and other physical assets increases, thus creating little incentive to tax this form of wealth. The vast proportion of the

population that have comes from rural areas usually holds jobs in the informal sector and lives in peripheral areas or slums. When a calamity such as a flood hits Dhaka or Chittagong, it is usually this group that is directly and most severely affected.

Too often development involves adjustments by vulnerable groups, those at the fringes of society – urban migrants who have become landless or indigenous peoples who live in areas that are being deforested through plantation, mining, and other commercial schemes.

As the groundwater is depleted and floodplains reclaimed for industries or housing for some groups, flooding and destitution occurs for groups who must live in slums that are often in the low lying areas of newly growing urban refuges.

The losers in the process are not picked randomly. They are predictably those who are not among the landed and educated groups and benefitted from nations that came about when colonial powers left or from communities who are unable to represent themselves adequately in the political process. How does development theory provide a justification for such policies and why citizens should to these policies? Why should the self-interested rational individual subscribe to an aggregate good if it harms her? This would require a theory of why a person would want to forego his own welfare or a theory of sacrifice.

Developing Numeracy

Connected to the formulation of the subject is the logic of scientism and positivism that allows the underlying rationality assumption to corroborate with techniques in economics. Therefore, the topic that naturally next enters our concern is mathematics, more particularly measurement, and its application in development.

As societies develop, they become more mathematically capable. The ideal subject of development is also a mathematically developed subject, one that works readily and swiftly with mathematics, calculations, and science. The term "numeracy" is described as comprising those mathematical skills that enable an individual to cope with the practical demands of everyday life. Indeed, in countries all over the world, the principal purpose of primary education is to achieve a minimal acceptable level of literacy and numeracy (Steen, 1990, pg. 212). As modern life has progressed, the expectations for numeracy have risen at least as fast as have the demands for literacy. Daily news is filled with statistics and graphs, with data and percentages. From bank finance to sports, or tax policy to demographics, citizens are bombarded with information expressed in numbers, rates, and percentages.

Take this report from Daily Star (June 8, 2015), which demands a requisite ability to do some calculations to follow the argument:

"Bangladesh had to forgo $136.8 billion of its gross domestic product in 2013 due to cumulative underperformance since 1980, according to a new study…. Dhaka city had the highest average monthly income of Tk 55,086, much higher than Tk 18,349 in rural areas and Tk 24,031 for other urban centres. In 2012-15, the average monthly household income rose 15.9 percent across the country. It, however, would fall by 5.2 percent if the income is adjusted for inflation....If adjusted for inflation, the income would fall by 4.8 percent in Dhaka city and 9.73 percent in rural areas, but would rise 0.9 percent in other urban centres. Of household expenditures in Dhaka, food expenses accounted for 20.1 percent, housing 18.9 percent, lifestyle 10.9 percent, healthcare 9.1 percent, education 8.1 percent and transport 4.4 percent. In rural areas, food accounted for 40.7 percent of expenditures, housing 13.9 percent, lifestyle 11.9 percent, healthcare 10 percent, education 6.9 percent and transport 4.7 percent. The study also painted a gloomy picture of income disparities: the top 10 percent held income shares of 46.2 percent, the middle 50 percent held 40.4 percent and the bottom 40 percent only 13.4 percent. In Dhaka, 26.2 percent households owned flats or houses compared to 96 percent in rural areas."

The extent of numeracy required to understand this news item apparently designed for the ordinary reader is likely to be beyond the average level of literacy in the country. Only the ideal subject of development is prepared to make sense of it.

In the workplace, numeracy is often used to screen applicants for desirable jobs. Today, the rapid emergence of computers has spawned an unprecedented explosion of data. Thus, what sufficed for numeracy just four decades ago is no longer at the same standard. Numeracy is not a fixed entity to be earned and possessed once and for all. For instance, few need to calculate square roots by hand, even though such methods were emphasized in school arithmetic classes for nearly four centuries.

Mathematics can be considered the invisible culture of economic development. While this is evident on the surface with numbers and graphs in every newspaper, deeper insights are frequently hidden from public view. Mathematical and statistical ideas are embedded deeply and subtly into societies as they modernize. The modern subject is able to compare loans, calculate risks, estimate unit prices, or understand scale drawings, and take advantage of commercial opportunities to benefit themselves. Those who lack confidence or skills to deploy arithmetic, statistics, and geometry lead their

economic lives at the mercy of others. They may fall prey to losing their savings or land, being cheated in transactions or not finding themselves as beneficiaries of economic gains. In addition, what was previously a hierarchy of social status changes to a hierarchy of bank accounts and salaries and numbers that measure the worth of the individual as society changes and modernizes.

Along with this general thrust to enumerate and measure all form of knowledge and rely on the power of empirical observation to make truth claims in society belongs the measurement of development through numbers.

