1999

A postcolonial approach to the sociology of globalization: some empirical evidence

Rehan Mullick
Iowa State University

Follow this and additional works at: https://lib.dr.iastate.edu/rtd

Part of the Economic History Commons, and the Sociology of Culture Commons

Recommended Citation
https://lib.dr.iastate.edu/rtd/12470
INFORMATION TO USERS

This manuscript has been reproduced from the microfilm master. UMI films the text directly from the original or copy submitted. Thus, some thesis and dissertation copies are in typewriter face, while others may be from any type of computer printer.

The quality of this reproduction is dependent upon the quality of the copy submitted. Broken or indistinct print, colored or poor quality illustrations and photographs, print bleedthrough, substandard margins, and improper alignment can adversely affect reproduction.

In the unlikely event that the author did not send UMI a complete manuscript and there are missing pages, these will be noted. Also, if unauthorized copyright material had to be removed, a note will indicate the deletion.

Oversize materials (e.g., maps, drawings, charts) are reproduced by sectioning the original, beginning at the upper left-hand corner and continuing from left to right in equal sections with small overlaps.

Photographs included in the original manuscript have been reproduced xerographically in this copy. Higher quality 6" x 9" black and white photographic prints are available for any photographs or illustrations appearing in this copy for an additional charge. Contact UMI directly to order.

Bell & Howell Information and Learning
300 North Zeeb Road, Ann Arbor, MI 48106-1346 USA

UMI®
800-521-0600
A postcolonial approach to the sociology of globalization:
Some empirical evidence

by

Rehan Mullick

A dissertation submitted to the graduate faculty
in partial fulfillment of the requirements for the degree of
DOCTOR OF PHILOSOPHY

Major: Sociology
Major Professors: Motoko Lee and Charles Mulford

Iowa State University
Ames, Iowa
1999
This is to certify that the Doctoral dissertation of

Rehan Mullick

has met the dissertation requirements of Iowa State University

Signature was redacted for privacy.

Co-major Professor

Signature was redacted for privacy.

Co-major Professor

Signature was redacted for privacy.

For the Major Program

Signature was redacted for privacy.

For the Graduate College
For my mother,
Dr. Khurshid Mullick.
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>INTRODUCTION</td>
<td>1</td>
</tr>
<tr>
<td>DEVELOPMENT SOCIOLOGY, GLOBALIZATION AND THE POLITICS OF EXCLUSION</td>
<td>25</td>
</tr>
<tr>
<td>ETHNIC ATTITUDES IN PAKISTAN</td>
<td>58</td>
</tr>
<tr>
<td>CONCLUSION</td>
<td>80</td>
</tr>
<tr>
<td>REFERENCES</td>
<td>85</td>
</tr>
<tr>
<td>ACKNOWLEDGEMENTS</td>
<td>95</td>
</tr>
</tbody>
</table>
INTRODUCTION

"The poverty of our century is unlike that of any other. It is not, as poverty was before, the result of natural scarcity, but of a set of priorities imposed upon the rest of the world by the rich. Consequently, the modern poor are not pitied... but written off as trash. The twentieth-century consumer economy has produced the first culture for which a beggar is a reminder of nothing."

- John Berger

State of the World

There are more poor in the world today than 50 years ago. Poverty is proportionately increasing around the world and even in Industrialized countries. The United Nations declared 1996 the "International Year for the Eradication of Poverty." In a report "Poverty and development: an (im)balance sheet" (United Nations, 1996), issued on the occasion, the world body admitted: "Poverty remains, endangering both the people and the planet...." The report avows that income disparities between the richest 20 percent and the poorest 20 percent of world's population have doubled from 1960 to 1991. Eight hundred million people, including children, are chronically undernourished. The world's poorest 50 countries account for less than 2 percent of the world's income. More than a billion people in developing countries live in absolute poverty, making less than $1 a day each. In South Asia, home to nearly half of world's poor, the situation is even worse. Mahbub ul Haq (1995), former director of the Human Development Report at the UN, observes, "South Asia is fast emerging as the poorest, the most illiterate, the most malnourished, the least gender sensitive —indeed the most deprived region in the world" (1993, p. 5). In South Asia 800 million do without elementary sanitation, 380 million are illiterate, and 300 million drink from ponds rather than taps. Haq concludes that the scale of social deprivation and human despair is tremendous.

Behind these statistics and estimates are real human beings, individuals whose ambitions are more mundane than what many in the developed world can imagine. For the poor of this planet their standard of living is not represented by the number of color TVs they possess or whether they shop at Macy's or at Wal-Mart; for them it's a question of two square meals at the end of a grueling workday. Beyond income, poverty deprives individuals of basic human rights, including good health, adequate nutrition, literacy, and employment. It deprives
the poor of a long, creative, and healthy life. It denies them the right to freedom, dignity, self-respect and respect for others. As a single mother from Guyana puts it: "Poverty is hunger, loneliness, nowhere to go when the day is over, deprivation, discrimination, abuse and illiteracy" (United Nations, 1996, p. 10). The Brand Commission, an independent commission on international development issues states in its report:

Few People in the North have any detailed conception of poverty in the Third World. Many hundreds of millions of people in the poorer countries are preoccupied solely with survival and elementary needs. Permanent insecurity is the condition of the poor. Flood, drought or disease affecting people or livestock can destroy livelihoods. The combination of malnutrition, illiteracy, disease, high birth rate, under employment and low income closes off the avenues of escape; and while other groups are increasingly vocal, the poor and illiterate are usually and conveniently silent (Brandt Commission, 1980, p. 20)

Ironically, the majority of the world's population today lives in more and more suffering amidst more and more wealth. Unfortunately, as Burger sums it up in the beginning quote, the human suffering this world is experiencing today is depressingly unique because recent technological breakthroughs and the labor of billions of individuals gradually have contributed in providing the basis for eliminating poverty, hunger, and human suffering. On the contrary, there is a grand failure to achieve poverty alleviation.

The Theoretical Impasse

Development strategies of international assistance agencies have become increasingly complex and ineffective. Structural adjustment models used during the 1980s and 1990s to introduce macroeconomic reforms have instead have devastated the poor in many parts of the world. Social scientists are unable to explain coherently how two-thirds of world's population is affected by one third of its population that is better off. Post-World War II social science, in particular development sociology, has undergone numerous theoretical transformations. However, the discipline has now reached a point where theoretical and conceptual innovation has largely "dried up" (Kiely, 1995, p.1). In 'Development: A Guide to the Ruins,' Wolfgang Sachs laments, 'the idea of development was once a towering monument inspiring international enthusiasm. Today, the structure is falling apart and in danger of total collapse' (1992, p. 5). Dudley Seers, a pioneer in development studies, declares it "over the hill and downright dead" (Seers, 1979, 2). Ankie Hoogvelt (1997) thinks development studies are so fragmented into a
diverse range of intellectual pursuits that they have become redundant under sweeping forces of globalization.

Theoretical development is no better for other social sciences. Economics, dominant in its influence on the practice of development, is equally challenged. In May 1996 the Economist magazine, in its cover story, debated "the mystery of economic growth." The magazine reported how economists, including Noble laureate Robert Lucas of the University of Chicago, are arguing why growth has bypassed the poor of the world. They are finally questioning the building blocks of growth. "After all," Lucas thinks the consequences of human welfare "... are simply staggering. Once one starts to think about them, it's hard to think of anything else" (Lucas, 1996, p. 25). The article is a reflection of an absolute theoretical confusion among concerned economists. "Understanding growth is surely the most urgent task in economics. Across the world, poverty remains the single greatest cause of misery" (Lucas, 1996, p. 25). Not surprisingly, the article concludes by ordaining that the surest remedy for poverty is economic growth.

For many economists (and some sociologists) up until 1997 East Asian 'Development' states provided the most recent and promising focus for theoretical renewal. These "Tigers" were showcased as true models of development. Current economic catastrophe in these "Tiger" nations however left the development economists at the Fund and the Bank without a model. Surprisingly, they are demanding similar structural adjustments in the former "miracle economies" that many developing countries have been suffering through for years.

For economics, Heilbroner & Milberg (1995) provide an insightful critique. They blame lack of "sociality" for the failure of economic models of development. They write:

Underlying the conceptual foundations of the new classism is a denial of the sociality not only of governments but of all economic agents and the markets in which they interact... this point of view seems self contradictory. How can a monadic entity - the Robinson Crusoe Concept of individual (rational choice)-serve as the basis for a social inquiry? (1995, p. 24).

Heilbroner and Milberg (1995) argue that it's the vision that sets the stage and human beings are the cast of all social inquiry. It is this lack of recognition for social structural forces that is making growth and its consequences so unpredictable. They think that there is a general lack of vision in contemporary economic thought; instead there is a widespread belief that economic analysis can exist as some kind of a socially disembodied study. Catherine Caufield...
(1996) narrates in her book "Masters of Illusion" that a former chief economist of the World Bank, Lawrence Summers, when confronted with evidence that structural adjustment was not working, said, "Well, the theory is right." Heilbroner and Milberg go as far as saying "At its peak the "high theorizing" of the present period attains a degree of unreality that can be matched only by medieval scholasticism" (1995, p. 4).

The sociology of development has been excessively ineffective, but for different reasons, argues Hoogvelt (1997). She writes of the constructs used in development theory; 'dependency exploitation, unequal exchange, mode of production, modernization, rationalization, progress - all these came under the deconstructing axe of postmodernist, post-marxist, and post structuralism alike' (Hoogvelt, 1997, p. xi). She argues that in most of the sociological work in development studies, issues such as: debt, poverty, and peripheralization, was subsumed in international political economy literature. Gender relations, she thinks, provided yet another relief from the tedium of class relations, a dominant theme in development studies. Other development theorists considered poverty in developing countries as more damaging to earth’s ozone layer than the pursuit of wealth in the rich world. All this “scattered and wide terrain” of intellectual inquiry, Hoogvelt suggests, has made the task of syntheses in development studies “a priori impossible.” Hulme and Turner (1990) express similar concerns. They believe that there is no dominant paradigm at present, and sociologists studying development have abandoned the efforts to develop a global theory of development or underdevelopment.

Kincaid and Portes (1994) agree with this criticism, but they go on to blame the “traditional parochialism” of American sociology for this state of affairs. They think that sociologists are rarely found at the forefront of the policy discussions of development because there is a general lack of interest among sociologists to tackle issues related to development. Sociologists find it safe to explain things after the fact; rendering their analysis useless and without any predictive power. Kincaid and Portes (1994) think that globalization at an unprecedented pace has challenged the very nature of development theory on a variety of fronts, yet sociologists are not getting it. Jean Baudrillard’s following quote to portray the dilemma:

It seems that in this “capitalist” society capital can never actually be grasped in its present reality. It is not that our Marxist critics have not tried to run for it, but it always stays a length ahead of them. By the time one phase has been unmasked, capital has already passed on to another... Capital cheats. It doesn’t play by the rules of critique.... By reinventing capital in each successive phase on the basis of primacy of political economy, [these theorists] simply confirm the absolute initiative capital enjoys as
historical event.... And this at the same time ensures— as was perhaps their objective—the continuing validity of their retrospective analysis (1975, p. 25).

Sociologists are not the only ones uneasy about trying to deal with the new realities of global capitalism. Economists are equally unable to come to terms with capitalism as a social order. Unperturbed with social consequences of massive globalization they continue talking in terms of "... impersonal, superasodal forces that imposed an objective necessity over the will of the actors who operated within the economic, as contrasted with moral or social or political realm" (Heilbroner & Milberg, 1995, p. 103).

The Winds of Change

William Greider (1997) describes globalization as:

A wondrous machine, strong and supple, a machine that reaps as it destroys. It's huge and mobile, something like the machines of modern agriculture but vastly more complicated and powerful. Think of this awesome machine running over open terrain and ignoring familiar boundaries. It plows across fields and fencerows with a fierce momentum that is exhilarating to behold and also frightening. As it goes, the machine throws off enormous mows of wealth and bounty while it leaves behind great furrows of wreckage (p. 11).

Greider summarize three defining trends of globalization: 1. Since 1971 major multinationals grew in sales from $721 billion to $5.2 trillion, yet their worldwide employment remains frozen at 26 million people. There has been a dramatic decrease in the human labor requirement per unit of their output. 2. Multinational's foreign direct investment quadrupled in the 1980s, reaching $2 trillion during the 1990s. The money was spent mostly to disperse production across many nations, leading to a new global labor regime. 3. Finance capital also has quadrupled. The trading of stacks, bonds, currencies and other finical papers has reached $3.6 trillion worldwide. Though Greider notes that despite the staggering volume this kind of trading is controlled mostly by a very small community of world's largest thirty to fifty banks and a handful of major brokerages.

Lester C. Thurow (1996) calls this a period of "punctuated equilibrium," a term he borrows from evolutionary biology. In punctuated equilibrium the environment suddenly changes and evolution takes a quantum leap. Thurow suggests, "Biological, social, or economic systems enter periods of punctuated equilibrium with slowly evolving but firmly established structures. They emerge from periods of punctuated equilibrium with radically different
structures that once again begin slowly evolving" (Thurow, 1996, p. 7-8). He suggests that there are five different events (tectonic plates, as he calls them) that are reshaping the world: 1. One-third of humanity and one-quarter of the landmass under communism has joined the old capitalist world. 2. There has been a technological shift to an era of "man-made brainpower industries" that are geographically free. 3. The world is experiencing a unique new demography; the population is growing, moving, and getting older. 4. The global economy is growing ever more interconnected, with shifts in technology, transport, and communication. "... Anything can be made anywhere on the face of the earth and sold anywhere else on the face of the earth." 5. An era is emerging where there is no dominant, economic, political, or military power (Thurow, 1996, p. 9). Thurow's suggestion can be understood best in terms of capital having no boundaries.

The winds of change are blowing strong, yet the intellectual discourse surrounding these events, as discussed in the previous section, is sketchy at best. Thurow compares it with the old Indian parable in which a dozen blind men are each feeling some part of the elephant—the tail, the trunk, the tusks, the ears, and reporting a very different animal. "The real elephant never emerges in their analysis" (Thurow, 1996, p. 3). Hoogvelt (1997) has similar concerns. She tries to present a picture of the whole elephant:

"It seems to me that a chief purpose should be to understand the process of crisis and transformation of the world economy that constitute the winds of change that are blowing development studies into different directions" (Hoogvelt, 1997, p. xi). Preferring sociology of globalization to economics of globalization, she tries to make a case for what she calls a "Postcolonial World," a new global political economic model.

Towards a Sociology of Globalization

Hoogvelt thinks that the economics of globalization is driven by the fact that the world has reconstituted itself into a single social space, privileging sociology of globalization over economics of globalization. Sociologists seem to have accepted the challenge and can be credited for giving globalization a "rigorous and coherent theoretical status." Many sociologists have been contributing to the discourse. Prominent among them are Roland Robertson (1992), David Harvey (1989), and Anthony Giddins (1990). Hoogvelt, another sociologist, provides a fascinating new perspective on the sociology of globalization. Her framework is unique in many ways, as we shall see. Hoogvelt, like most of her contemporaries, points to the fact that the
world is experiencing a major economic transformation and that there is a totally new political economy in the making. Hoogvelt, however, sees a "complete, radical break, a qualitative change, in the historical development of capitalism" (Hoogvelt, 1997, p. xii). She thinks that unlike historical political economy, current political economy did not originate in the context of the capitalist state expanding globally; rather, she thinks, this new political economy is global to start with. The most appealing part of her argument is that the familiar pyramid of core-periphery hierarchy is no longer a geographic, but a social, division of the world economy. She uses the term "Postcolonial World" as opposed to "Third World" for two reasons. First, she thinks that there is a shift from national origin to subject-position in the global political economy. Second, she reasons, there is a movement beyond the specific historical period of colonialism and Third World nationalist struggles. To understand her framework it will be useful to look at the origins and main historical conceptualizations of political economy.

Origins of political economy

Social sciences have always been concerned with change, progress, and development. The initial geographical focus for such inquiry was Europe and the United States. A French writer, Montchretiende Watteville, writing in the early period (1615) of, the great transition from small primordial communities to national social formation, coined the term 'political economy.' He described it as 'the science of wealth acquisition common to state as well as the Family' (Horvat, 1968, p. 611). 'Political Economy' proved to be a concept of extra-ordinary vision (Hoogvelt, 1997). It not only led to the emergence of economics as a scientific discipline but it also, as Hoogvelt (1997, p. 3) puts it, "reflected this discipline's preoccupation with national territorial accumulation." Notational territorial accumulation Hoogvelt describes as a process of continuous self-expansion of capital within territorial boundedness. Many classical authors, including Adam Smith and Karl Marx, had different perspectives on the relationship between politics and economics, but whatever the perspective, it was "shaped and cast in cement by the historical experience of the nation state" (Hoogvelt, 1997, p. 7).

