

POVERTY AND CONTROL: GEORGE BUSH AND THE MILLENIUM CHALLENGE ACCOUNT

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On November 25th, 2002, President Bush revealed the details of his Millennium Challenge Account. However, the genesis of its presentation to the public began nearly nine months beforehand in March, with a speech to the Inter-American Development Bank and another to the United Nations in Monterrey. The particular assumption upon which the plan is based – that the faster poor countries open their economic borders and deregulate their markets, the faster they’ll experience the benefits of economic growth – is open to legitimate and compelling criticism from several angles. Its tenets are neither supported by history, nor by the contours of most modern economies. Moreover, the demands it places on potential donors are in places contradictory, and patently subservient to U.S. interests.

However, in addition to the explicitly outlined policies of the Millennium Challenge Account, it is crucial to acknowledge the language through which this plan was presented. Hidden underneath the monetary incentives for compliance exists a discursive framework, part post-modern and part Victorian colonialism. This discursive framework, through constraining debate about development into a narrow set of words and ideas, precludes other ways of approaching development. In doing so, it authenticates and strengthens only one particular form of development aid.

Through analyzing the language of President Bush’s initial speeches on the Millennium Challenge Account, this paper seeks to uncover some of the ways in which neoliberal capitalism, and development aid in particular, are reinforced not only through material incentives, but also through the confines of the rhetoric surrounding them. In doing so, I examine the use of poverty as a justification for control and as a means of control.

Poverty as a Justification for Control

The explicit use of poverty as a justification for intervention, according to Arturo Escobar, developed in the years immediately preceding World War II. Yet this is to a large degree an old discursive technique dressed in new clothes. It is the direct descendant of the religious and cultural justifications

Remarks by the President on Global Development at the Inter-American Development Bank

WASHINGTON, D.C.—Thank you all. Asientese. Gracias, Enrique. It's about time you invited a President here. (Laughter.) It's about time one accepted.

As you all know and we all know, America is engaged in a global struggle, a mighty struggle against the forces of terror. Yet, even as we fight to defeat terror, we must also fight for the values that make life worth living: for education, and health, and economic opportunity. This is both the history of our country and it is the calling of our times.

The advances of free markets and trade and democracy and rule of law have brought prosperity to an ever-widening circle of people in this world. During our lifetime, per capita income in the poorest countries has nearly doubled.

Illiteracy has been cut by one-third, giving more children a chance to learn. Infant mortality has been almost halved, giving more children a chance to live. Nations from India to Chile have changed old ways and, therefore, found new wealth. Nations from Turkey to Mali have combined Islam with progress.

The growing divide between wealth and poverty, between opportunity and misery, is both a challenge to our compassion and a source of instability. We must confront it. We must include every African, every Asian, every Latin American, every Muslim, in an expanding circle of development.

Poverty doesn't cause terrorism. Being poor doesn't make you a murderer. Most of the plotters of September 11th were raised in comfort. Yet persistent

for colonialism. The technique exposed here seeks not to define poverty as a condition experienced by the individual, but a socio-cultural phenomenon with power and life of its own. Thus, "poverty" serves much the same rhetorical and conceptual purpose that "savagery" or "barbarism" did 200 years ago. Bush's language makes this inheritance boldly obvious.

Bush speaks of a "battle against world poverty," a rhetorical formulation that is quite common now, but holds particular import when used in this context where "faith requires it and conscience demands it." And it is in this light—where aid becomes the rich nations' burden—that the parallel with colonial justifications becomes even clearer. Here, the West's burden is not merely to give aid, but to "accept a higher, more difficult, more promising call... Not only to share to our wealth, but also to encourage sources that produce wealth." Almost explicitly borrowing from the evangelistic language of colonial missions, Bush claims "by insisting on reform, we do the work of compassion."

Bush's language follows a three-part logic: first, that development aid is not a choice, but an ambiguously religious requirement; second, that to assist in development requires not only financial assistance, but active policy-level intervention; and third, that what appears stern and domineering is really compassion.

To begin with, by couching the United States' call to assistance in the language of faith, religion, and duty, Bush robs his interlocutors of the abili-

ty to question the necessity of development itself. He has removed the ground from underneath legitimate questions about the actual efficacy of aid by placing its justification in a completely non-functional realm. Thus, we offer our aid, not because its recipients ask for it or desire it, but because it is our duty. Though Bush offers a particular take on development as an unquestionable force, Escobar contends that the reification of development as a desirable reality has already occurred. He writes, "Even those who opposed the prevailing capitalist strategies were obliged to couch their critique in terms of the need for development, through concepts such as "another development," "participatory development" ... the fact of development itself, and the need for it, could not be doubted. Development had achieved the status of a certainty in the social imaginary" (Escobar 1995: 5). What is clear from both Bush's language and Escobar dead-on analysis, is that the debate over development has been forced into the realm where the particulars of its execution can be discussed, but the very existence of it as a process cannot.

poverty and oppression can lead to hopelessness and despair. And when governments fail to meet the most basic needs of their people, these failed states can become havens for terror.

