Review of Political Economy and the Idea of Development by David P. Levine. *Review of Political Economy*, 2001, 13, 4:523-536.

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Abstract:

Levine (2001) explores the differences between the organizing concept of development in the class political economy and that of power and interests in the new political economy. He argues that the idea of development is essential in organizing and anchoring political economy theories. But the ends of development need to be further developed. He proposes that development, or the accumulation of wealth, is to establish individuality. I argue that two points deserve more treatments in his exposition: first, the power-wealth continuum and second, the necessity and sufficiency of wealth accumulation in advancing individuality.

Keywords: Development; Power and Interests

This article explores the differences in the organizing concepts of the classical political economy of Adam Smith and Karl Marx and those of the new political economy. Levine problematizes the idea of development in the classical political economy. But rather than ousting the idea of development, Levine argues that it should be reformulated by providing an explanation of the ends of development.

The organizing concepts in political economy have been evolving. Prior to the classical/old political economy, familial relationships, production of subsistence and moral authority underpin the economy. In the political economy, wealth accumulation and market exchanges dominate. Wealth accumulation is predicated on "private property and the pursuit of individual ends"; and therefore, the economy does not operate on the basis of political principles or orients itself toward a political end. Given that wealth ensures freedom from want (Smith) and freedom from labor (Marx), classical political economists are primarily concerned with the growth and distribution of wealth, or, economic development. Power is absent and the primacy of interests is subordinated into the goal of development.

The conceptualization of development in the classical political economy is challenged on two fronts. First, the inevitability of development along the orthodox Marxian line is questioned. Paul Baran and Gundar Frank, for example, argue that capitalism and its inherent logic of capital accumulation in fact perpetuate and produce underdevelopment in some regions and nations. Furthermore, Wallerstein rejects the Marxian notion that capitalism provides material foundation to eliminate exploitation of labor. Second, the idea of development itself is repudiated based on the argument that development is a "historically singular experience" and hence should be treated as a "conversation or narrative" rather than a theory or a science (Escobar 1995).

Levine endorses the first criticism but rejects the second one. He insists that the idea of development is essential in the political economy. This is because the idea of development enables political economy to go beyond a mere expression of group interests. In addition, the idea of development anchors political

economy whereby freeing it from the contingency of interests and the demands of politics. In short, "the significance of making the economy a part of a larger process of development is that it allows us to see how the particular economic processes, activities and struggles are integrated around an end" (533). The question then becomes, if clash of interests and power struggles revolve around gaining wealth and more wealth, "what do we need wealth for" (534). The answer Levine provides is that wealth helps to establish individuality, which is the locus of rights and needs. Levine proposes that attention should be turned from matters of power and interests to the issue of "normative standing of the individual and its implications for economic organization" (535).

Levine has undertaken an interesting yet challenging task in refining the organizational principles of the political economy. He contends that power struggles revolve around wealth accumulation and that wealth accumulation is to establish individuality. With regard to the first point, it seems contentious whether one could clearly break the power-wealth continuum and pinpoint one as the means and the other the end. With regard to the second one, it is not clear whether wealth accumulation is necessary or sufficient to establish individuality. Perhaps these points deserve more in-depth treatments than the brief discussion at the very end of the article.

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