International political economy

The study of international political economy evolved into three dominant perspectives. Hoogvelt categorize them as Realism, Institutionalism, and Structuralism. All of these frameworks, nevertheless, were anchored in the historical contingency of statism.
Realism

Based on mercantilist conception of political economy, realists believed in political power for the state through economic means. In this framework politics takes primacy and the nation-state is considered an actor competing with other nation states in an “anarchic international arena dominated by the struggle for power among states” (Hoogvelt, 1997, p. 7). International order and stability is theorized in the context of hegemony and balance of Power (Morgenthau, 1948: Thompson, 1960: Waltz, 1959)

Institutionalism

More in line with Adam Smith’s classical liberal economics this perspective emphasizes interstate coordination for economic growth and promotion of a worldwide free market system. Institutionalists believe not so much in the hegemony of a single state (U.S. in a postwar stable world-order), rather in institutionalized intergovernmental regimes of governance and coordination. In the wake of increased economic interdependence this framework makes a case for viable international institutions like United Nations organizations and international treaties and regional blocs.

Structuralism

Derived from the Marxist notion of political economy, this framework applies the Marxist conception of capitalism to international relations. Structuralists recognize that capitalism has become trans-societal, spanning all nations of the world, and looks at the interrelation between states as being subsidiary to the concern with the development of capitalism on a global scale. This framework is unique in its recognition for the totality of the world system. It challenges the assumption that development in the nation-state can be understood “... without taking into account the systemic ways in which these societies are linked to one another in the context of an ever-expanding network of material (economic) exchanges” (Hoogvelt, 1997, p. 8). These “trans-societal networks of material exchanges” are termed as “world-systems” in Wallerstein’s (1979) work and are referred to as “global social formations” in Amin’s (1980) terminology. Chase Dunn (1989) calls them “global formations.”

These perspectives have made significant contributions to understand international political economy. The Marxist perspective brought to bare the fact that an apparently free market could produce socially structured inequality. Wallerstein extended this perspective to a global level by demonstrating that commodity production is concentrated in areas that are
constrained under "power relations between states." He explained how exploitation of the
periphery is necessary to the reproduction of capitalism.

Without denying to these perspectives their contribution in understanding linkages
among economy, power, and politics, these frameworks have remained inherently incompatible.
Hoogvelt points out that both Marxists and realists regard international economic outcomes as a
redistributive, zero-sum game, whereas liberals see it as a positive-sum game with all parties
eventually benefiting from it. In considering the economy as shaping politics, Marxists and
liberals line up together while realists argue differently. Similarly realist and liberal theories
representing "stasis" and "equilibrium" do not explain social change. This has lead to, as
Hoogvelt explains, "sterile interparadigmatic debates" and polarization of international relations
into separate subfields.

Hoogvelt presents Robert Cox's (1981) "critical theory" as a solution. Cox criticizes
conventional international relations theorists as altogether too obsessed with relations between
states, for failing to account for trans-societal linkages rapidly emerging today, and for not being
critically aware of their own historic roots. He has a different view of world order and historical
change. He defines historical structure as "a particular configuration between ideas, institutions
and material forces."

Cox uses "historical structure" as "no more than a framework of action which
constitutes the context of habits, pressures, expectations and constraints within which action
takes place, but which does not determine action in any direct, mechanical way" (Hoogvelt,
1997, p.11). To Cox the concept of historical structure is far less deterministic than for most
Marxist, leaving room for history to develop in a variety of directions. Hoogvelt suggests that
"the task of the critical social scientist is to uncover "plausible" alternative futures, instead of
remaining trapped in some trans historical essentialism" (Hoogvelt, 1997, p. 11). Based on
Cox's theory, Hoogvelt concludes that neither is the present forever nor, as in historical
materialism, is the future a forgone conclusion.

Cox is critical of historical materialism for being too abstract and deterministic in
describing the progressive transformation of modes of production as an unfolding history. He
blames it for lack of awareness of its own historical basis and for conceptualizing institutions
and economic structures as unidirectionally connected. But, he thinks that Marxism in fact has a
lot to offer to the theory of historical change. To Cox two of the inherent advantages of
historical materialism include its search for contradictions in social life as a mainspring of human change (the principle of the dialectics) and the fact that it considers modes of production to be the prime mover in the changes in social forces.

Borrowing Cox's concept of "historical structure," Hoogvelt looks at various stages of capitalist history as periods in which each time there was a "fit" between material conditions, institutions, and ideology, including the reflections and theories of the time. She thinks that it is the "fit" that created momentary stability at mercantile, colonial, and neocolonial phases of international capital accumulation. Hoogvelt does not see these stages as inevitable steps in some unfolding, progressive logic of capitalist history as implied in historical materialism. Neither does she deny the significance of historically generated structures of deepening inequality in trying to understand the present crises. She provides a fascinating account of "historic specificity" of the theories of imperialism, modernization, dependency, post-imperialism, and the new international division of labor. Asserting Cox's "historical structure," she suggests that material, institutional and ideological elements today have led international capital to new heights.

Capital is transforming to a new "fit" called globalization: some of the global aspects of this transformation as presented by Hoogvelt follow.

Directional tendencies of transformation to a new "fit"

Giddens (1990) presents the idea of "Time/Space Distantiation" as a measure of the level to which the "friction" of space has been overcome to accommodate social interaction. For Giddens "annihilation of space through time" is shrinking the world into a "global village."

Globalization can thus be defined as the intensification of worldwide social relations which link distant localities in such a way that local happenings are shaped by events occurring many miles away and vice versa (Giddens, 1990, p. 64)

Hoogvelt argues that this means that even though we still have local lives as physical persons we simultaneously experience global phenomenal worlds. "It is this globalization as shared phenomenal worlds which today drives the process of economic globalization" (Hoogvelt, 1997, p 120). She suggests that in the past "global integration in the sense of a growing unification and interpretation of the human condition" was shaped by the "economic logic of capital accumulation." Today these things have been reversed; the human condition is driving the logic of future capital accumulation. This is a significant departure from traditional
theories of international capital. Hoogvelt suggests that time/space compression shapes the economics of globalization through, first, “global market discipline,” second, “flexible accumulation through global webs,” and third, “global financial deepening.”

**A global market discipline**

To understand global market discipline we should be able to distinguish between two other terms: “global market-place” and “global market principle.” In Hoogvelt’s words a “global market-place exists when there is an international market exchange between different goods and services that are produced in different nations” (Hoogvelt, 1997, p. 122). This is a complementary process in which countries specialized in producing one type of product would trade with other nations for goods that they do not produce. This inter-product trade that was prevalent in the prewar and immediate postwar periods gradually was replaced with “intra-product” trade. Division of labor among nations is gradually being replaced with export competition between producers in different countries in the same product line. Liberalization and technological progress has allowed multinationals to spread out different parts of production globally, increasing enormously the trade in components and semi-processed products. This type of trade has led to structural conditions for the emergence of a global economy. A dominant standard of price, quality, and efficiency (the global market principle) has started to impose itself on an array of things including domestic supply of consumer goods, technology, capital, labor, and raw material. Hoogvelt argues that the competition resulting from this shift from inter-product trade to intra-product trade has intensified to a predatory level.

More importantly, the way this structural integration is being internalized in the behaviors of economic agents is leading to a “market discipline.” Hoogvelt suggests that the awareness of this intense global competition has been heightened due to time/space compression. Workers can be kept in line (e.g., paid less) for fear of job losses since their company might move elsewhere, where wages and social conditions are less demanding. The point is that such discipline can be achieved by threatening to move and without actually doing so.

**Flexible accumulation through global webs**

Because, through time/space compression, state-of-the-art machinery and modern factories can be installed anywhere in the world, and because global communication has become
as simple as a push of a button on one's computer. Producers in the west are in direct competition with millions of producers around the world. Hoogvelt defines "real time" activities as those for which distance and location are no longer relevant. In the context of today's global market she observes:

Routine production is no longer the preserve of deskillled jobs in industrial plants. The fusion of computer technology with telecommunications makes it possible for firms to relocate an ever-widening range of operations and functions to wherever cost-competitive labour, assets and infrastructure are available. The new technology makes it feasible to standardise, routinise and coordinate activities which previously were subjected to the friction of space and therefore regarded as non tradable. They enable such activities to be turned into real time activities (1997, p. 126).

Hoogvelt argues that production capacity in certain sectors is flexible enough to be viewed as a commodity. Such production capacity itself is subjected to the global market principle. She describes how the application of computer-aided design (CAD) and computer numerical control (CNC) has allowed manufacturers to set up small production units effectively and economically with little capital investment. Such flexible production units often are separated organizationally and physically from design, marketing, and engineering and are linked to companies via an intranet. These units constantly are competing with each other for subcontracting orders. She calls this scenario "flexible accumulation through global webs." In other words the transnationals are moving from a company basis of organization to a loosely organized network of production where services can be bought for a short time.

Hoogvelt thinks that this fusion of telecommunications and computers has allowed multinationals the advantages of market competition in production along with all the advantages that used to be associated with productive operations by wholly-owned subsidiaries. But, to ensure the success of these global webs some important social and institutional requisites must be met. Hoogvelt argues that such requisites simultaneously must be regarded as structural consequences in which system standards and economic measures take precedence over nation-state diversity.

**Global financial deepening**

Hoogvelt defines financial deepening as a phenomenon "... which occurs when the growth of financial transaction far exceeds the growth of the underlying economic fundamentals of production and trade" (Hoogvelt, 1997, p. 128).
As a result of financial deregulation and advances in telecommunication, money increasingly is being made out of the very circulation of money. Most financial transactions do not serve what economist would call an economic function. Frederic Clairmont writes:

Today more than at any time in capitalism's history the profits of finance capital are based on debt and exponential debt creation. Private, corporate, and household debt worldwide surpasses US$31 Trillion, galloping at a compound rate of over 9 percent yearly or three times faster than that of the world GDP and world trade. It is clear for whom the bell is tolling. The tocsin is heard (1996, p. 29).

The enormous increase in international mobility of capital refers not only to the speed at which the money can cross borders, but Hoogvelt feels that it also refers to how the money is being disconnected from social relationships in which money previously was embedded. This has led to intensification of linkages within the core of the global system "... while its counterpart 'peripheralisation' becomes a process of marginalisation and expulsion that cuts across territories and national boundaries" (Hoogvelt, 1997, p. 129). Thus, Hoogvelt thinks that the structure of core-periphery becomes a social division rather than a geographic one. She feels that the speed with which money crosses frontiers with a push of a button removes the need to embed it firmly in national or social relationships. "Globalization makes national social solidarity (as expressed in transfer payments to the old, the sick, the unemployed and the lower income groups) dysfunctional from the point of view of the rational economic interest of those who participate in global economy" (Hoogvelt, 1997, p. 130). This feeling is manifest in large-scale deregulation and privatization being pushed around the globe.

Hoogvelt concludes by observing that globalization, pushing cross-border economic integration to record levels, is in fact a social phenomenon. She does not think that the world is a global society or a global economy yet! To her, it's rather a process that may or may not continue depending on whether national governments resist it or go along with it. Questioning the skeptics in the globalization debate, she argues that in some cases the apparent enhanced exercise of sovereignty and regulation on the part of national governments in fact might be regulation for globalization.

Global regulation

The directional tendencies discussed above provide us a framework of emerging relationships between production and consumption at the level of the international economy as a whole. These "structural properties define a set of micro- and macro-regulatory problems
whose resolution is crucial to long term success" (Hoogvelt, 1997, p. 107). A fully established period of stable economic growth cannot be explained without describing the mechanisms that govern it.

The regulation school, a loosely networked group of intellectuals including Michel Aglietta and Alan Lipietz, concerns itself with the regulation of the economy. They conceptualize the success and decline of capital through two key concepts: "a regime of accumulation" and "a mode of regulation." A regime of accumulation, defined at the level of international economy, is a relatively stable and reproducible relationship between production and consumption, the we just presented. The materialization of the regime of accumulation through a body of interiorized rules and social process is called the mode of regulation. A mode of regulation is an interaction of norms, habits, laws, regulation networks, and so on that "ensure the unity of the process, that approximate consistency of individual behaviors with the schema of production" (Lipietz, 1986, p. 19).

The regulation school, rooted in Marxist tradition, regards Marx's historical materialism as useful, but not without serious defects. To those in the regulation school there is no "eschatological" belief in the "forward march of history." They do not feel compelled to confine intellect in a predetermined course laid down in history. To them a resolution to the problems of the regulatory (mode of regulation) is crucial to long-term success, but is contingent on locally and historically-specific outcomes and is thus unpredictable. This leads regulation school's approach to have merit only in hindsight, a typical criticism of sociology. To overcome this deficiency Hoogvelt (1997) tries to present the "contours" of a mode of regulation corresponding to globalization (the emerging mode of accumulation). She presents three key domains in which emergent forms of global regulation already may be discovered. These domains are: (1) capital-state relations; (2) capital-labor relations, and (3) core-periphery relations.

**Capital-state relations**

Robert Cox (1981) describes the nation state as having the internationalized under globalization, wherein state has become a vehicle of transmitting global market discipline to the international economy. Hoogvelt thinks that a transnational business culture has emerged that carries "shared norms and values that underpin and interweave with the structural power of transnational capital" (Hoogvelt, 1997, p. 134). These forces, Hoogvelt feels, are becoming
increasingly institutionalized in an array of organizational forms and institutional practices: at the international level as the World Bank and the IMF; at the level of interstate summit agendas and agreements such as GATT. She feels that elite interaction at an international level between a global business class, state bureaucrats, and members of international organizations is being crystallized into institutional forms.

The core of their 'neo-liberal' agenda is that private property and accumulation are "sacrosanct" and that governments should ensure "sound finance" with contained inflation, an attractive business climate, and controlled labor unions. Unlike previous liberalism that also supported the free market and internationalization of capital, today's liberalism is unembedded, transcending the sovereignty of the state. Examples include: "trade related investment measures" (TRIMS) and "trade related intellectual property rights" (TRIPS), enforceable through the Uruguay GATT agreement. Both agreements seriously curtail the ability of the nation states to take domestic measures perceived important for development. These restrictions apply on local content requirements, domestic sales requirements, trade balancing requirements, and any remittances and sales restrictions. Hoogvelt notes that transnational capital has gone beyond just informing the policy agenda of deregulation. Privatization is being imposed on developing countries through various means in the policy framework of 'structural adjustment.'

Capital-labor relation

Globally unemployment is on the rise, and an estimated 700 million workers are underemployed (International Labor Office, 1994), earning incomes that do not allow them to reach a minimum standard of living. This includes 35 million registered unemployed in core countries. Hoogvelt describes how the debate on global employment patterns revolves around "relocation," the extent to which the jobs from core countries are being relocated to the periphery, and "restructuring," wherein core manufacturing activities are being either shed or "externalized" to producer "service" activities. It's a difficult debate since "today's advanced information-driven production systems have rendered the conceptual distinction between capital and labour crude to the point of useless" (Hoogvelt, 1997, p. 140).

Peter Druker (1993), John Naisbitt (1994, 1996), Paul Krugman (1996), and other information society theorists argue that today the value of capital and labor is being replaced by knowledge and information. Hoogvelt agrees that knowledge has become a "key, independent, source of added value." She, however, feels that the value of information and knowledge is not
replacing the significance of traditional factor of production, and that instead its a forth factor alongside the conventional trio of capital, labor and land (raw materials). Knowledge is, in Hoogvelt’s words, a very fungible fourth factor, for when applied with traditional factors of production it releases them for other uses. For example, computer-driven technologies reduce capital cost. Also, unlike other factors, information and knowledge increase with use. Traditionally knowledge was considered organizationally embedded as mental labor. From a Marxist perspective white-collar staff were no different from blue-collar staff with capital, in the course of production, extracting surplus value from either.

Today, however, the fusion of telecommunications and computers, electronic data transmission, video conferencing, and other advances have enabled knowledge workers to be unembedded from the organization. Firms can externalize employment. “Many employees are either being replaced by outside contractors, or becoming contractors themselves, or staff departments are being spun-off as independent contractors and consultancies” (Hoogvelt, 1997, p. 142). To coordinate human activities in the new circumstances created by global capitalism, new forms of regulation are emerging. ISO 9000 is an example. The ISO 9000 series of standards allows standardized communication among independent firms and their suppliers around the world. Charles Sabel writes:

By linking learning to monitoring the new institutions (for example ISO 9000) allow initially wary partners to begin cooperating in ways which may eventually so align their understanding of the world and so their mutual interests that they may come to trust each other in ways not contemplated at the start (1994, p.137).