The Mathematical Formulation of Development:

If we ask a student what constitutes economic development, the "correct" answer will be raising per capita GDP. One might find it extremely efficient and elegant that economists have managed to capture the entire development of a society into one figure. Lequiller and Blades (2004) recall Paul Samuelson's construction of GDP as "truly among the great inventions of the 20th century, a beacon that helps policymakers steer the economy toward key economic objectives". From 1978 to the 90s, World Bank listed countries by GDP, ranking them from lowest to highest.

Bangladesh was placed among the five countries at the bottom of this list each year, adding insult to the injury already caused by being dubbed a "basket case" by Henry Kissinger in 1972. Finally, in 1990, Bangladesh climbed out of the bottom five countries after it implemented almost all of the World Bank's recommended economic policies. Despite having a large enterprising population, increasing the education of girls, bringing down population growth rates, and sending hundreds of thousands of toiling migrant workers around the world, Bangladesh remains on the list of least developed countries as measured by the single index of per capita income – an imported construct that leaves out most of the daily efforts of the people of this country.

The following conversation from the media illustrates the point well (NPR, 2015):

GOLDSTEIN: They call this thing the Doing Business report. They do it every year now. And it actually gets a lot more attention than, you know, your sort of standard, boring World Bank report.

KESTENBAUM: And one of the reasons is that they rank the countries from, like, best to worst based on these surveys. And so people pay attention. You know, people love lists, like the U.S. News and World Report ranks colleges, and colleges are always trying to move up the list. It is the same with this list. Rita Ramalho is the head of the World Bank group that puts out the rankings.

RITA RAMALHO: Once you start keeping scores, people actually start getting competitive and care about it, and no one wants to be last. That's probably the powerful (laughter) - the power of rankings lies on the fact that no one wants to be last.

KESTENBAUM: No one wants to be Eritrea. Eritrea is No. 189 on the list. In case you're curious, No. 1 is Singapore. U.S. is No. 7.

GOLDSTEIN: Countries want to beat out their neighbors. Governments start to worry that a bad showing in the rankings might hurt them with the voters back home.

RAMALHO: We met with the delegation, and their first question was, when is the report coming out? How does that match with our election time? (Laughter) That was the first thing they wanted to know.

The use of figures to measure economic performance began in the 19th Century in England. Part of this thrust can be explained by the desire to make the study of political economy into a science so as to get down to the (positive) facts (Hayek, 1942). This tendency, which went hand in hand with methodological individualism, was met with resistance from various writers. Thomas Carlyle was one such ardent critic (Welch, 2000). "Carlyle saw the focus on measurable values as part of a binding that wrapped economics, utilitarianism, and "mechanicalism" into a Gordian knot" (Welch, 2000, p. 63). He denounced the move to a mechanical approach to the realities of life as simplistic, misdirected, and ignoring the higher values on which society rested. He recognized that categories that were ascribed to "natural law" were actually devised by men. He saw the use of statistics and its collection to generate such categories as reducing society and policymakers to a state of "Paralytic Radicalism". This paralysis explained the inability to help the poor, and changed the system of outdoor relief for the poor to one that sent them instead to workhouses, where they slaved under abhorrent conditions.

Charles Dickens, much influenced by Carlyle, also criticized this impulse by building a caricature of the economist in educator Thomas Gradgrind, "a man of realities. A man of facts and calculations… with a ruler and a pair of scales, ready to weigh any measure any parcel of human nature, and tell you exactly what it comes to ", (Henderson, 2000, pg. 53). Gadgrind's educational failure became evident in his son Tom who becomes a thief, and a daughter who becomes lifeless and barren. Dickens maintained that the "useful truths of political economy are not based on statistical facts but something of feeling and sentiment: something of

mutual explanation, forbearance, and consideration" (*ibid*, pg. 55).

McCloskey (2005) says that economists use mathematics to answer two questions – one, why/whether and the other how much. This paper focuses on a critique of how much as opposed to the critique of why/whether, which has been addressed well by various writers (Quddus and Rashid, 1992; Ellerman, 2000; Marchionatti, 2007). However, as Focard and Fabozzi (2010) remind us - the tendency to use numbers also determines how we think about economic evolution. Development may not be a continuous smooth dynamic process as assumed in theories, but instead economies may be driven by single large, discrete, and unpredictable events such as Nassim Taleb's "black swans" (Taleb, 2007). In fact, such events are rationalized post hoc and the forecast of such events prior to their occurrence is usually impossible. An example is the financial crisis of 2008 for which data on derivatives was not collected because of the lack of regulation on such data. The suggestion is that it is impossible to collect data on everything that can affect economies.

