



RECLAIMING DEVELOPMENT

An Alternative Economic Policy Manual

Ha-Joon Chang, *Faculty of Economics and Politics, University of Cambridge*

& Ilene Grabel, *Graduate School of International Studies, University of Denver*

Publication: **May 2004**

240 pages

Hb ISBN 1 84277 200 7
£32.95 \$55.00

Pb ISBN 1 84277 201 5
£9.99 \$17.50

THERE IS NO ALTERNATIVE - to neo-liberal economics, the Americanisation of the world's economies, and globalisation. This remains the driving assumption within the international development policy establishment. In this book, two economists, Ha-Joon Chang and Ilene Grabel, cogently explain this dominant school's main assertions about how economies develop and the policies that all countries ought to pursue. The authors then combine data and a devastating economic logic with an analysis of the historical experiences of leading Western and East Asian economies during their development, in order to question the validity of the neo-liberal development model.

Turning to policy, the authors set out concrete, practical alternatives to neoliberalism across the key economic areas: trade and industrial policy; privatisation; intellectual property rights; external borrowing, portfolio and foreign direct investment; domestic financial regulation; and management of exchange rates, central banking and monetary policy, and government revenue and expenditure. In doing so, they advocate the most useful proposals that have emerged around the world along with some innovative measures of their own.

This empowering and accessible book seeks to be of practical usefulness to students of development and to those, in government and beyond, looking for concrete policy ideas. The hope is that it will stimulate discussion of the ways in which development policies can be reclaimed by those seeking to promote rapid economic growth that is equitable, stable and sustainable.

'This unusually well-written, direct and succinct book describes neo-liberal positions fairly; offers theoretically rigorous and empirically accurate critiques; and describes feasible, practical alternative policies that take realistic account of political, economic and financial constraints. Discussion of financial, monetary, fiscal, trade and industry policy and intellectual property rights is especially strong and constructive and makes important innovative contributions. It is a fine, carefully analytical achievement which would contribute to hastening both efficient and socially just development wherever the insights are appropriately used' - John Langmore, Representative of the ILO to the UN

'Chang and Grabel demolish the 'myths' (or fabrications) underlying neo-liberal views about economic development and provide succinct, constructive suggestions for policies regarding trade and industry, privatization and intellectual property rights, private capital movements, financial regulation, and macroeconomics. *Reclaiming Development* is a manifesto that should be on the shelves of policy-makers, academics, and students worldwide' - Lance Taylor, Arnhold Professor, New School University, and author of *Reconstructing Macroeconomics*

'A growing number of developing countries are taking back control over economic policy from the IMF and the World Bank. The wide range of policy suggestions contained in this book provides a rich mine of concrete and practicable alternatives from which to choose in taking advantage of whatever room globalization still allows developing countries and reshaping economic policy in their own interests' - Martin Khor, Director, Third World Network

'This book is not only a superb antidote to the numbing myths of neoliberalism but also a cogent and stimulating presentation of the many possibilities for alternatives to neo-liberal economic policy that both theory and history provide policy-makers and students of development' - Thandika Mkandawire, Director, United Nations Research Institute for Social Development (UNRISD)

'The dominant neo-liberal economic doctrine asserts that there is no alternative to its policy prescriptions which provide the foundations for success in an age of globalization. This book questions and refutes the belief system implicit in the assertion. It does so in a manner that is highly iconoclastic. Yet, it is solidly grounded in economic theory and empirical evidence, both historical and contemporary' - Deepak Nayyar, Vice Chancellor, University of Delhi



Zed Books

7 Cynthia Street
London N1 9JF

Tel: +44 (0)20 7837 4014
Fax: +44 (0)20 7833 3960
www.zedbooks.co.uk