Core-periphery relations and the politics of exclusion

In a value-added chain at each stage of production the labor involved adds value to the process of transformation from raw material to a finished good. Similarly at each stage the capitalist entrepreneur adds a mark-up to earn profit for themselves. This implies that the market price for the final product is an accumulation of all the wages and mark-ups of all the previous stages. Hoogvelt argues that traditionally multinationals have tried to internalize all these stages within its own “organizational embrace.” But, today, through global networking, same multinationals are trying to externalize all or many of these stages and transactions.

Hoogvelt points to another important character of the value-added chain. She describes how the historical development of capitalism on a world scale was organized so that the higher value activities in a value-added chain were concentrated at the final, consumer, end of the chain,
typically the consumer markets in the rich countries. This would leave low-value activities in the underdeveloped parts of the world. This meant that the more specialized the final product, at the rich consumer end of the chain, the higher the product mark-up. Hoogvelt suggest this is changing. Technological advances have made it possible to 'slice-up' the value chain so that the labor intensive production of skilled, capital, and technology-intensive tasks can be set up in low-wage locations.

Thus, the global division of labor is rendering a core-periphery relationship that cuts across national and geographic boundaries, bringing on board within the core, segments of the Third World, and relegateing segments and groups in both the traditional core of the system and in the Third World to peripheral status. Core-periphery is becoming a social relationship, and no longer a geographic one (Hoogvelt, 1997, p. 145).

Hoogvelt think that many high-value-added activities that are contributed by 'disembodied knowledge workers' are not only 'externalized,' but are extremely mobile. This she thinks would make the core-periphery relationship more uneven. "Knowledge workers," including marketing experts, computer consultants, financial accountants, and top managers can relocate globally for the highest price for their services. It's noteworthy that The United States Congress has shown willingness to relax immigration restrictions for such individuals. On the other end of the production chain, though, capital is more mobile than labor. Labor is tied to its location with harsh and strict immigration regulations. David Harvey (1989) sees free capital movement giving the international bourgeoisie a decisive advantage over the mass of workers who are restricted in their movements and migration by the passport they carry.

Wallerstein (1979), in his discussion on the emergence of semi-peripheral nations as a go-between core and periphery, describes how these nations tend to think of themselves primarily as better off than the lower sector rather than worse off from the upper sector. They were both exploiters and the exploited providing a buffer to the core against the feared revolt of the periphery. At the same time this middle layer provided some upward and downward mobility of nations providing the world a dynamic equilibrium allowing reproduction of the overall core-periphery hierarchy over time.

Hoogvelt explains how Will Hutton's (1995) 30/30/40 description of British society fits the description of global society where core-periphery is a division that cuts across nations. Hutton outlines an emerging British society where there is a bottom 30 per cent of unemployed and economically inactive marginalized and disadvantaged persons. Another 30 per cent is
constituted of those employed in forms of employment that are structurally insecure. The final 40 per cent have tenured jobs with considerable security. Hoogvelt includes individuals with income from capital investment in this last category as well. Hutton argues that this is an inefficient system of running a state, and Hoogvelt agrees, but she thinks it works for global capitalism. There are similar three-tier structures growing up in other nations, developed and underdeveloped alike. She thinks the difference between underdeveloped and developed countries is found solely in the size of various segments. The excluded sector in the Third World often approaches 50 per cent, with a middle band of between 20 to 30 per cent.

Global competition pits members of the middle sector against each other. Hoogvelt thinks it happens both between and within nations. Pro-flexibility and anti-union legislation aggravate the situation even further. Without any means to organize, under constant fear of the future, constant high structural unemployment, and a visible presence of a disadvantaged group, keeps the middle stratum in check. “For its part, the free mobility of capital, coupled with the existence of a global market and global labour pools, removes the need for capital to worry about the reproduction of labour power or domestic markets” (Hoogvelt, 1997, p. 148).

Hinting on the current development agenda Hoogvelt suggests that the key to the preservation of the new emerging order is not an economic problem but a law-and-order problem. “It’s a problem of how to deal with the excluded segment of the society” (Hoogvelt, 1997, p. 148). Shooting of street children in Brazil and Columbia, anti immigration laws and the policing of Mediterranean waters around “Fortress Europe,” and the policy of mass incarceration in the United States are all forms of exclusion to Hoogvelt. She sees it happening in the politics of AIDS research, where 90 per cent of research and investment is spent on the development of drugs for the treatment of the 8 percent of people who have AIDS in developed countries. Funds and research agendas for cheap vaccines to prevent the spread of AIDS in developing countries are snuffed out. She quotes a World Bank official: “if AIDS falls disproportionately on the poor in these countries than the fact that they will die of it will have a positive impact on the economic growth of these nations” (The battle for aids, 1995). Subtler and less immediately visible forms of exclusion include the privatization of public space, and the introduction of private security. Hoogvelt talks about how the constitutionally secured rights of the citizen in the UK for free access to the ‘Queen’s Highway’ are frequently violated by keeping out the section of “unwanted public” on private orders. On June 10, 1999 the US. Supreme
Court overturned a similar Chicago anti-gang law. The law allowed Chicago police to break up groups of people loitering in public if the police officers believed they were street gang members. She talks about still more subtle ways in which the politics of exclusion is being introduced in the discourse of local community politics in the concepts and practices of community development, community management, community capacity building, and community enterprise, community development corporations. Hoogvelt writes about these programs:

They are in tune with the neo-liberal governments, call for greater self-help, active citizenship and a reduced dependency on the state. They have rightly been condemned for calling upon people with the fewest resources to help those most in need. They have also, thus far, failed to make a dent in the spiral of job losses caused by globalisation, and their contribution in economic terms is extremely marginal. But they have one great merit, namely of organising the poor and the marginalised to care for and control themselves" (1997, p. 149).

So far we have discussed consequences of globalization at three different levels: 1. Capital-state relations. 2. Capital-labour relations. 3. Core-periphery relations. In looking at the more recent development agenda in the context of globalization Hoogvelt (1997) notes that the donors have adopted a new approach in which cultural pluralism has replaced universalistic preoccupation and goals of the past. Previously, development was theorized as a process of societal convergence between hierarchically conceptualized state societies (rich-poor; developed-underdeveloped). Under new discourse on development civil society and democratization in the periphery is being promoted in the same way as it supplies the motivation and operational logic for multicultural activities at home. “In the West, cultural pluralism, or multiculturalism, has been the liberal establishment’s answer to racism. That is to say, it has replaced biologically-derived notions of racial superiority with an appreciation of cultural differences” (1997, p 179). But this, Hoogvelt suggests also has a darker oppositional structure of beliefs labeled “the new racism” (Duffield, 1994). The “new racism” literature contends that pluralism is in fact racism in a politically-correct guise. It determines an individual’s identity and personal worth by ethnic/racial membership and holds that all cultures are of equal worth, regardless of their moral views or how they treat people. In multiculturalism, ethnic identity is considered to be a central factor in social policy decisions. This strains a society by transforming it into a collection of separatist groups competing with each other for power and resources (Berliner & Hull, 1999, p.46).
The assumption that cultural differences are natural and unavoidable provide legitimacy to the notion that cultural differences are immutable and innate (Hoogvelt, 1997). This inevitably leads to inter-ethnic conflict in marginal areas of global economy. The promotion of a competitive free market with an edge over an increasingly weak centralized state adds to the dilemma. Similar observations are made by the United Nations Research Institute for Social Development (UNRISD) in a report called “States of Disarray: The Social Effects of Globalization” (UNRISD). The report states that the recent economic restructuring, political change, and technological development have reduced the effectiveness of many of the institutions that provided social and economic security in the post-war years. One complex and dangerous consequence is that the identities of all peoples are challenged and as a result they often feel threatened, leading to a rise in xenophobic, racist, and generally discriminatory attitudes. This results in both direct and indirect conflict and competition.

Africa provides a case in point. Dr. W.M.J. van Binsbergen at the African Center in the Netherlands, suggests that traditional notions of locality, group identity, culture, and 'tradition' in African society need to be reconsidered. Binsbergen describes how arms transfers and trafficking under globalizing influences and under conditions of scarcity, insecurity, and conflict are having a devastating impact on Sub-Saharan Africa. For the first time since 1989, Africa has more armed conflicts than any other continent. Defining a "major armed conflict" as one with at least 1,000 battle-related deaths, the Stockholm International Peace Research Institute identified 11 major conflicts in Africa in 1998. Dr. Binsbergen notes that during that year approximately 8.1 million of the roughly 22 million refugees in the world were in Africa. Still millions more Africans are internally displaced.

The (Bureau of African Affairs, 1999) estimates that in the late 1990s wars in Africa increasingly had taken on a regional character, especially in the greater Horn, the Great Lakes region, and southern Africa. Large-scale wars were ongoing in Angola, Congo-Brazzaville, Congo-Kinshasa, Ethiopia, Eritrea, Rwanda, Somalia, and Sudan, as of mid-1999. The bureau further notes that low-intensity conflicts plague several countries, including Burundi, Chad, Djibouti, Senegal, and Uganda. It suggests that other countries suffer from internal instabilities, which could evolve into greater civil strife. The bureau's report holds the proliferation of light weapons, financed by cash, diamonds, or other commodities, responsible for Africa's wars. However, Binsbergen thinks that the causes are more sociological and economic; the trafficking
of weapons and the illegal trade of diamonds, etc., have, merely prolonged these conflicts and made them more lethal. Similar conflicts in Europe and other parts of the world may not also be separated from the process and evolution of globalization.

Similar questions can be raised pertaining to pluralism and democracy. One may ask as to how has the existence of permanent "included" and "excluded" groups affected the ability of democratic structures to persist? If groups are defined in terms of ethnicity, not in terms of interests, what implications do this hold for democratic theory? How will newly democratic societies deal with these issues?

We refer, once again to the UNRISD's assertion that new base for solidarity must be developed to replace older institutions. The concept of global citizenship, with equality of rights, political participation and responsibility is crucial in developing effective and equitable global governance.

Dissertation Organization

This dissertation contains two papers prepared for submission to Journals. A general conclusion follows the second paper. References cited in the general introduction and conclusion chapters are listed at the end of the dissertation.

Paper 1. Development sociology, globalization, and the politics of exclusion

Using Robert GJX's concept of Historical Structures one can argue that until about 1970, the material conditions and social forces shaped a view of the world order that was geographic core-periphery hierarchy, pyramidal in shaped (Hoogvelt, 1997). An array of development theories, often conflicting, debated the pros and cons of this pyramid. Despite divergent views, there was a consensus that all human beings have a right to share the benefits of technological and economic progress. The state was considered central as an agent of development and most theorists argued that the capital has an inherent drive for expansion and incorporation.

Globalization has rearranged the world economic architecture. The architecture of new economic social and power relations is being hotly debated. Hoogvelt's (1997) representation of this new order consists of a three-tier structure of concentric circles. All three circles cut across national and regional boundaries. The core circle consists of some 20 percent of the world's bankable population, including the global elite from across nations and regions. The second tier
of the global population consists of 20 to 30 percent of workers and their families who labor in insecure forms of employment, "thrown into cut throat competition in the global market. State of the art technology, frenzied capital mobility and neo-liberal policies together ensure both a relentless elimination of jobs by machines, and a driving down of wages and social conditions to the lowest global denominator" (Hoogvelt 1997, p. 240). The largest and the last concentric circle comprise effectively excluded masses, "performing neither a productive function, nor presenting a potential consumer market in the present stage of high-tech information-driven capitalism" For now there is no theory or program to include them in the universal progress. "Developmentalism is dead, containment and exclusion rule OK!" (1997, p. 240).

We took up this last assertion regarding those who effectively are already excluded from the global system in the first paper "Development Sociology, Globalization, and the Politics of Exclusion." We argue in this paper that the context of development has changed considerably since the rise and fall of modernization, world system, and dependency theories. Poverty and increasing inequality needs to be reconsidered in the context of a new globalized world economy. At the same time the relationship between production and consumption under globalization—its regime of accumulation—has changed dramatically. Also, interaction of norms, habits, laws, regulation networks, and so on—its "mode of regulation" is changing accordingly. These regulations, we argued, are already influencing capital-state relations, capital-labor relations, and relations between core and periphery classes within as well as between nation-states. We then tested whether the current development agenda and financial assistance are in fact just another mode of regulation that is facilitating globalization and as a consequence undermining human development in low-to low-middle-income countries.

Paper 2. Ethnic attitudes in Pakistan

Hoogvelt (1997, p.240) uses the term "Postcolonial World." to capture the notion that the distinct social formations which have emerged in the current world order "are a result of the way in which the aftermath of colonialism interacting with the forces of globalization and responds to it." She presents various situations and options that are present in different parts of this Postcolonial World. One such situation that we discussed earlier was the ethnic strife, civil collapse, instability, and anarchy in various parts of the world as a result of the external and internal forces of globalization. Pushing the multiculturalism that is manifest in the new development agenda translates into "new racism" in developing countries, where the individual
identities are challenged, leading to a rise in xenophobic, racist, and generally discriminatory attitudes. Crises in Bosnia and Kosovo are clear examples of the failure of pluralistic idealism under the strain of globalization and structural adjustment. Most multi-ethnic societies with fragile social and political orders are always at the door of civil collapse, and instability. We contend that further peripheralizing of their economies under emerging international practices of conditionality, development aid, and humanitarian relief apparently intended for management and containment rather than incorporation (Hoogvelt, 1997) can lead these societies to outright anarchy.

The second paper here is an effort to understand ethnic relations in one such multi-ethnic state, Pakistan. Pakistan is a nation on a tightrope; its economy at the verge of economic bankruptcy, and its political system nearly collapsed. Recently the democratically elected government was toppled in a military coup and the nation's future hinges precariously on economic recovery.

The paper presents a pilot study at a micro-level, testing whether Punjabi students in Pakistan share, as a group, an ethnic hierarchy and exhibit the same types of prejudice found in the pluralistic West. The sample is 192 students at the Punjab College of Business Administration in Lahore in 1996. The students responded to a questionnaire in English, with questions nearly identical to those previously used by American and Dutch researchers. Principal components analysis is used to measure respondents' consensus on an ethnic hierarchy of out-groups in social distance. Factor analysis is used to determine how these students distinguished among aversive, symbolic, and biological prejudice parallel to American and Dutch results. Discussion centers on reasons that a shared ethnic hierarchy and types of prejudice found in Western countries appear in this Islamic country as well.

Implications of ethnic relations under globalization and grueling aid conditionality can be wide-ranging and dangerous. According to the United Nations' assessment there are 200 armed conflicts in the world today. “A vast majority of these are ethnic conflicts, some of which are by far the most destructive and dangerous of all forms of human cruelty. In many countries in Africa ethnic groups are pitted against one another. (UNESCO, 1998). Such conflicts generate "ethnic emotions which empower a people to collectively perform acts of unbelievable cruelty and savagery" (Bailey, 1994, p 5). Recognizing the significance of the issue, the United Nations Educational, Scientific and Cultural organization (UNESCO) has setup
ETHNO-NET-AFRICA, a network of African social scientist monitoring and evaluating ethnic conflicts and social change in Africa. Focusing on current social transformation AFRICA-NET seeks to fill in knowledge gaps through research with a view to establishing a reliable database on ethnicity. At ETHNO-NET-AFRICA, a network of African scholars learn from each other's experiences and provide a vital early warning system on ethnic conflict. In the absence of such projects in South Asia, this paper provides a vital initial study to chart the dynamics of ethnic relations in Pakistan.

Limited availability of resources, which is addressed in the first paper, is argued to amplify ethnic strife among excluded classes of less income countries.
DEVELOPMENT SOCIOLOGY, GLOBALIZATION, AND THE POLITICS OF EXCLUSION

A paper to be submitted to the Sociological Quarterly

Rehan Mulkick

Abstract

We tested a new perspective on the sociology of globalization that assumes increasing inequality across the world is a consequence of an emerging global economy rather than an outcome of underdevelopment. The sample included 126 countries classified as low-income to low-middle-income countries by the World Bank. Regression analysis revealed support for a postcolonial paradigm on globalization, suggesting exclusion by design of peripherized masses in developing countries. Discussion centers on reconsidering the nature of globalized capitalism to understand an impasse in development and development studies.