Hayek (1942) takes this a step further and says that social scientists collect data on categories that they themselves design. For instance, an aneroid barometer and a mercury barometer have nothing in common except for what men think they can be used for. Hence, the "facts" of social science are subjective. "The concrete knowledge that guides the action of any group of people never exists as a consistent and coherent body. It only exists in the dispersed, incomplete and inconsistent form in which it appears in many individual minds and this dispersion and imperfection of all knowledge is one of the basic facts from which the social sciences have to start" (*ibid.*, pg. 240)

The Anxious Subject and Hysteric Collective

Countries continue to rely on spurious measures provided through statistical agencies and formulate economic policies designed to tame inflation and increase growth through profit based investments, while systematically ignoring the redistributive effects that such policies cause. Whether people lose their land from indebtedness, run out of water because it is diverted by dams, are poisoned by industrial pollutants in water systems, the collateral damage of development policies designed to benefit commercial interests are hidden under the magic of better indicators.

The use of numbers to understand and design economic development policy creates a methodological tyranny that is systematically unleashed on predictable individuals, groups, and countries. In earlier sections, we discussed the predicaments that individuals and communities may suffer. In addition, numbers create a hierarchy so that countries that find themselves ranked low feel compelled to follow policies deemed to be globally successful, whether they are appropriate or not. The authoritative influence of these measurements, their rise and fall, can sometimes determine the public's tolerance for their leaders, justify the absence of democratic processes, and even relegate politics to a secondary position of providing stability for private investment and economic growth.

The replacement of public assistance with private capital flows to countries makes developing countries compete for higher rankings in global indicators. The general public is not often aware of the esoteric nature of these measures. For instance, rarely do developing country media note that the corruption perception index is simply a collective perception of a state's credibility. On the other hand, low ranks in global indicators perpetuate the poor reputation of countries where technology, infrastructure and institutions are presumably lacking. For citizens of these countries, these absences create a sense of deficit and compound a general anxiety of being inadequate.

Wide distances are created between emerging middle classes that are influenced by their global image on the one hand, and the poor for whom adequate food, water, and shelter are absent. State administrators, who are often trained in developed nations naturally cater to the former. Ironically, it is the same middle class who are most dismayed at the state of their nation and apt to blame the situation on the ordinary citizens from which they believe they are different, distanced, and superior. Those in the modern sector in these countries are agitated about lagging behind and never see their country as anything other than pale versions of industrialized market economies. More recently, the Chinese success in modernizing its economy is another source of angst for this group.

In the so-called global village where each country sells itself as a brand, the least developed countries face insurmountable marketing problems. Citizens are often ready to give up their passports and previous identities in order to become part of a new and more desirable imagined collective. They are willing to risk uncertainties as they abandon their communities and migrate to developed nations.

The lack of public services and provision on education and health are also seen as collective failures rather than a problem of shrinking state budgets and non-credibility in the presence of international donor influences. As non-governmental agencies move in with

multiple experiments that are labelled as successes without adequate considerations of scalability or sustainability, public schools and hospitals retreat further. The increasing privatization of economies is welcomed by growing numbers of youth trained in business schools. Colonial structures and practices, inherited by public administrations in many countries, are replaced with the increased monitoring and evaluation of state agencies. At the same time, deregulated private enterprises are not held accountable through adequate quality control or standards. The resulting lack of consumer safety standards is another source of the sense of collective failure in developing countries. But the causes of these regulatory absences are never examined – only the weak and unresponsive state is blamed. Recently partnerships in the private and public sectors are being carried out in the name of making the latter more efficient and responsible to citizens.

Primacy is not given to universal food security, adequate water, critical health needs, jobs that can provide a living, safe transportation and mobility, and safety in religious practice. The focus on the vital needs of individuals is sorely absent. In addition, environmental degradation and a loss of common resources are widespread as countries focus on economic growth. This is a natural consequence of the focus on abstracted numbers and the false collective that appears with the triumph of the fictitious modern autonomous individual.

Instead of the emergence of a society based on the promise of a rational agent, we note the uprooting of communities and new forms of violent sectarian divisions. We also find the stability and certainties associated with longstanding structures and commitments reduced to insignificance. The history of developing countries is recreated for a nationalist hostility towards internal and external enemies of the nation. Beyond that, the past rarely informs a design for development that is autonomous, or based on a subject that has self-confidence in both his/her history and present circumstance.

The Endnote

1. He also distinguished the expression ‘sociological individualism’ which was the doctrine that the ultimate unit of social sciences was self-governing individuals; that all social phenomena can be disaggregated into the actions of individuals and cannot/need not be analyzed in terms that are super-individual. This is closer to what we think of as methodological individualism today.
2. A common example is defence provided by the state.
3. In the development literature this is commonly referred to as intersecting Lorenz curves, meaning that income distribution changes that lead to new beneficiaries and new groups who are worse off. Ranking these different income distribution schemes is not an easy task and depends on both the specification used for measuring income distribution and the weight that a group has in the aggregated formulation of welfare (Aaberge, 2009).

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