Many of the old models of economic development assistance are outdated. Money that is not accompanied by legal and economic reform are oftentimes wasted. In many poor nations, corruption runs deep. Private property is unprotected. Markets are closed. Monetary and fiscal policies are unsustainable. Private contracts are unenforceable.

When nations refuse to enact sound policies, progress against poverty is nearly impossible. In these situations, more aid money can actually be counterproductive, because it subsidizes bad policies, delays reform, and crowds out private investment.

Today, I call for a new compact for global development, defined by new accountability for both rich and poor nations alike. Greater contributions from developed nations must be linked to greater responsibility from developing nations. The United States will lead by example. We will increase our development assistance by \$5 billion over the three — over the next three budget cycles.

These funds will go into a new Millennium Challenge Account. The goal is to provide people in developing nations the tools they need to seize the opportunities of the global economy. In return — in return for this additional commitment, we expect nations to adopt the reforms and policies that make development effective and lasting.

Explicit in Bush's formulation of the duty to donate capital is the contention that the U.S. must also intervene on the developing nation's behalf. Though this is largely a question of actual policy rather than rhetoric, it is important to note the ambiguity of the language Bush employs. "Developed nations have a duty not only to share our wealth, but also to encourage sources that produce wealth," Bush declares, without identifying the ultimate

ty to question the necessity of development itself. He has removed the ground from underneath legitimate questions about the actual efficacy of aid by placing its justification in a completely non-functional realm. Thus, we offer our aid, not because its recipients ask for it or desire it, but because it is our duty. Though Bush offers a particular take on development as an unquestionable force, Escobar contends that the reification of development as a desirable reality has already occurred. He writes, "Even those who opposed the prevailing capitalist strategies were obliged to couch their critique in terms of the need for development, through concepts such as "another development," "participatory development" ... the fact of development itself, and the need for it, could not be doubted. Development had achieved the status of a certainty in the social imaginary" (Escobar 1995: 5). What is clear from both Bush's language and Escobar dead-on analysis, is that the debate over development has been forced into the realm where the particulars of its execution can be discussed, but the very existence of it as a process cannot.

The world's help must encourage developing countries to make the right choices for their own people, and these choices are plain. Good government is an essential condition of development. So the Millennium Challenge Account will reward nations that root out corruption, respect human rights, and adhere to the rule of law. Healthy and educated citizens are the agents of development, so we will reward nations that invest in better health care, better schools and broader immunization.

Sound economic policies unleash the enterprise and creativity necessary for development. So we will reward nations that have more open markets and sustainable budget policies, nations where people can start and operate a small business without running the gauntlets of bureaucracy and bribery.

I've directed Secretary Powell and Secretary O'Neill to reach out to the world community, to develop a set of clear and concrete and objective criteria for measuring progress. And under the Millennium Challenge Account, we will apply these criteria rigorously and fairly.

Countries that live by these three broad standards — ruling justly, investing in their people, and encouraging economic freedom — will receive more aid from America. And, more importantly, over time, they will really no longer need it, because nations with sound laws and policies will attract more foreign investment. They will earn more trade revenues. And they will find that all these sources of capital will be invested more effectively and productively to create more jobs for their people.

The evidence shows that where nations adopt sound policies, a dollar of for-

destination of that wealth. As Paul Cammack writes, the U.S. has a very strong interest in encouraging sources that produce wealth internationally because “its principal object is to deliver an exploitable global proletariat into the hands of capital” (Cammack 125). Bush defines sources of wealth as “economic freedom, political liberty, the rule of law and human rights.” However, these are clearly not sources of wealth in any functional sense of the term. Resources are sources of wealth; cheap labor is a source of wealth. Political liberty and economic freedom are ciphers— they may be conditions that encourage wealth, but they most certainly are not sources of it. Bush's seemingly imprecise language legitimizes the formulation of labor as capital, and of development as a method for creating new sources of wealth.

Poverty as a Method of Control: Decontextualization, Homogenization, and Scientization

Perhaps the most entrenched and veiled aspect of Bush's rhetoric regarding development is the way he defines poverty itself and subsequently adopts it as a means of control. Bush defines poverty as a “prison,” and “a dark shadow,” a systemic problem that “retreats” “when trade advances,” and then alternatively as a personal condition of “hopelessness,” “despair and resentment.” By treating poverty as simultaneously exogenous to culture and history but endogenous to identity and the self, Bush establishes a particularly

eign aid attracts \$2 of private investment. And when development aid rewards reform and responsibility, it lifts almost four times as many people out of poverty, compared to the old approach of writing checks without regard to results.

The new compact I propose would multiply this progress. I challenge other nations, and the development banks, to adopt this approach as well. America's support for the World Bank will increase by almost 20 percent over the next three years. We expect the World Bank to insist on reform and results, measured in improvements in people's lives. All the development banks should adopt a growth agenda, increasing their support for private sector enterprises and focusing more on education, as the Inter-American Development Bank has done.

The demands of human dignity know no borders and know no boundaries. They are universal. And so are the gifts of creativity and enterprise that lead to prosperity.

When governments repress and punish those gifts, no amount — no amount of aid is sufficient to lift people from poverty. When governments honor these gifts, every nation can know the blessings of prosperity.