Introduction

There are more poor in the world today than 50 years ago. Poverty is proportionately increasing around the world and even in industrialized countries. The United Nations declared 1996 the "International Year for the Eradication of Poverty." In a report issued on the occasion, "Poverty and development: an (im)balance sheet" (United Nations, 1996), the world body admitted: "Poverty remains, endangering both the people and the planet...". The report states that income disparities between the richest 20 percent and the poorest 20 percent of the world's population doubled from 1960 to 1991. Eight hundred million people, including children, are chronically undernourished. The world's poorest 50 countries account for less than 2 percent of the world's income. More than a billion people in developing countries live in absolute poverty making less than $1 a day each. In South Asia, home to nearly half of the world's poor, the situation is even worse. Mahbub ul Haq (1995), former director of the Human Development Report at the UN, observers, "South Asia is fast emerging as the poorest, the most illiterate, the most malnourished, the least gender sensitive - indeed the most deprived region in the world" (1993, p. 5). In South Asia 800 million do without elementary sanitation, 380 million are illiterate, and 300 million drink from ponds rather than taps. Haq (1995) concludes that the scale of social deprivation and human despair is tremendous.
Ironically, the majority of the world's population today lives in more and more suffering amidst more and more wealth. Today, more than ever before, technological breakthroughs and the labor of billions of individuals have made enough progress to eliminate poverty, hunger, and human suffering. But although the world is economically integrated to an unprecedented extent, it is beset by increasingly desperate conditions of national existence and prospects for change (Kincaid & Portes, 1994). For many in the developing world the situation is perplexing. In the past two decades developing countries have acquired four times more debt in the form of development assistance yet poverty and suffering continue to rise. The efforts to develop the world, obviously, have not yielded much.

Consequently, the very concept of development is being challenged. In, “Development: A Guide to the Ruins” Wolfgang Sachs laments, “the idea of development was once a towering monument inspiring international enthusiasm. Today, the structure is falling apart and in danger of total collapse” (1992, p. 5). Dudley Seers, a pioneer in development studies, declares it “over the hill and downright dead” (Seers, 1979, p. 1).

Development theories play an essential role in explaining international disparities in wealth, standard of living, and economic growth. Modernization theory sought diffusion and adoption of Western values and social and structural characteristics for the realization of economic development. The theory has been criticized for being teleological and ethnocentric, oversimplifying reality (Gunder Frank, 1971). Dependency and the world-system theories that succeeded modernization theory rejected the modernization view that national development could be explained by looking at internal characteristics of the nation-states. Instead, nation-states were seen as open systems, heavily influenced by economic forces and patterns of exchange at the international level.

More recently, though, the world economy is experiencing rapid and unpredictable changes. Latin American debt crises, Sub-Saharan African reversal of development, deindustrialization in some western states and the surprisingly successful model of export-led growth in East Asia are all examples of sharp variations in a globalized economy that can no longer be explained easily by dependency and the world system theories. It seems that the dynamics of development, as they relate to contemporary capital, have stayed a “length ahead” of its “intellectual pursuers.” Capitalism, instead of destroying itself in consequence of its
systematic internal contradictions (as predicted by some of the contemporary theories), once again has overcome the self-inflicted crises by total renewal.

Kincaid and Portes (1994) assert that globalization at an unprecedented pace has challenged the very nature of development theory on a variety of fronts. They believe that the study of development is crucial because development theory and the notion that development can be realized are normatively related. They are, however, concerned that the 'traditional parochialism' is making American sociology ignore development theory. They think that sociologists rarely are found at the forefront of the policy discussions of development because there is a general lack of interest among them to tackle issues related to development. Sociologists find it safe to explain things after the fact, rendering their analysis useless and without any predictive power.

There is, thus, a need and a sense of urgency for exploring newer models of development that extend the comprehension of development beyond the geographic boundaries of the Third World. Such models, they suggest, should be engaged in the understanding and improvement of human economic and social condition within the context of a globalized world economy.

A World of Transformations

We live in a world of transformations affecting almost every aspect of what we do. As Anthony Giddens puts it, "For better or for worse, we are being propelled into a global order that no one fully understands, but which is making its effects felt upon all of us" (Giddens, 1999). Ankie Hoogvelt (1997) describes globalization as intensification of human interaction across borders and at all levels—financial, social, and cultural. Lester C. Thurow (1996, p. 49) calls Globalization a period of "punctuated equilibrium," a term he borrows from evolutionary biology. In punctuated equilibrium the environment suddenly changes and evolution takes a quantum leap. Thurow suggests, "Biological, social, or economic systems enter periods of punctuated equilibrium with slowly evolving but firmly established structures. They emerge from periods of punctuated equilibrium with radically different structures that once again begin slowly evolving" (Thurow, 1996, pp. 7-8). He suggests that there are five different events (tectonic plates, as he puts it) that are reshaping the world. 1. One-third of humanity and one-quarter of the landmass under communism has joined the old capitalist world. 2. There has
been a technological shift to an era of "man made brainpower industries" that are geographically free. 3. The world is experiencing a unique new demography; the population is growing, moving, and getting older. 4. The global economy is growing ever more interconnected, with shifts in technology, transport, and communication. "... anything can be made anywhere on the face of the earth and sold anywhere else on the face of the earth." 5. An era is emerging where there is no dominant economic, political, or military power (Thurow, 1996, p. 9). Although one might question Thurow's assessment of military dominance he seems to be correct in noting that globalization has added to the complexity of the analytical task for development specialists.

Shifts in economic policies and organizational structures as a result of the 1970s and 1980s economic stagnation and debt crisis proved to be a major catalyst for globalization. The economic policy tilted in favor of market forces and private enterprise. Broadly consistent throughout the world, the new economic policy emphasized restoring economic equilibrium through liberalization of markets—including capital markets, reduction of state intervention in the economy, privatization of a broad range of enterprises, and reduction of government expenditures—often including cuts in social services and in subsidies on consumer goods. In many countries, these changes have been brought about under pressure from international creditors and through the design of structural adjustment programs.

The consequences of rapid globalization for development are staggering. Globalization already has undermined national sovereignty - not only in domestic macro-economic management of fiscal and monetary policy, but also in loss of social policy options in health, education, safety nets, employment, environment, and even the values and culture of citizens (United Nations, 1999). Expanding inequality has become the most serious problem facing world society (Giddens, 1999). The UN's Human Development Report, 1999 notes that gaps are widening both between and within countries. East Asia has made considerable improvement in per capita income, while in Sub-Saharan African and other least developed countries, per capita incomes have dropped compared to what they were in the 1970s. In Eastern Europe inequality has risen at the fastest rate ever, with Russia leading. In this region the income share of the richest 20% is 11 times that of the poorest 20%. The report states that the inequality has grown markedly even in East Asian economies that have achieved high growth. A similar trend is reported for the most industrialized OECD (Organization for
Economic Co-Operation and Development) countries, with the worst deterioration in Sweden, the United Kingdom, and the United States. In the United Kingdom the number of families below the poverty line rose by 60% in the 1980’s, in the Netherlands by nearly 40%.

The report contrasts these developments against the fact that the net worth of the world’s 200 richest people increased from $440 billion to more than $1 trillion in just the four years from 1994 to 1998. The assets, informs the report, of the three richest people were more than the combined GDP of the 48 least developed countries. The richest 20% in the world share 86% of the world’s GDP, 82% of exports of goods and services, 68% of foreign direct investment, and 93.3% of Internet use. Worsening inequality was reported in Eastern Europe where the changes were the fastest ever recorded. “In less than a decade income inequality as measured by Gini coefficient increased from an average of 0.25-0.28 to 0.35-0.38, surpassing OECD levels. The process is “... concentrating power and marginalizing the poor both countries and people” (United Nations, 1999, p. 30).

The theoretical impasse

Analysis of the development process, so far, has relied heavily on three approaches—the modernist, the realist, and the dependency/world system perspective. Modernization theory, synonymous with the neoclassical tradition of economic growth, was based on the notion of a dichotomy between traditional and modern societies. Conceptualized in essentially Weberian terms, modernization sees most Third World societies resembling traditional ideal-type pre-state, pre-rational and pre-industrial societies (Wallerstein, 1995). From a modernization perspective, for development to take hold, Third World societies have to pass through various stages of diffusion and the adoption of Western values and social and structural characteristics. The theory also assumed that each state operated autonomously and was substantially unaffected by factors external to its borders. Modernization further presumed the so-called stages of development to be a general law of social development. Wallerstein (1995) describes these stages as dubious and totally unproven premises. To him, the political implications of such an approach were obvious. “If a state at a so-called lower stage wanted to resemble a state at a so-called advanced stage in terms of prosperity and internal political profile, it had best copy the pattern of the advanced state, and implicitly therefore had best follow the advice of
that state” (Wallerstein, 1995). This ethnocentrism manifest in modernization theory, along with other factors, eventually led to its decline and demise.

Both the world system and the dependency theories work at the international level of analysis, with nation-states as the interacting parts of a larger system. This world social system operates in the context of “production for sale in a market in which the object is to realize the maximum profit” (Wallerstein, 1979, p. 15). This world economy dictates various “modes of labor control” (Wallerstein, 1974). Dynamics of these models are derived from social stratification and class relations in a stratified society. Like individuals, nation-states occupy class-like structural positions in the world economy. At the top of the hierarchy are the “core” advanced capitalist states of North America and Western Europe. Characterized by military strength, political power, specialized production, and high per capita income, these core states dominate the militarily weak and poor “peripheral” nations of the South. Somewhere between the core and the periphery are the “semi-peripheral” states with strong governments and increasing industrialization. The peripheral states are the most exploited; the semi-peripheral states are both exploiters and exploited and buffer the core from the periphery.

These theories are credited for their insight on how the present crises can emerge through historically generated structures of deepening inequality (Hoogvelt, 1997). Societies do not develop in isolation, but instead are embedded in systems that are impacted by external forces (Kincaid & Portes, 1994). But, these theories have their limitations. For instance, Hoogvelt does not see the stages of development—periphery, semi periphery, and core—as inevitable steps in some unfolding, progressive logic of capitalist history. Some underdeveloped Asian states have made considerable progress toward industrialization while other Latin American countries poised to become semi-periphery states fell back under crushing debt. Similarly, both dependency and world system theories, staying within the Marxist tradition, build on the assumption of capitalism as an ongoing expanding project until is possible collapse. Empirical facts, however, do not support the argument of continued expansion and incorporation. On the contrary, international forms of connectivity increasingly have concentrated capital within a (reconstituted) core (Hoogvelt, 1997). Other themes used in these theories—dependency, exploitation, unequal exchange, mode of production, modernization, rationalization, progress—all have been crippled by the de-constructionist ax of postmodernist, post-Marxist, and post-structuralists alike (Jeffe, 1998).
Also, the concepts pertaining to development—debt, poverty, and peripherization, were all subsumed in the International Political Economy literature. This has a limited analysis of development at the nation-state level only. Lately, gender relations, too, have been separated from class relations—a dominant theme in development studies. Similarly, other development theorists consider poverty in developing countries as more damaging to earth’s ozone layer than is the pursuit of wealth in the rich world. According to Hoogvelt (1997), all this ‘scattered and wide terrain’ of intellectual inquiry has made the task of syntheses in development studies ‘a priori impossible.’ She thinks development studies are so fragmented into a diverse range of intellectual pursuits, that it has become redundant under sweeping forces of globalization. Hulme and Turner (1990) express similar concerns. They believe that there is no dominant paradigm at present, and sociologists studying development have abandoned efforts to develop a global theory of development or underdevelopment. Because development theories play an essential role in explaining international disparities in wealth, standard of living, and economic growth, sociologists, to become more relevant to the people, governments, and those involved in development, must keep the analytical pace with sudden shifts in the nature of global capital.

The fact that a new kind of world economic and political system characterized both by unprecedented unity and unprecedented fragmentation has commenced; requires new modes of analysis and new theories. There is a need for readiness to tear down intellectual barriers and bring together many approaches, methods, and disciplines that for too long have been apart. What is needed is a new approach to development that combines the breadth of vision of the classical political economy of the 19th century with the analytical advances of twentieth-century social science. Focus must shift from growth to inequality—the structures and processes of the world system, which produce distributional outcomes characterized by uneven development and wide variations in the wealth and poverty of particular regions, sectors, classes, and states.

A postcolonial approach to development

Ankie Hoogvelt (1998) presents one such approach that moves beyond the debate between modernization and dependency theories, with their deterministic assumptions about the inevitability of progress or backwardness, development or underdevelopment. She assesses responses by individuals and groups to the constraints and opportunities being created by new global economic structures, and by rapidly changing identities and roles. Hoogvelt explores the
emerging strategic networks of regional production and political and economic regulation, and
the new social divisions that cut across territories and national boundaries.

Hoogvelt (1997) agrees that historically generated structures of deepening inequality
have contributed greatly to the present crises, but she does not see various stages of capitalism
as inevitable steps in some unfolding, progressive logic of capital history as implied in historical
materialism. Following Robert Cox's (1981) concept of "historical structure," she describes
various stages of capitalist history—mercantile, colonial, neocolonial—as periods of relative
capital stability resulting from momentary equilibrium (a fit) between material conditions,
institutions, ideologies, and theories of the time. This relative stability of a period of capitalism
and then its transformation into a new configuration depend upon a combination of
arrangements, what the regulation school describes as, "a regime of accumulation" and "a
mode of regulation" (Lipietz, 1986). A "regime of accumulation" is a relatively stable and
reproducible relationship between production and consumption and the materialization of the
regime of accumulation through a body of interiorized rules and social process is considered
the "mode of regulation."

From this perspective, current material conditions, institutions, ideologies, and theories
have created a momentary stability favoring a rather volatile form of global capitalism, generally
referred to as "Globalization." The relationship between production and consumption under
globalization—its regime of accumulation—is driven by an enormous increase in the mobility
of capital and technological progress. This modality has allowed standardization in production
and trade around the world (the global market principle). The global market principle has led
to an increased awareness and fear of intense global competition among economic agents,
forcing a "market discipline." Globalization has made possible production through flexible,
organizationally and physically dispersed production units that are linked through technologies
like the Intranet. This Hoogvelt calls a "flexible accumulation through global webs." Current
globalized production and consumption is being materialized through a body of interiorized
rules and social processes—interaction of norms, habits, laws, regulation networks, and so
on—that "ensure the unity of the process, that approximate consistency of individual behaviors
with the schema of production" (Lipietz, 1986, p. 19).

Hoogvelt posits that the contours of the current globalized "mode of regulation"
already are influencing capital-state relations, capital-labor relations, and relations between core
and periphery classes within as well as between nation-states. This global mode of regulation has direct implications for development and for increasing inequality. According to Robert Cox (1981), the power of the state has been undermined and the state has become a vehicle of transmitting global market discipline to the international economy. Capital-labor relations, too, are changing. Jobs related to manufacturing are being relocated from core to periphery states. Core manufacturing activities are being restructured and related jobs are being either shed or "externalized." Knowledge has become a fourth factor alongside the conventional trio of capital, labor, and land (raw materials). Knowledge is, in Hoogvelt's words, a very fungible fourth factor, when it is applied with the traditional factors of production; it releases them for other uses. Computer-driven technologies, for example, reduce capital cost. Also, unlike other factors, information and knowledge increase with use. Today, the fusion of telecommunication and computers, electronic data transmission, video conferencing, and other advances have unembedded knowledge workers from the organization. Now firms can externalize employment. Many employees are either being replaced by outside contractors, or becoming contractors themselves. Staff departments are being spin-off as independent contractors and consultancies (Hoogvelt, 1997).

"Core-periphery relations" is another area where the global mode of regulation is asserting consistency with the new globalized schema of production. The global division of labors is producing a core-periphery relationship that cuts across national and geographic boundaries, bringing on board within the core segments of the Third World and relegating segments and groups in both the traditional core of the system and in the Third World to peripheral status. Core-periphery is becoming a social relationship, and no longer a geographic one (Hoogvelt, 1997, p. 145). Many high-value-added activities that are contributed by 'disembodied knowledge workers' are not only 'externalized' they are extremely mobile. This, she thinks, would make the core-periphery relationship more uneven. "Knowledge workers," including marketing experts, computer consultants, financial accountants, and top managers, can relocate globally for the highest price for their services. David Harvey (1989) sees free capital movement giving the international bourgeoisie a decisive advantage over the mass of workers who are restricted in their movements and migration by the passport they carry.

Will Hutton's (1995) 30/30/40 description of British society fits the description of global society, where, the core-periphery is a division that cuts across nations. Hutton outlines
an emerging British society in which there is a bottom 30 per cent of unemployed and economically inactive marginalized and disadvantaged. Another 30 per cent is constituted of workers in forms of employment that are structurally insecure. The final 40 per cent have tenured jobs with considerable security. Hoogvelt includes individuals with income from capital investment in this last category as well. Hutton argues that this is an inefficient system of running a state, and Hoogvelt agrees but she thinks it works for global capitalism. There are similar three-tier structures growing up in other nations, developed and underdeveloped alike. She thinks the difference between underdeveloped and developed countries is solely in the size of various segments. The excluded sector in the Third World often approaches 50 per cent, with a middle band of between 20 to 30 per cent.

Hoogvelt suggests that the key to the preservation of the new emerging order (current development agenda) is not an economic problem but a law-and-order problem. “It’s a problem of how to deal with the excluded segment of the society” (Hoogvelt, 1997, p. 148). Shooting of street children in Brazil and Columbia, anti immigration laws and the policing of Mediterranean waters around “Fortress Europe,” and the policy of mass incarceration in the United States are, to Hoogvelt, all forms of exclusion. She sees it happening in the politics of AIDS research where 90 per cent of research and investment is spent on the development of drugs for the treatment of the 8 percent of people who have AIDS in developed countries. Funds and research agendas for cheap vaccines to prevent the spread of aids in developing countries are snuffed out. She quotes a World Bank official: “if AIDS falls disproportionately on the poor in these countries then the fact that they will die of it will have a positive impact on the economic growth of these nations” (The battle for aids, 1995).

Manuel Castells (1993) describes how with the new global information economy a significant part of the world population will shift from a structural position of exploitation to a structural position of irrelevance. In a new theoretical conceptualization Bennett and Duffield (1995) posit that the new aid agenda reverses an earlier developmentalist goal of “incorporation” of peripheral areas into the world system, and instead now serves as a policy of management and containment of politically insecure territories on the edge of the global economy.

Hoogvelt shows how humanitarian assistance and financial aid through international agencies like the World Bank and the IMF are orchestrated in legitimating public responsibility
for debt in developing countries yet at the same time denationalizing the responsibilities traditionally associated with a nation-state. Hoogvelt describes conditionality as a deliberate use of aid to create an enabling environment for economic reforms. Leverage through aid, she argues, may be achieved through threats of withdrawal of promised loans if certain conditions of projects or programs are not met. In the current "regime of regulation" foreign development assistance increasingly is being used as leverage for pushing globalization. We therefore hypothesize:

\[ H1: \text{Aid dependency contributes positively in integrating local economies among low and low-middle-income countries, the greater the aid dependency the greater the integration with a global economic system.} \]

We test this hypothesis using three equations represented in table 1.

(TABLE 1. ABOUT HERE)

Effectiveness of aid is often measured in terms of output-input calculations, like increased energy supply or grain yield against capital and human resources (Evans, 1997, p. 46). People are missing from this kind of calculation, including those who are advantaged by economic growth and those whose rights are violated in the name of growth. Globalization, Hoogvelt (1997) thinks, is taking place in a period of "capitalist implosion." She suggests that if we measure things like cross border-trade as a percentage of world product, or the number of countries involved in international trade, we will find that a lot fewer countries, particularly in Africa, are participating in those kinds of global economic relations. If "capital implosion" is in fact happening then enhanced integration with the global economy will exclude or have marginal impact on the development of the countries where populations disproportionately can be classified as on the periphery.

Exclusion of the periphery is being ensured through aid conditionality, demanding liberalization, deregulation, and privatization, in fact dismantling the public sector. Kevin Watkins of the British Oxfam writes: "Contrary to the World Bank and the IMF claims, the position of the poor and the most vulnerable sections of the society have all too often been undermined by deregulation of labour market and erosion of social welfare provisions, and, by the declining expenditure on health and education" (1994, p.120). In the words of Manuel Castells (1993) these populations will shift from structural position of exploitation to a
structural position of irrelevance. There is an emerging system of global governance with methods and instruments geared to containing and managing symptoms rather than removing causes. "The lack of political will to remove such causes attest to a process of disengagement from periphery of the world economy" (Hoogvelt, 1997, p. 181). We hypothesize:

\[ H2: \text{External development assistance in the context of integration with the global economy will not make any significant contributions towards human development in recipient states.} \]

We test these relationships between aid dependency and development with three equations presented in table 1.

Method

To evaluate our hypotheses we use the World Bank's World Development Data 1998. (Complete definitions for indicators used are provided in the appendix 1). Our hypotheses revolve around two domains: Aid dependency and the globalization (integration with global economy), and aid dependency and development.

Sample and Measurement

After charting the trends for ten theoretically relevant variables over a seventeen-year (1980-1996) time span and estimating mean change. We estimated two set of equations (table 1.) using ordinary least square regression. A hybrid cross-section/time-series data set is used. For each variable, observations run from 1980 to 1996 and cover each of the 126 countries classified as low to middle-low-income countries by the World Bank, see appendix II.

The predictors for the indicators of integration with the global economy, the official development assistance and official aid (% of GNP), and the use of IMF credit (% of GNP) are repeated in the second set of equations for H2 as co-predictors of the indicators of development. It is thus reasonable to assume some collinearity due to correlation among predictors in the second set of equations. To overcome this, in H2, we replaced the observed values of the indicators of integration with the global economy with their predicted residuals estimated from the first set of equations for H1 (table 1.).

Full-blown globalization emerged as the former socialist states started to crumble through 1980s, making it inappropriate to extend this study to before 1980. The analysis stops in 1996 because some data are not complete beyond this date. We must add here that the data
on hand does not render itself to an accurate assessment of social issues. The United Nations Economic and Social Council (UNESCO) recognizes the seriousness of the problem, in a report on Development Indicators (The United Nations Economic and Social Council, 1999). UNESCO said that among international organizations, there remains room for improvement in the coordination of data collection. They agreed that there are many instances of inconsistencies between data disseminated at the international level. The major problems, however, are the serious gaps in the international databases. These are, in most instances, a direct consequence of the lack of basic statistical data at the country level. There is an enormous mismatch between the demand for social indicators and the ability of most countries to supply the required information. In our own analysis, the data on public expenditure on health and education was consistently missing for most countries. This significantly reduced the sample size to only 276 and 376 cases for equations H2b and H2c respectively (Table 1).

Ideally, a research of the kind that we are undertaking requires data on social indicators cutting across nations. To test the generalizability of our model, in the absence of consistent data pertaining to the excluded classes in both developed and developing countries, our sample comprises of only those countries where the masses can be considered to be living on the periphery. This sample is not suitable for research on the world system or dependency theories that might require a contrast among core, semi-periphery, and periphery states.

Measures of aid dependency

Ratios of aid to GNP, investment, imports, or public spending provide a measure of the recipient country's dependency on aid. We used two such ratios for our analysis. We picked official development assistance (% of GNP). Official development assistance (ODA) consists of loans and grants made on concessional terms to promote economic development and welfare in recipient economies listed as developing. Since ODA is expected to promote human welfare, we deem it fair to test ODA (% of GNP) against its claim.

Use of IMF credit (% of GNP) denotes repurchase obligations to the IMF for all uses of IMF resources, including trust fund loans and operations under the structural adjustment and enhanced structural adjustment facilities. Structural adjustment facilities are highly controversial aid packages overseeing the opening up of national economies to foreign investment; cutting bureaucracies and subsidies for food, health, and transport, and the
promotion of exports. Structural adjustment programs are accused of being instruments of expanding capitalist relations of production in the south (Shaw & Quadir, 1997). Effects of such aid on human development compared to its effects on integration of local economies to a global capital economy are what prompted us to use this ratio in our analysis.

Measures of integration with the global economy

The World Bank's World Development Report (1999) states, "The growing importance of trade in the world's economies is one indication of increasing global economic integration. Another is the increased size and importance of private capital flows to developing countries that have liberalized their financial markets" (p. 327). We use three such indicators to represent the degree of integration with the global economy. The indicators highlight key features of the ongoing expansion of global markets and are expressed as percent of GDP measured in purchasing power parity (PPP) to adjust for differences in domestic prices.

We chose gross foreign direct investment (% of GDP, PPP) instead of a standard measure of foreign direct investment, that captures only inward investment. The indicator is calculated as a ratio to GDP converted to international dollars using purchasing power parities. The other indicator of increasing global economic integration we used is trade (% of GDP, PPP). It is the sum of merchandise exports and imports measured in current U.S. dollars as a ratio of GDP, PPP. We also use Gross private capital flows (% of GDP, PPP). Gross private capital flows are the sum of investment inflows and outflows. Exceeding outflow (capital flight) is known to have compounded the problems of many low-income countries.

Indicators of development

Here, we deviated from the general practice of using income per capita as an indicator of development; instead, we prefer a relatively new concept, the Human Development Index (HDI). HDI measures the overall achievements in a country in three basic dimensions of human development—longevity, education, and a decent standard of living. It is measured by life expectancy, educational attainment (adult literacy and combined primary, secondary, and tertiary enrollment), and adjusted per capita income. This is a more inclusive measure of human development in a country.

To assess the degree of exclusion, by design, of peripheralized classes in the sample states, we used change in public expenditure on the most basic needs of human welfare. We
use public expenditure on health (% of GDP) and total public spending on education (% of GNP, UNESCO).

Results

Shaded values in table 2 provide support for H1. The effects of ODA were consistently non significant across gross private capital flows gross foreign direct investment and trade, while use of IMF credit had significantly positive effects across all indicators of integration with the global economy. Specific results for sub-hypothesis follow:

Gross private capital flows (% of GDP, PPP): Hypothesis H1a

Gross private capital flows show an average decline of 1.96 percent (Figure 1). OLS estimation of equations H1a, H1b, and H1c assesses the impact of the indicators of aid on the indicators of integration with the global economy. Official development assistance and official aid has no significant impact on gross private capital flows, although the slope is negative, hinting on the flight of capital. Use of IMF credit, indeed, has a significantly positive impact on gross private capital flows.

Gross foreign direct investment (% of GDP, PPP): Hypothesis H1b

In the past seventeen years gross foreign direct investment has made no gains. Foreign direct investment barely increased 0.03 percent on average. Once again official development assistance and official aid made no significant impact in improving foreign direct investment, instead the slope again is negative. Use of IMF credit here, too, has had a significantly positive impact on gross foreign direct investment.

Trade (% of GDP, PPP): Hypothesis H1c

As predicted, trade has declined on the average a considerable 8.47 percent from 1980 through 1996. ODA has no significant effect on trade. Yet, use of IMF credit had a significantly positive effect on trade.

Unshaded values in table 3 provide support for H2. Gross foreign direct investment consistently showed no significant effects on the human development indicator or on the public expenditure on education and health. Effects of trade were significantly positive across
all indicators of human development while the rest of the findings were mixed. Specific results for sub-hypothesis follow

Human Development Index (HDI): Hypothesis H2a

HDI values were available for four years; 1980, 1992, 1995, and 1996. The trend on HDI in Figure 1 indicates a sturdy ten percent increase in human development in the past seventeen years. However, estimation of equation 1, assessing the impact of aid dependency and globalization (integration with global economy) produced some interesting results (Table 2). We had hypothesized no significant effects of aid dependency on HDI; instead we find significantly negative effects on development of official development assistance and official aid. The slope for the use of IMF credit on HDI was negative but not significant. Neither Gross private capital flows nor gross foreign direct investment had any significant effect on HDI. Trade, on the other hand, had a significantly positive impact on the HDI.

(FIGURE 1. ABOUT HERE)

Public expenditure on education (% of GDP): Hypothesis H2b

Data on public expenditures on education and public expenditure on health were available only from 1990 through 1995. Public expenditure on education increased past a fraction (0.22) of a percent. Combined expenditure on health and education over the years, however, showed a downward trend in Figure 1. Estimation of equation 2 showed that neither official development assistance and official aid, nor use of IMF credit had significant impact on the public expenditure on education

Indicators of integration with the global economy showed mixed results. Gross private capital flow and Gross foreign direct investment, neither had any significant impact on the public expenditure on education. Trade did, however, indicate a significant positive impact on public expenditure on education.

(TABLE 2 & TABLE 3 ABOUT HERE)

Public expenditure on health (% of GDP): Hypothesis H2c

Public expenditure on health also seems to have recorded a small decline of .03 percent over the years. Estimation of equation H2c, assessing the impact of aid dependency and globalization on public expenditure on health (Table 1), shows that neither official development
assistance nor use of IMF credit had any significant impact on the public expenditure on education.

Once again indicators of integration with the global economy show mixed results. Gross private capital flow and trade both show significantly positive impact on public expenditure on health while foreign direct investment made no significant impact on the public expenditure on health.

As a variation, we excluded former Soviet-Block countries from our analysis, because these countries were more integrated to the Soviet Union through the early 1980s than to the rest of the world. We found no significant differences in our analysis. One reason could be the lack of reported data for these countries before the end of the Cold War.

Discussion and Conclusion

We said that poverty and increasing inequality need to be reconsidered in the context of a new globalized world economy. Relationship between production and consumption under globalization—its regime of accumulation—has changed dramatically. Also, the interaction of norms, habits, laws, regulation networks, and so on—"the mode of regulation"—are changing accordingly. These regulations, we argued, already are influencing capital-state relations, capital-labor relations, and relations between core and periphery classes within as well as between nation-states. We wanted to test whether the current development agenda and financial assistance are just another mode of regulation that is facilitating globalization and as a consequence undermining human development in low-income to low-middle-income countries.

We had hypothesized that aid dependency would promote integration of local economies with global economies. In our findings the foreign official development assistance and aid did not show any significant impact on the indicators of globalization. But its negative impact, though insignificant, hints on its contribution in capital flight. Even though the official development assistance's (ODA) impact on globalization might not pass the test of generalization for all low-to low-middle-income states, but ODA has undoubtedly resulted in huge debts over the years repayment of which compounded with interest is crushing many small economies. The use of IMF credit, like we had expected, had a positive significant effect on all indicators of integration with the global economy. A component of IMF credit is Enhanced Structural Adjustment Facility (ESAF) known for its conditionality, adapted
especially for low-income countries (our sample). One of the motivations for creating ESAF was to refinance return-flow of past credit from heavily indebted countries (Killick, 1995). The policy stipulations attached to ESAF were thus 'especially vigorous.' Some of the important macroeconomic changes it demanded included trade and exchange liberalization. Therefore, use of IMF credit, it can be stated safely, has made significant gains in achieving one of its objectives, integration of local economies with the global system.

Interestingly, the World Bank's World Development Report 1999 states that the aid dependency ratios may reveal as much about the interests of the donors as they do about the needs of recipients. Helleiner (1990) notes that external trade in goods and services and commercially motivated capital flows, and governmental policies toward these activities typically are of much greater consequence than aid flows, both to North and to South. Aid generally comes heavily tangled in those relations. It is small wonder, then, that aid, with its ties to global capital has worsened human deprivation. It was alarming to find ODA (Table 1) to have significantly negative consequences for human development. ODA made no positive contribution toward public expenditure on education or public expenditure on health. Gross foreign direct investment also hints at negative consequences for expenditure on health. Moran and Woods (1996) unveil trends leading to globalization of health care policy. In our own observations in Pakistan we see "donors" pushing loans worth billions of dollars on a stifling economy in the form of failed Social Action Program SAP-I, and now new SAP-II. Health care is on the agenda for SAP in Pakistan, where hospitals are being given "autonomy from centralized control" (privatized) and their subsidies are being cut. The prices of drugs doubled overnight in 1997 under obvious pressure from multinational pharmaceutical companies. The poor once again are being abandoned and squeezed.

(FIGURE 2. ABOUT HERE)

It is noteworthy that Use of IMF credit indeed is pushing local economies toward globalization, yet at a very high cost of IMF conditionality for the periphery in sample states. There is an overwhelming sense of exclusion. The idea that mechanisms of the market-place would solve most of the problems low income states faced— unemployment, under investment, poor public services, inefficient public bureaucracies, unsustainable debt burdens and even lack of personal freedom— has proven to be the farce of the century. Increasing inequality rising
unemployment and stagnant economies in many structurally adjusted states have proved that IMF conditionality has pushed people to their limits.

One of the rather challenging outcomes in our analysis was the fact that indicators of integration with the global economy do show significantly positive affects on indicators of human development: trade had a significant positive impact on all indicators of development; HDI, public expenditure on education, and public expenditure on health. Gross private capital flows had a significantly positive effect on public expenditure on education. Similarly gross private capital flow significantly affects public expenditure on health. On a second look it is almost intuitive that increased trade and capital flow has a positive impact on development. It will, however, be more appropriate to see if the trade and capital flow in these countries is actually increasing. Figure 1 reveals that capital in the form of loans indeed has been flowing in huge amounts, yet foreign investment, trade, and capital flow literally has abandoned these countries. Greider writes: “The developing nations (never mind the many more that remain stagnant) would point out further that the expanding global system still seems to be rewarding the same old folks in the same economic centers” (1997, P. 32). He notes that export remained in the hands of a few most advanced countries that substantially increased their share of total exports from 63 to 72 percent between 1980 and 1991. He points out that most other regions actually suffered shrinking exports. Among all the regions, only Asia claimed a larger share, growing from 9 to 15 percent. Kiely (1995) points to the fact that integration with the global economy does not automatically promote an economy to a rapidly expanding capitalist system. He writes:

... the promotion of an efficient capitalism in the developing world should be seen as less the outcome of technical policies (such as those of IMF and the World Bank) and more the outcome of specific social processes, which may or may not be reinforced by certain favorable -- and equally contingent -- circumstances within the global economy (1995, p. 133)

It is becoming equally evident that the “capital implosion” which Hoogvelt has suggested in fact is taking place. The Integration with the global economy is, in no way, a guarantee against exclusion from the capitalist core. UN’s Human Development Report notes: “Ironically, those who are left behind are deeply integrated in world trade” (1999, p. 35).