I carry this commitment in my soul. And I'll carry it with me to Monterrey next week. As the civilized world mobilizes against the forces of terror, we must also embrace the forces of good. By offering hope where there is none, by relieving suffering and hunger where there is too much, we will make the world not only safer, but better.

intrusive definition of poverty. It serves to decontextualize poverty, and yet homogenize those affected by it in such a way that “the poor” can begin to be treated as one group. As such, this combination of decontextualization and homogenization establishes the prerequisite for a scientific appropriation of poverty.

Once again, development's analog in colonialism serves to clarify the relationship between definitions of poverty and forms of control. In *Colonialism and its Forms of Knowledge*, Bernard Cohn identifies the British commitment to Orientalist scholarship as a method of control. By decoding Indian languages and texts, the British were able to create a pseudo-scientific appropriation of knowledge and thus replace existing forms of control with their own. For example, by mastering Sanskrit and analyzing ancient texts for supposedly academic purposes, Nick Dirks argues that the British were able to recreate modern interest in a particularly specious form of caste that acted to perpetuate colonial control.

The relationship of this tradition to neoliberal capitalism is clear. Escobar writes that global capitalism, through development, “relied on a politics of poverty the aim of which was not only to create consumers but to transform society by turning the poor into objects of knowledge and management” (Escobar 25). By amassing statistics and causal theories of poverty, the U.S. is able to codify and quantify poverty, and thus claim expert knowledge that underdeveloped countries lack. Mahmood Mamdani writes

that in Africa, “after-deracialization, development was the second key project of state nationalism.” (Mamdani 261) The failure of this project opens the door for Western scientific analysis of the conditions and solutions to poverty, resulting in George Bush’s ability to make ahistorical statements like “when nations adopt reforms, each dollar of aid attracts two dollars of private investments. When aid is linked to good policy, four times as many people are lifted out of poverty compared to old aid practices.” The complete contextual ambiguity of this statement seems intuitively preposterous, yet it is enabled by the scientization of poverty.

The project of “turning the poor into objects of knowledge and management” extends beyond the analysis of the nature and solution to poverty as a systemic issue. The poor individual is appropriated as an object of knowledge, and spoken for in terms of his needs and desires. Thus, while the Millennium Challenge Account identifies 16 prerequisites for fighting poverty, including a trade policy rating conducted by the patently conservative Heritage Foundation, George Bush can then speak to the poor’s “resentment” when those prerequisites don’t exist. Likewise for the choice between “opportunity and misery,” whereby misery is an inevitable outcome of a lack of economic opportunity. This is an unambiguous example of what Steven Gill calls neoliberal market civilization’s tendency to promote the “spatial expansion and social deepening of economic definitions of social purpose.” (Gill 1) Bush makes this connection even clearer, outlining the “values that make life worth living: [education], and health, and economic opportunity.”

If the concept that people are miserable without economic opportunity seems particularly American, it represents a trend of internationalizing American values that is evident throughout Bush’s speeches. Bush speaks of a “circle of development” that must expand to include “every African, every Asian, every Latin American,” and, with an odd shift away from the geographical nature of the metaphor, “every Muslim.” The concept of underdevelopment is as much about creating an “other” in opposition to which Americans and Europeans can claim to be “developed,” and as such this presents a particularly interesting formulation of that phenomenon. If Africans, Asians, Latin Americans, and Muslims are the undeveloped other, then Bush establishes a metaphor where attempts to “develop” them are explicitly also part of bringing them into the United States’ circle. As benign as the metaphor might seem, every circle has a center, and it should be quite obvious who the represents the center of this circle. In light of this, Bush’s claim that “we will provide textbooks and training to students in Islamic and African countries” seems to point to the manner in which the circle will be expanded. Again, Gill’s process of conversion to market civilization seems particularly germane.

Conclusion: Poverty and Terror

Throughout the speeches, Bush repeatedly draws a link between development and freedom. However, this is not development and freedom in the Amartya Sen sense, but rather free market capitalism as freedom in the Milton Friedman sense. He says, “The spirit of enterprise is not limited by geography or religion or history. Men and women were made for freedom, and prosperity comes as freedom triumphs.” This sort of argument has all but disappeared from neoliberal rhetoric since the end of the cold war and “the end of ideology.” Even within the Cato Institute’s current list of books on free trade, not one mentions liberty as an argument for free markets. So why would Bush revert to what might be considered an outdated, or perhaps irrelevant argument for free markets?

The answer lies in the fact that this particular argument is part of a larger rhetorical trend Bush adopts, essentially transforming the familiar language of the cold war into a defense against terrorism. “History has called us to a titanic struggle,” Bush says, “whose stakes could not be higher because we’re fighting for freedom. We’re pursuing great and worthy goals to make the world safer, and as we do, to make it better. We will challenge the poverty and hopelessness and lack of education and failed governments that too often allow conditions that terrorists can seize and try to turn to their advantage.” In ways that look very familiar, Bush has adopted the battle of capitalism versus terrorism as the overarching trope within which to place the discourse over development.

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