Hoogvelt might not be wrong in suggesting that the key to the preservation of the new emerging order is more a law-and-order problem then an economic one. Fajnzylber, Pablo,
Daniel Lederman, and Norman Loayza. (1998) write that there is a growing concern around the world about the heightened incidence of criminal and violent behavior. They go on to argue that violent crime is emerging as a priority in national policy agendas worldwide. Figure 2 shows how, by 1994, crime as violent as homicide has risen sharply in almost all 'structurally adjusted' areas of the world. Fajnzylber et al. (1998) found that increases in income inequality raise crime rates, deterrence effects are significant, crime tends to be counter-cyclical, and criminal inertia is significant even after controlling for other potential determinants of homicide and robbery rates. The latest trends emerging from East Asia, where crime was declining till 1994, align it with other deprived regions of the world. The very fact that crime control shows up on the World Bank's development agenda provides a verification of Hoogvelt's assertion that the new emerging order excludes and its preservation depends upon its ability to control.

The UN's Human Development Report (1999) shows how the richest 20% in the world share 86% of the world's GDP, 82% share of exports of goods and services, 68% of foreign direct investment and 93.3% of Internet use. We have seen in our own analysis how development aid is the hurting poor and how social spending is being held back. Global integration might have its benefits but as the Human Development Report (1999), puts it "Global integration is still very partial—for one thing the flow of labor is restricted with borders closed to the unskilled" (1999, p 25). The report goes on to say: "The collapse of space/time and borders may be creating a global village, but not everyone can be a citizen. The global professional elite faces low borders, but billions of others find borders as high as ever" (1999, p. 31). Globalization, the report says, is concentrating power and marginalizing the poor. There is indeed an overwhelming sense of exclusion.

We also have noticed how emphasis on control (crime for now) is cropping up on the agendas of the global institutions. Exclusion and control indeed are happening as predicted in Hoogvelt's model. The model makes it obvious that increasing incidence of human poverty, inequality, underdevelopment, and misery, after all, is no riddle, but is by design instead. We end with a hopeful note from Giddens:

We should and we can look to achieve greater control over our runaway world. We shan't be able to do so if we shirk the challenges, or pretend that all can go on as before. For globalization is not incidental to our lives today. It is a shift in our very life circumstances. It is the way we now live" (1999, Reith Lecture).
Appendix I

Definitions of the Measures Used in the Analysis


Measures of aid dependency

ODA (% of GNP). Official development assistance (ODA) consists of net disbursements of loans and grants made on concessional terms by official agencies of the members of DAC and certain Arab countries to promote economic development and welfare in recipient economies listed as developing by DAC. Loans with a grant element of more than 25 percent are included in ODA. ODA also includes technical cooperation and assistance. Official aid refers to aid flows from official donors to the transition economies of Eastern Europe and the former Soviet Union and to certain advanced developing countries and territories as determined by DAC. Official aid is provided under terms and conditions similar to those for ODA. Aid dependency ratios are computed using values in U.S. Dollars converted at official exchange rates.

Use of IMF credit (% of GNP). Use of IMF credit denotes repurchase obligations to the IMF for all uses of IMF resources (excluding those resulting from drawings on the reserve tranche). These obligations, shown for the end of the year specified, comprise purchases outstanding under the credit tranches, including enlarged access resources, and all special facilities (the buffer stock, compensatory financing, extended fund, and oil facilities), trust fund loans, and operations under the structural adjustment and enhanced structural adjustment facilities. Data are in current U.S. dollars.

Measures of integration with the global economy

Gross foreign direct investment (% of GDP, PPP). Gross foreign direct investment is the sum of the absolute values of inflows and outflows of foreign direct investment recorded in the balance of payments financial account. It includes equity capital, reinvestment of earnings, other long-term capital, and short-term capital. Note that this indicator differs from the standard measure of foreign direct investment, which captures only inward investment.
The indicator is calculated as a ratio to GDP converted to international dollars using purchasing power parities.

**Trade (% of GDP, PPP).** Trade as a share of PPP GDP is the sum of merchandise exports and imports measured in current U.S. dollars divided by the value of GDP converted to international dollars using purchasing power parity conversion factors.

**Gross private capital flows (% of GDP, PPP).** Gross private capital flows are the sum of the absolute values of direct, portfolio, and other investment inflows and outflows recorded in the balance of payments financial account, excluding changes in the assets and liabilities of monetary authorities and general government. The indicator is calculated as a ratio to GDP converted to international dollars using purchasing power parities.

**Measures of development**

**The Human Development Index (HDI).** HDI measures the overall achievements in a country in three basic dimensions of human development—longevity, knowledge and a decent standard of living. It is measured by life expectancy, educational attainment (adult literacy and combined primary, secondary and tertiary enrollment) and adjusted income.

**Health expenditure, public (% of GDP).** Public health expenditure consists of recurrent and capital spending from government (central and local) budgets, external borrowings and grants (including donations from international agencies and non-governmental organizations), and social (or compulsory) health insurance funds.

**Public spending on education, total (% of GNP, UNESCO).** Public expenditure on education (total) is the percentage of GNP accounted for by public spending on public education plus subsidies to private education at the primary, secondary, and tertiary levels.
### Appendix II

Countries for which the data was included in the sample


<table>
<thead>
<tr>
<th>Afghanistan</th>
<th>Ghana</th>
<th>Pakistan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Albania</td>
<td>Grenada</td>
<td>Panama</td>
</tr>
<tr>
<td>Algeria</td>
<td>Guatemala</td>
<td>Papua New Guinea</td>
</tr>
<tr>
<td>Angola</td>
<td>Guinea-Bissau</td>
<td>Paraguay</td>
</tr>
<tr>
<td>Armenia</td>
<td>Guinea</td>
<td>Peru</td>
</tr>
<tr>
<td>Azerbaijan</td>
<td>Guyana</td>
<td>Philippines</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>Haiti</td>
<td>Romania</td>
</tr>
<tr>
<td>Belarus</td>
<td>Honduras</td>
<td>Russian Federation</td>
</tr>
<tr>
<td>Belize</td>
<td>India</td>
<td>Rwanda</td>
</tr>
<tr>
<td>Benin</td>
<td>Indonesia</td>
<td>Sao Tome and Principe</td>
</tr>
<tr>
<td>Bhutan</td>
<td>Iran, Islamic Rep.</td>
<td>Senegal</td>
</tr>
<tr>
<td>Bolivia</td>
<td>Iraq</td>
<td>Sierra Leone</td>
</tr>
<tr>
<td>Bosnia and Herzegovina</td>
<td>Jamaica</td>
<td>Somalia</td>
</tr>
<tr>
<td>Botswana</td>
<td>Jordan</td>
<td>Sri Lanka</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>Kazakhstan</td>
<td>St. Vincent and the Grenadines</td>
</tr>
<tr>
<td>Burkina Faso</td>
<td>Kenya</td>
<td>Sudan</td>
</tr>
<tr>
<td>Burundi</td>
<td>Kiribati</td>
<td>Suriname</td>
</tr>
<tr>
<td>Cambodia</td>
<td>Korea, Dem. Rep.</td>
<td>Swaziland</td>
</tr>
<tr>
<td>Cameroon</td>
<td>Kyrgyz Republic</td>
<td>Syrian Arab Republic</td>
</tr>
<tr>
<td>Cape Verde</td>
<td>Lao PDR</td>
<td>Tajikistan</td>
</tr>
<tr>
<td>Central African Republic</td>
<td>Latvia</td>
<td>Tanzania</td>
</tr>
<tr>
<td>Chad</td>
<td>Lebanon</td>
<td>Thailand</td>
</tr>
<tr>
<td>China</td>
<td>Lesotho</td>
<td>Togo</td>
</tr>
<tr>
<td>Colombia</td>
<td>Liberia</td>
<td>Tonga</td>
</tr>
<tr>
<td>Comoros</td>
<td>Lithuania</td>
<td>Tunisia</td>
</tr>
<tr>
<td>Congo, Dem. Rep.</td>
<td>Macedonia, FYR</td>
<td>Turkey</td>
</tr>
<tr>
<td>Congo, Rep.</td>
<td>Madagascar</td>
<td>Turkmenistan</td>
</tr>
<tr>
<td>Costa Rica</td>
<td>Malawi</td>
<td>Uganda</td>
</tr>
<tr>
<td>Cote d'Ivoire</td>
<td>Maldives</td>
<td>Ukraine</td>
</tr>
<tr>
<td>Cuba</td>
<td>Mali</td>
<td>Uzbekistan</td>
</tr>
<tr>
<td>Djibouti</td>
<td>Marshall Islands</td>
<td>Vanuatu</td>
</tr>
<tr>
<td>Dominica</td>
<td>Mauritania</td>
<td>Venezuela</td>
</tr>
<tr>
<td>Dominican Republic</td>
<td>Micronesia, Fed. Sts.</td>
<td>Vietnam</td>
</tr>
<tr>
<td>Ecuador</td>
<td>Moldova</td>
<td>West Bank and Gaza</td>
</tr>
<tr>
<td>El Salvador</td>
<td>Morocco</td>
<td>Yugoslavia, FR</td>
</tr>
<tr>
<td>Equatorial Guinea</td>
<td>Mozambique</td>
<td></td>
</tr>
</tbody>
</table>
References


Helleiner, G. K. (Ed.). (1990). The Other side of international development policy the non-aid economic relations with developing countries of Canada, Denmark, the Netherlands, Norway, and Sweden.


Table 1. Hypotheses and the equations to test them.

**H1:** Aid dependency contributes positively in integrating local economies among low and low-middle-income countries, the greater the aid dependency the greater the integration with a global economic system.

**Equations used to test H1**

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Equation</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1a: Gross private capital flows</td>
<td>( \text{Constant} + \text{Official development assistance and official aid (GDP, PPP)} + \text{Use of IMF credit (GDP, PPP)} )</td>
</tr>
<tr>
<td>H1b: Gross foreign direct investment</td>
<td>( \text{Constant} + \text{Official development assistance and official aid (GDP, PPP)} + \text{Use of IMF credit (GDP, PPP)} )</td>
</tr>
<tr>
<td>H1c: Trade (%)</td>
<td>( \text{Constant} + \text{Official development assistance and official aid (GDP, PPP)} + \text{Use of IMF credit (GDP, PPP)} )</td>
</tr>
</tbody>
</table>

**H2:** External development assistance in the context of integration with global economy will not make any significant contributions towards human development in the recipient states.

**Equations used to test H2**

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Equation</th>
</tr>
</thead>
<tbody>
<tr>
<td>H2a: Human Development Index</td>
<td>( \text{Constant} + \text{Official development assistance and official aid (GDP, PPP)} + \text{Use of IMF credit (GDP, PPP)} + \text{Gross private capital flows (GDP, PPP)} + \text{Gross foreign direct investment (GDP, PPP)} + \text{Trade (GDP, PPP)} )</td>
</tr>
<tr>
<td>H2b: Public Expenditure on Education (%)</td>
<td>( \text{Constant} + \text{Official development assistance and official aid (GDP, PPP)} + \text{Use of IMF credit (GDP, PPP)} + \text{Gross private capital flows (GDP, PPP)} + \text{Gross foreign direct investment (GDP, PPP)} + \text{Trade (GDP, PPP)} )</td>
</tr>
<tr>
<td>H2c: Public Expenditure on Health (%)</td>
<td>( \text{Constant} + \text{Official development assistance and official aid (GDP, PPP)} + \text{Use of IMF credit (GDP, PPP)} + \text{Gross private capital flows (GDP, PPP)} + \text{Gross foreign direct investment (GDP, PPP)} + \text{Trade (GDP, PPP)} )</td>
</tr>
</tbody>
</table>
Table 2. OLS effects of aid on international trade, testing hypothesis H1

<table>
<thead>
<tr>
<th>Sub Hypotheses</th>
<th>Gross private capital flows (% of GDP, PPP)</th>
<th>Gross foreign direct investment (% of GDP, PPP)</th>
<th>Trade (% of GDP, PPP)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean change</td>
<td>-1.96</td>
<td>0.03</td>
<td>-8.47</td>
</tr>
<tr>
<td>N</td>
<td>1254</td>
<td>1248</td>
<td>1358</td>
</tr>
<tr>
<td>Constant</td>
<td>.514</td>
<td>.000</td>
<td>.072</td>
</tr>
<tr>
<td></td>
<td>Standard Error</td>
<td>Sig.</td>
<td>Standard Error</td>
</tr>
<tr>
<td>Official development assistance and official aid (% of GNP)</td>
<td>-.021</td>
<td>.028</td>
<td>.467</td>
</tr>
<tr>
<td></td>
<td>Standard Error</td>
<td>Sig.</td>
<td>Standard Error</td>
</tr>
<tr>
<td>Use of IMF credit (% of GNP)</td>
<td>-.040</td>
<td>.004</td>
<td>.168</td>
</tr>
<tr>
<td></td>
<td>Standard Error</td>
<td>Sig.</td>
<td>Standard Error</td>
</tr>
<tr>
<td>R-squared</td>
<td>.005</td>
<td>.050</td>
<td>.004</td>
</tr>
<tr>
<td>Adj. R-squared</td>
<td>.003</td>
<td>.003</td>
<td>.007</td>
</tr>
</tbody>
</table>

Note: *** denotes significance of coefficient at 1% level, ** at 5% level, and * at 10% level.
Table 3. OLS effects of aid and international trade on the basic indicators of development, testing hypothesis H2

<table>
<thead>
<tr>
<th>Independent variable</th>
<th>Human Development Index (HDI)</th>
<th>Dependent variable</th>
<th>Public Expenditure on Education as a % of GDP</th>
<th>Dependent variable</th>
<th>Public Expenditure on Health as a % of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sub Hypotheses</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mean change</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>344</td>
<td></td>
<td>254</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Constant</td>
<td>.012</td>
<td>.000</td>
<td>.144</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>Official development assistance and official aid (% of GNP)</td>
<td>-.396***</td>
<td>.001</td>
<td>.051</td>
<td>.010</td>
</tr>
<tr>
<td></td>
<td>Use of IMF credit (% of GNP)</td>
<td>-.027</td>
<td>.002</td>
<td>.046</td>
<td>.022</td>
</tr>
<tr>
<td></td>
<td>Gross private capital flows (% of GDP, PPP)</td>
<td>-.029</td>
<td>.015</td>
<td>.047</td>
<td>.156</td>
</tr>
<tr>
<td></td>
<td>Gross foreign direct investment (% of GDP, PPP)</td>
<td>.068</td>
<td>.011</td>
<td>.054</td>
<td>.234</td>
</tr>
<tr>
<td></td>
<td>Trade (% of GDP, PPP)</td>
<td>.283***</td>
<td>.011</td>
<td>.439***</td>
<td>.129</td>
</tr>
<tr>
<td></td>
<td>R-squared</td>
<td>.298</td>
<td>.000</td>
<td>.183</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>Adj. R-squared</td>
<td>.288</td>
<td>.169</td>
<td>.188</td>
<td></td>
</tr>
</tbody>
</table>

Note: *** denotes significance of coefficient at 1% level, ** at 5% level, and * at 10% level.

† represents predicted residuals from H2a

‡ represents predicted residuals from H2b

\[†\] represents predicted residuals from H2c

Figure 1. Trends in aid dependency, debt, and integration with the global economy (1980-1997).
Figure 2. Median international homicide rates by regions, 1970-1994 (Source: the World Bank)
ETHNIC ATTITUDES IN PAKISTAN

A paper to be submitted to the International Journal of Intercultural Relations

Rehan Mullick, Joseph Hraba

Abstract

We tested if Punjabi students in Pakistan share, as a group, an ethnic hierarchy and exhibit the same types of prejudice found in the West. The sample is 192 students at the Punjab College of Business Administration in Lahore in 1996. The students responded to a questionnaire in English, with questions nearly identical to those used previously by American and Dutch researchers. Principal components analysis revealed respondents’ consensus on an ethnic hierarchy of out-groups in social distance. Factor analysis showed that these students distinguished among aversive, symbolic, and biological prejudice parallel to American and Dutch results. There were two subtypes of symbolic prejudice, one in reference to the Pakistani quota system (affirmative action) and another to its uneven regional and ethnic development. Principal components analysis (PCA) showed respondents’ consensus on types of prejudice as well as ethnic hierarchy. Discussion centers on reasons that a shared ethnic hierarchy and types of prejudice found in Western countries appear in this Islamic country as well.

Introduction

Do Punjabi students in Pakistan share a hierarchy of ethnic out-groups? Do they distinguish among the same types of prejudice found in the West? The first question returns to the original conception that attitudes are group-held (Thomas and Znaniecki, 1918-1920), a sociological conception that was then supplanted by a psychological one that attitudes are individual states (Allport, 1935). The sociological conception was revived, however, some years ago with social representation theory (Forgas 1981; Jaspers and Fraser 1984; Moscovici 1961/1976), and has been applied to ethnic attitudes (below). The second question, do Punjabi students exhibit the same types of prejudice that survey respondents do in the West, extends interest in contemporary forms of prejudice to this Islamic country.
Ethnic hierarchy

Our first question asks if Punjabi students' ethnic hierarchy is a social representation or group-held. A social representation is "... a cognitive schema that is inter-subjectively shared by a social group" (D'Andrade 1987:112). If the Punjabis' ethnic hierarchy is a social representation, then the respondents share a schema that cognitively constructs out-groups in a hierarchy by agreeing that out-group D in Figure 1 is to be kept at a greater distance than out-group C. Out-group C is to be kept at a greater distance than out-group B, and B at a greater distance than out-group A. The form of this social representation is hierarchical, and its content is the group sequence in the hierarchy. What makes it a social representation is that it is shared, or group-held.

(Figure 1 about here)

An ethnic hierarchy involves making discriminations among ethnic out-groups in social distance, although the implied discrimination against out-groups may be minimal. An ethnic hierarchy represents a hierarchical ordering of ethnic groups and suggests that relative position of ethnic groups, including the in-group, is fundamental to people's larger system of ethnic attitudes. This is what Blumer (1958:4) had in mind when he wrote "... the dominant group is not concerned with the subordinate group as such but it is deeply concerned with its position vis-a-vis the subordinate group." In this case, we treat Punjabis as a dominant group.

A group-held ethnic hierarchy is an example of the sociological conception of attitudes revived by social representation theory. This began with Moscovici's (1961/1976) study of the French social representation of psychoanalytic theory, and French social scientists subsequently studied social representations of health and illness (Herzlich 1973), childhood (Chombart de Lauwe 1971/1978), and the body (Jodelet 1984). Outside France, social representation was employed in the study of social movements (DiGiacomo 1980), interpretations of a race riot (Litton and Potter 1985), social identities (Duveen and Lloyd 1986), as well as ethnic attitudes (Hewstone, Jaspars and Lalljee 1982; Jaspars and Warnaen 1982). Ethnic hierarchies can be social representations as well. Students in The Netherlands, the former Soviet Union and the United States shared social-distance hierarchies about ethnic groups in their own countries (Hagendoorn, Drogendijk, Tumanov and Hraba, 1998; Hagendoorn and Hraba 1989; Hraba, Hagendoorn and Hagendoorn 1989; Hraba and Mok 1990). Our first hypothesis is that we will find a shared ethnic hierarchy among Punjabi students in Pakistan as well.
Types of prejudice

Do Punjabi students also exhibit the types of prejudice found in the West? American and European survey respondents distinguish among biological, symbolic, and aversive prejudice (e.g., Hraba, Brinkman and Gray-Ray 1996; Kleipenning and Hagendoorn 1993). Biological prejudice, or the belief in innate differences between ethnic groups, is rooted in Social Darwinism, past racial domination at home, and/or colonial rule abroad (Kovel 1970). The ruling group was thought to be naturally superior to the ruled (McConahay 1986; Weigel and Howes 1985). However, there has been the fading of biological prejudice and the simultaneous rise in both Europe and the United States of symbolic or cultural prejudice in recent decades (Kluegel and Bobo 1993; Pettigrew 1985, 1979; Smith and Dempsey 1983; Crosby, Bromley, and Saxe 1980; Taylor, Sheatsley, and Greeley 1978). The belief that minority out-groups are different in values, if not biologically, and they are too demanding constitutes the core of symbolic prejudice (Sears, Hensler, and Speer 1979; Sears, Lau, Tyler, and Allen 1980; Sears and Kinder 1971; McConahay and Hough 1976; Sears and Cirin 1985; Schuman, et al. 1985).

Whereas symbolic prejudice represents opposition to symbols of change in the racial status quo, aversive prejudice reflects the feelings of uneasiness, discomfort, fear, and the resulting desire to avoid out-groups (Hagendoorn and Kleipenning 1991; Dovidio and Gaertner 1986; Pettigrew 1985; Kovel 1970). The latter is a third type of prejudice that African as well as European Americans, for example, exhibit (e.g., Hraba, Brinkman, and Gray-Ray 1996). This is a widely shared reading of the history of prejudice in the United States and similar changes were noted in Europe, with the newer types of prejudice called cultural and aversive racism (Baker 1981).

Sociologists have long utilized a social causation hypothesis, whereby social history is thought to shape current ethnic attitudes (e.g., Bobo and Hutchings 1996). The contemporary types of prejudice in the West seem to reflect particular national histories. There was colonialism abroad and/or racial domination at home, as noted above, supported ideologically by Social Darwinism, the historical precedent to biological prejudice. This was followed by the demise of colonialism and the rise of minority claims and home states' reaction to them, the background of majority groups' symbolic or cultural prejudice. Aversive prejudice also flows from this history.
Types of prejudice in Pakistan

Pakistan is a nation, however, with a different history than the West. It was once part of a British colony, not a European or American colonizer, and thus Pakistanis have had seemingly little need for biological prejudice regarding people of color. In addition, Pakistan's cultural heritage is Islamic. According to Kaviraj (1997), the British Raj reinforced the difference between Muslims and Hindus that ultimately legitimized the subcontinent's partition and Pakistani independence. The nation was founded on the principles of Islamic Brotherhood (ummah), equality, justice, freedom from want, and the devotion to social welfare that had characterized the earlier Muslim community. The presumption is that all Pakistanis are equal in the eyes of the state as they are before Allah, a sentiment stated in the preamble of the national constitution. This history is seemingly far removed from Social Darwinism and the embedded concepts of a hierarchy of the fit and unfit, the innately superior and inferior, which characterizes the history of the West. Hagendoorn and Henke (1991) concluded that Muslim society appears to Hindu Indians egalitarian and relatively free of prejudice, and thus appeals to the low castes, explaining their conversion to Islam. Does this egalitarianism mean that Muslim Pakistanis are free of the forms of prejudice toward each other that prevail in the West, namely aversive, symbolic, as well as biological prejudice? Perhaps so, but in the West, too, there is an ideology free of prejudice, called by Myrdal (1944) the American creed. It is derived from historic liberalism and an expanding conception of citizenship in the modern western nation-state (Hraba 1992; Hraba and Hoiberg 1983). The difference between Pakistan and the West may be only the sanctions behind egalitarianism, with one being secular (liberalism) and the other sacred (Islam) as well.

Furthermore, the actual impact of Islam on ethnic attitudes in Pakistan is not yet empirically determined. At one level, the sacred and state-supported ideology of a universal Muslim brotherhood seems to de-emphasize ethnic differences within Pakistan. Jacobson (1997) found among Pakistani youth in Great Britain a decided preference for a Muslim over a Pakistani identity, suggesting perhaps a global appeal to the religious rather than the national or sub-national identity. Below the sacred and state-endorsed ideology of a universal Muslim brotherhood is, however, the ethnic reality of Pakistan.

Pakistan is a multi-ethnic state like the United States and many European nations. Concentrated in different regions and many with their own regional governments, each ethnic
group speaks its own language and protects its ethnic lineage with a vengeance. As Jalal (1992:3) noted: “The Muslims of the Sindh, North Western Frontier Province (N.W.F.P.), and Baluchistan had one thing in common: a fierce attachment to their particularistic traditions and deep antipathy to the central control.” Punjabis, the largest part of Pakistani population (55%), are concentrated in the North Eastern Province of Punjab, a region of fertile agricultural lands. Sindhis (20%) are concentrated in the south, Pathans (10%) in the N.W.F.P., and the Baloch (5%) in the southwest. Muhajirs, the Urdu-speaking immigrants who migrated from India at and around the time of Partition, settled in urban Sindh and comprise approximately 10% of Pakistan’s population. Thus, Pakistan is not only a multi-ethnic state but also one where ethnic boundaries are coterminous with language and region, and many of its ethnic groups have separate regional governments within the national government.

Other ethnic groups considered Punjabis as a colonizer during the British Raj. At independence in 1947, Punjabi landowners acquired a considerable influence over Pakistani politics, and thus a dominant role in the distribution of the nation’s resources. Bengalis continued to view Punjabis as internal colonizers, culminating in a civil war in 1971 and the creation of Bangladesh. Does this history suggest that at least Punjabis among Pakistani ethnic groups share with westerners an historical prerequisite to biological prejudice?

In the past couple of decades, other ethnic groups, Pathans, Balochis, Muhajirs, and Sindhis have been making claims for what they perceive to be their just share of national resources. This history has been depicted in stages marked by which groups have been most successful in making these claims. Nyrop (1983:231) wrote “... as a result of significant roles played by its dominant personalities, it is reasonable to describe the periods between 1947 and 1958 as the Punjabi phase; the period between 1958 and 1971 as the Pakhtun (Pathan) phase; the period between 1971 and 1977 as the Sindhi phase; and the period since as the Muhajir (immigrant) phase.” Nyrop admitted that these divisions are arbitrary, but argued that they can assist in attempting to understand Pakistan’s political history. This recent history of minority claims on the home state is parallel to that in the West and may provide the background for Punjabi symbolic prejudice.

To be sure, ethnic competition has resulted in communal violence in the short history of the country. Sub-nationalist ethnic currents led to a civil war in 1971 and succession of the eastern wing of the country into the independent state of Bangladesh, as already noted. During
the civil war in 1971, once the perception of injustice was established in the minds of the Bengalis, the ideology of Islamic brotherhood receded and the subterranean reality of ethnic differences became manifest. "Later the Pakistani state was severely tested by Baluchistan rebellion in the mid-1970s and by Sindh uprising in the mid-1980s" (Samad 1995:8). More recently, Muhajirs in the urban Sindh have pressed claims for a separate governmental unit already the case for other groups if their rights are not respected (Rahman 1997). The dispute over Kalabagh dam project on the border of the N. W. F. P. and the Punjab has a decidedly ethnic dimension, involving not only Pathans and Punjabis but others as well. Furthermore, while certain parts of Pakistan have experienced unprecedented growth and development, many other regions and their populations have remained underdeveloped and impoverished. Almost every Pakistani government has recognized this dilemma and tried to introduce what many consider cosmetic and yet controversial measures like job and educational quotas, as well as schemes for the geographical, and thus ethnic, distribution of resources.

This suggests we might find similar types of prejudice in Pakistan as in western multi-ethnic states, at least symbolic prejudice. Furthermore, ethnic groups in Pakistan are distributed by region, leading to competition over regionally distributed resources, implying that regional competition might be a component of Pakistani symbolic prejudice. Perhaps, we will also find biological prejudice on the part of Punjabis rooted in their history of internal colonialism. Our hypotheses are that we will find that Punjabi students distinguish among the types of prejudice found in the West as well as share an ethnic hierarchy of social distance toward out-groups.

Methods

Sample and questionnaire

We selected in August 1996 a sample of students at the Punjab College of Business Administration in Lahore, Pakistan. Students in half of the mandatory classes at the college were randomly selected and asked to fill out English-language questionnaires in class. The students were informed that the researchers wanted to know what they honestly felt about various ethnic groups in Pakistan and that their opinions would go a long way toward understanding ethnic relations in the country. We did not ask for their names so that their answers were anonymous and their participation was completely voluntary. The questionnaire consisted of items in seven sections: social distance, perceived out-group threat, prejudice, stereotypes, stratification beliefs,
ethnic ranking, and personal characteristics, and was nearly identical to that employed by Hraba, Brinkman, and Gray-Ray (1996) in the United States. The only changes are using labels for Pakistani ethnic groups, the appropriate word for neighborhood, relevant labels for income and political party affiliation, and new items for regional resource distribution in Pakistan. Using virtually identical questions facilitates direct and indirect cross-national comparisons, with the later critical to this paper. The ages of the respondents ranged from 18 to 49 years, with a mean of around 22 years. Most of the respondents are men (85%).

Although these students qualify as representatives of the dominant group, certainly in Punjab if not the whole of Pakistan, they are a convenience sample. Are their ethnic attitudes typical of Punjabis in general? This is ultimately an empirical question, of course, but we can speculate. On the one hand, these students may be particularly western in their orientation, given their interest in business administration and origins in the upper middle class. Many of these students come from families in private business or landowners in rural Punjab. We know that income and education in the West are negatively associated with the level of prejudice respondents express on questionnaires, but neither is associated with sharing an ethnic hierarchy or discerning types of prejudice, and these are our research issues. These types and the ethnic hierarchy may vary by class background and business orientation in Pakistan, but there is no compelling reason to suspect that they do. Moreover, if the students’ types of prejudice reflect ethnic realities in Pakistan, and we argue later that they do, then we can at least claim that their attitudes are grounded in a social reality and likely shared by other Punjabis.

Measures

Ethnic Hierarchy. Respondents responded to five social-distance statements about four target out-groups (Balochis, Muhajirs, Pathans, and Sindhis) in five domains of contact. The domains are: (1) To have many... as classmates or coworkers would be, (2) To have many ... settled in your mohalla (neighborhood) or town would be, (3) To have many ... as friends would be, (3) To have many ... as friends would be, (4) To have ... as your business partner would be, (5) To marry a ... would be. The response categories ranged from very objectionable (1) to very acceptable (9). A general measure of the amount of social distance towards an ethnic group across the five domains was computed using the arithmetic mean of the sum scores. Equal social distance scores toward the target groups averaged across domains would indicate a
non-hierarchical conception of Pakistani multi-ethnic society. Unequal scores indicate a hierarchical conception, or keeping out-groups at different degrees of social distance. Our interest is the respondents' consensus about the group sequence in social distance. To test for consensus on social distance toward targets, principal component analysis was performed on these scores for all target groups.

Prejudice. Kleinpenning and Hagendoorn (1993) measured prejudice with 16 items that represented attitudes about segregation, affirmative action, out-group intelligence and culture, and social distance. Applying factor analysis to these items, Kleinpenning and Hagendoorn (1993) created four distinct prejudice scales: biological, symbolic, aversive, and ethnocentrism. Ethnocentrism was excluded from the present study because Hraba, Brinkman and Gray-Ray (1996) in the United States excluded it. Excluding items on ethnocentrism and parallel to both of the previous studies, we applied factor analysis to the 20 social distance and then 9 other prejudice items (the 29 items are shown in Table 2). Items pertaining to biological prejudice were computed by aggregating and averaging the scores across all non-Punjabi targets. Items indicative of symbolic prejudice have no specific target. The items that factored together were used as our prejudice scales. We then tested for the reliability of the resulting prejudice scales using Cronbach's (1951) internal consistency measure of reliability (see results). To test for consensus among respondents in discerning the same type of prejudice we used principal components analysis.

Religious Observance. To check if religious observance affects respondents, distinguishing among types of prejudice and their ethnic hierarchy, we included this variable. We asked respondents how often they offered prayers, from only on Eids (a Muslim holyday celebrating the end of Ramadan) (1) to praying five times per day (5), coded in the direction of the frequency of observance. We subsequently divided respondents at the median into high and low on religious observance.

Ethnicity. Respondent's ethnicity was a self-reported item on the questionnaire. Out of 192 respondents 153 identified themselves as Punjabis, 13 as Pathans, five as Muhajirs, four as Balochis, and one as a Sindhi. The rest either omitted or responded as others. (Only the 153 Punjabi respondents are used in this analysis.)
Analysis plan

We first test for respondents' ethnic hierarchy with principal component analysis. When a single component explains most of the variance in social-distance responses to the target groups we can assume respondents share the perceived hierarchy of target groups. Respondents agree on which target groups are to be kept at a greater distance than others. Our second step is to test respondents exhibiting types of prejudice with factor analysis. Factor results can show if Punjabi respondents discriminate among types of prejudice as found in the West.

Results

Ethnic hierarchy

Respondents discriminate among ethnic out-groups in terms of social distance. The average social distance toward all target groups across all domains was 5.26, with a score of 9 being most acceptable. Most social distance is toward Muhajirs (4.9), followed by Sindhis (5.2), Baluchis (5.3), and Pathans (5.7), in descending order (see Table 1). A one-way ANOVA revealed that the means are significantly different ($F = 5.63, p = 0.00$) at alpha .05. The respondents have a hierarchical conception of out-groups in social distance terms. Between groups however, the paired comparison test, revealed no significant difference between social distance toward Sindhis and Balochis.

Principal component analysis was used to test for respondents' sharing this group sequence, and it was applied to the social distance items toward all target groups across all domains. These scores loaded onto a single component, the group sequence shown in Table 1, explaining 67% of the total variance. Sixty-two percent of the respondents express greater social distance towards Muhajirs than Pathans at the opposite end of the hierarchy, and 63% indicate less social distance toward Baluchis and Sindhis compared to Muhajirs. The mean social distance toward Baluchis and Sindhis is not very different, however. We can assume virtual consensus about this group sequence on the ethnic hierarchy of these Punjabi students.

Religious observance did not affect respondents' ethnic hierarchy. High and low observant respondents share the same group sequence on the hierarchy of out-groups. The only different between them is high observance respondents expressed significantly less social distance toward Muhajirs ($X= 5.12$ v. $4.49$). The factor loading on item: "To have Pathans as your business partner would be" was comparatively low (.43). Pathans are not dominant players in the
business sector in Pakistan. Punjabi Student's, probably, did not see the possibility of working with them in a business setting, as a concrete one.

(TABLE 1 ABOUT HERE)

Types of prejudice

Once items assessing aversive prejudice loaded onto a single factor (Table 2), we excluded those items from the rest of the items measuring prejudice, following Kleinpenning and Hagendoorn (1993). Five of the remaining 14 prejudice items ("because of no roots minorities should be excluded from the country," "differences between ethnic groups are genetically determined," "mixed marriages would enrich Pakistani society," "member of my ethnic group behaves better," and "government revenues should be spent on areas from which they are collected") did not correlate with any other prejudice items higher than .26. Consistent with Kleinpenning and Hagendoorn's (1993) criterion for item exclusion, we excluded these items from further analysis on the basis of their low correlation.

For the remaining 9 items factor analysis was applied (PCA extraction, Varimax rotation). The analysis shows a three-factor structure (second run in Table 2). Four items pertaining to physical and biological traits: "intelligence", "looks", "warrior type," and "physical build"—loaded clearly on a single factor that we label biological prejudice (Table 2). Three items associated with regional resource allocation and two associated with job quotas load separately on the second and third factors. The second and the third factors together are symbolic prejudice. In addition, we separated respondents into high and low at the median of the religious observance variable, and performed separate factor analyses identical to those above. Respondents high and low on religious observance distinguished the same types of prejudice as above, except that respondents low on observance-connected intelligence with symbolic and not biological prejudice (not shown).

(TABLE 2 ABOUT HERE)

Aversive prejudice includes items measuring social distance toward all out-group targets (Cronbach's alpha = 0.92). Beliefs in innate group differences represent biological prejudice. Biological prejudice is respondents' perception of intelligence, looks, toughness (warrior-type characteristics), and physical build of specific out-groups. When combining target groups the overall alpha for biological prejudice is only modest (.59). The respondents do not consider
intelligence and looks to be correlated across multiple targets. Target groups that are high on intelligence are not necessarily high on looks, and those high on looks are not necessarily high on intelligence. Alphas improve significantly (up to .76) when biological prejudice items are assessed for one specific target group at a time. Symbolic prejudice is composed of two sub-scales, one concerning regional distribution of resources and the other about job quotas (Table 2). The overall score for symbolic prejudice is simply the sum of the item scores within each sub-scale.

Respondents' consensus on types of prejudice was assessed using principal components analysis. The first three components explained 59 percent of the total variance in the responses to the nine prejudice items. The first component (biological prejudice) explained 28.3 percent of variance in responses to the nine prejudice items, with an eigenvalue of 2.54. The second component (symbolic prejudice, regional resources) explained 16.5 percent, with an eigenvalue of 1.49, and the third component (symbolic prejudice, quotas) explained 13.8 percent of variance, with an eigenvalue of 1.24. We can assume significant consensus in how these Punjabi students distinguish among types of prejudice.

Discussion

These results were strikingly similar to those of Hraba, Brinkman, and Gray-Ray (1996) and Kleinpenning and Hagendoorn (1993) with respect to types of prejudice. The Punjabi students distinguished among aversive, symbolic, and biological prejudices, parallel to survey respondents in the West. Furthermore, distinguishing among these types of prejudice hardly varied by religious observance of the Punjabi respondents. The one difference was that the Punjabi respondents differentiated symbolic prejudice into two subtypes. This was expected, however, since the ethnic distribution of resources in Pakistan is by territory as well as job and educational quotas. In addition, biological prejudice was confined to physical and mental characteristics in Pakistan. Biological prejudice in the Netherlands and the United States contained items on excluding new immigrant groups from the country and neighborhood, immigration issues that are not as salient in Pakistan, as well as groups behaving badly (Hraba, Brinkman, and Gray-Ray 1996; Kleinpenning and Hagendoorn 1993).

One may conclude that a Western history of colonialism, racial domination at home, Social Darwinism, and the rise of minority claims are not necessary for respondents
distinguishing between biological, symbolic, and aversive prejudice. Punjabi students who are Muslims and have a different history discern the same types of prejudice found in the West. On the other hand, “to most members of the minorities... they equate 'Pakistan' with Punjabis and Muhajirs, who are perceived as having occupied and annexed their territories forcibly as an imperial power” (Harrison 1991: 303). Harrison goes on to say “there is an unmistakable note of ethnic arrogance in the Punjabi attitude— a desire to show the 'primitive' Baluch tribesmen who is the master... . (1991:308).” In 1971 after a bloody civil war when the eastern wing of the country parted ways to emerge as an independent state of Bangladesh, Bengali leaders also equated the Punjabi-dominated Pakistani military as oppressive colonizers. Even though these allegations are debatable, most other ethnic groups in Pakistan in fact perceive Punjabis as colonizers. By implication, Punjabis may have an historical prerequisite for biological prejudice. It is also possible, however, that other ethnic groups in Pakistan distinguish biological from the other types of prejudice, and thus a history of being dominant and a colonizer, Western or otherwise, is not necessary for biological prejudice.

As to symbolic prejudice, the Punjabi students distinguished two subtypes of symbolic prejudice, one based on job and educational quotas and the other on regional distribution. This surely reflects the social reality in Pakistan, where ethnic claims and state-sponsored quotas concern the distribution of resources by region as well as opportunity within regions. Future research might find that other ethnic groups in Pakistan distinguish these subtypes of symbolic prejudice as well. In regard to aversive prejudice, social distance has been observed in many different countries with various histories. We found it in Pakistan as well. It is a robust finding and seemingly not dependent on variations in national history, although it is certainly consistent with the geographic distribution of ethnic groups in Pakistan. These results suggest that findings about the types of prejudice in the West can be extended beyond the West.

Furthermore, an ethnic hierarchy was group-held by the Punjabi students. They agreed about what out-groups are to be kept at a greater distance than the others. They expressed the greatest distance toward Muhajirs and the least toward Pathans, and social distance toward Sindhis and Balochis is virtually the same. Muhajirs, generally well-educated, challenge the top positions of Punjabis in the national bureaucracy and compete with them for bureaucratic control of resources. This is a likely reason that the students placed the Muhajirs at the bottom of their bureaucracy. Not only do Pathans not threaten the Punjabi control of the state
bureaucratically, they along with Punjabis constitute the bulk of the Pakistani army, a significant power behind the scene. Punjabi students also see Pathans as having desirable physical and social attributes. Sindhis and Balochis, being more concentrated in their respective home regions and relatively distant from Punjabis, were hardly distinguishable in social distance.

Religious observance had no bearing on the respondents' ethnic hierarchy and types of prejudice. The implication is that observance of Islam does not affect students' hierarchical conception of out-groups in social distance, nor does it affect their exhibiting the same types of prejudice found in the West. However, more observant students expressed less social distance toward Muhajirs, possibly reflecting a religious tie with this out-group, while the less observant see Muhajirs more in competitive terms.

This study is an exploration at best. It must be followed by studies with national samples from Pakistan as well as other countries that are relevant to the issues of historical sources of current forms of prejudice. More representative samples also should contain a country's ethnic diversity. This would provide for inter-group as well as cross-national comparisons. With such a comparative design, we may learn how variations in national history and/or present ethnic realities affect current forms of prejudice across as well as within countries.

Bibliography

ADORNO, THEODORE W., FRENKEL-BRUNSWIK, ELSE, LEVINSON, DANIEL J. and STANFORD, R. NEVITT 1950 The Authoritarian Personality, New York: Harper

ALLPORT, GORDON WILLARD 1954 The Nature of Prejudice, New York: Doubleday

AMIR, YEHUDA 1976 'The role of intergroup contact in change of prejudice and ethnic relations', in Phyllis A. Katz (ed.), Toward the Elimination of Racism, New York: Pergamon Press


BLUMER, HERBERT 1958 'Race prejudice as a sense of group position', Pacific Sociological Review, vol. 1(Spring), pp. 3-7


BOBO, LAWRENCE and HUTCHINGS, VINCENT L. 1996 'Perceptions of racial group competition: extending Blumer's theory of group position to a multiracial social context', *American Sociological Review*, vol. 61(December), pp. 951-972

CASE, CHARLES E., GREELEY, ANDREW M. and FUCHS, STEPHEN 1989 'Social determinants of racial prejudice', *Sociological Perspectives*, vol. 32, pp. 469-483

CASHMORE, ELLIS E. 1986 'Who are the real racists?' *New Society*, vol. 76, pp. 7-9

CITRIN, JACK, GREEN, DONALD PHILLIP and SEARS, DAVID O. 1990 'White reactions to black candidates: when does race matter?' *Public Opinion Quarterly*, vol. 54, pp. 74-96

COHEN, ALBERT and HODGES, HAROLD 1963 'Characteristics of the lower blue collar class', *Social Problems*, vol. (Spring), pp. 303-334

CRONBACH, LEE J. 1951 'Coefficient alpha and the internal structure of tests', *Psychometrika*, vol. 16, pp. 297-334

CROSBY, FAYE, BROMLEY, SIMON and SAXE, LEONARD 1980 'Recent unobtrusive studies of black and white discrimination and prejudice: a literature review', *Psychological Bulletin*, vol. 87, pp. 546-563


DYER, JAMES A., VEDLITZ, ARNOLD and WORCHEL, STEPHEN 1989 'Social distance among racial and ethnic groups in Texas: some demographic correlates', *Social Science Quarterly*, vol. 70, pp. 607-616


HAGENDOORN, LOUK and KLEINPENNING, GERARD 1991 'The contribution of domain-specific stereotypes to ethnic social distance', *British Journal of Social Psychology*, vol. 30, pp. 63-78

HAGENDOORN, LOUK and HRABA, JOSEPH 1989 'Foreign, different deviant, exclusive and working class', *Ethnic and Racial Studies*, vol. 12, pp. 444-468
______ 1994 American Ethnicity (2nd ed.), Itasca, IL: F.E. Peacock
HRABA, JOSEPH, RADLOFF, TIMOTHY and GRAY-RAY, PHYLLIS Forthcoming 'Black and white social distance', The Journal of Social Psychology
JACKMAN, MARY R. and CRANE, MARIE 1986 'Some of my best friends are black: interracial friendship and whites' racial attitudes', Public Opinion Quarterly, vol. 50, pp. 459-486
JALAL, AYESHA 1992 The Sole Spokesman: Jinnah the Muslim League and the Demand for Pakistan, Lahore: Sang-e-Meel Publications
JANOWITZ, MORRIS and MARVICK, DWAIN 1953 'Authoritarianism and political behavior', Public Opinion Quarterly, vol. (Summer), pp. 185-201
JEFFRIES, VINCENT and RANSFORD, H. EDWARD 1969 'Interracial social contact and middle-class white reactions to the Watts riot', Social Problems, vol. (Winter), pp. 312
KAVIDAJ, SUDIPTA 1997 'Religion and identity in India', *Ethnic and Racial Studies*, vol. 20, pp. 325-344
KINDER, DONALD 1986 'The continuing American dilemma: white resistance to racial change 40 years after Myrdal', *Journal of Social Issues*, vol. 42, pp. 151-171
KINDER, DONALD and SEARS, DAVID 1981 'Prejudice and politics: symbolic racism versus racial threats to the good life', *Journal of Personality and Social Psychology*, vol. 40, pp. 414-431
KLEINPENNINNG, GERARD and HAGENDOORN, LOUK 1993 'Forms of racism and the cumulative dimension of ethnic attitudes', *Social Psychology Quarterly*, vol. 56, pp. 21-36
KLUEGEL, JAMES R. and BOBO, LAWRENCE 1993 'Opposition to race targeting: self interest, stratification ideology, or racial attitudes', *American Sociological Review*, vol. 58, pp. 443-464
______ 1982 'Whites' beliefs about blacks' opportunity', *American Sociological Review*, vol. 47, pp. 518-532
LAMBERT, RICHARD D. and BRESSLER, MELVIN 1955 'The sensitive area complex: a contribution to the theory of guided culture contact', *American Journal of Sociology*, vol. (May), pp. 584
LERNER, MELVIN and MILLER, DALE 1978 'Just world research and the attribution process: looking back and ahead', *Psychological Bulletin*, vol. 5, pp. 1030-1050
LIPSITZ, LEWIS 1965 'Working class authoritarianism: a re-evaluation', *American Sociological Review*, vol. (February), pp. 103-109
MACKINNON, WILLIAM and CENTERS, RICHARD 1956 'Authoritarianism and urban stratification', *American Journal of Sociology*, vol. (May), pp. 610-620
MASSON, C.N. and VERKUYTEN, MAYKEL 1993 'Prejudice, ethnic identity, contact, and ethnic group preferences among Dutch young adolescents', *Journal of Applied Social Psychology*, vol. 23, pp. 156-168


——— 1989 'The nature of modern racism in the United States', Unpublished Paper University of Amsterdam


RAHMAN, TARIQ 1997 Language and Politics in Pakistan, Karachi: Oxford University Press


SEARS, DAVID O. and FUNK, CAROLYN L. 1991 'The role of self-interest in social and political attitudes', *Advances in Experimental Social Psychology*, vol. 24, pp. 1-91

SEARS, DAVID, LAU, RICHARD R., TYLER, TOM R. and ALLEN, HARRIS M. 1980 'Self-interest vs. symbolic politics in policy attitudes and presidential voting', *American Political Science Review*, vol. 74, pp. 670-684

SEARS, DAVID, HENSLER, CARL P. and SPEER, LESLIE K. 1979 'Whites opposition to 'busing:' self interest or symbolic politics?' *American Political Science Review*, vol. 73, pp. 369-384


SIGELMAN, LEE and WELCH, SUSAN 1993 'The contact hypothesis revisited: black-white interaction and positive racial attitudes', *Social Forces*, vol. 71, pp. 780-795


SMITH, TOM and DEMPSEY, GLENN 1983 'Ethnic social distance and prejudice', *Public Opinion Quarterly*, vol. 47, pp. 584-600


STOUFFER, SAMUEL 1955 *Communism, Conformity, and Civil Liberties*, New York: Doubleday


TRUBOWITZ, JULIUS 1969 Changing the Racial Attitudes of Children: The Effects of an Activity Group Program in New York City Schools, New York: Praeger


WILLIAMS, ROBIN M. 1947 The Reduction of Intergroup Tensions, New York: Social Science Research Council

WILSON, WILLIAM J. 1978 The Declining Significance of Race, Chicago: University of Chicago Press
Figure 1. The group-held ethnic hierarchy and prejudice types in Pakistan.

Ethnic Hierarchy

A (Pathans)
B (Baloch)
C (Sindhis)
D (Muhajirs)

Prejudice by its Type

Aversive
Symbolic
Biological

In-group's discrimination among types of prejudice
Table 1. Punjabi students' social distance toward Pakistani out-groups (N=153)

<table>
<thead>
<tr>
<th>Outgroups</th>
<th>Mean Social Distance*</th>
<th>Range</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pathans</td>
<td>5.7^a</td>
<td>7.4</td>
<td>1.4</td>
<td>9.0</td>
<td>1.76</td>
</tr>
<tr>
<td>Balochis</td>
<td>5.3^b</td>
<td>8.0</td>
<td>1.0</td>
<td>9.0</td>
<td>1.67</td>
</tr>
<tr>
<td>Sindhis</td>
<td>5.2^b</td>
<td>7.6</td>
<td>1.4</td>
<td>9.0</td>
<td>1.81</td>
</tr>
<tr>
<td>Muhajirs</td>
<td>4.9^c</td>
<td>8.0</td>
<td>1.0</td>
<td>9.0</td>
<td>1.94</td>
</tr>
</tbody>
</table>

* a, b, and c are significantly different, b are not significantly different at p < .05.
Table 2. Factor loadings of prejudice items for Punjabi students (N=153)

<table>
<thead>
<tr>
<th>Variable</th>
<th>Aversive Prejudice</th>
<th>Biological Prejudice</th>
<th>Symbolic Prejudice</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Factor 1</td>
<td>Factor 1 (Resources)</td>
<td>Factor 3 (Quotas)</td>
</tr>
<tr>
<td></td>
<td>Variance Explained</td>
<td>Variance Explained</td>
<td>Variance Explained</td>
</tr>
<tr>
<td>Sindhis</td>
<td>39.72%</td>
<td>28.26%</td>
<td>16.50%</td>
</tr>
<tr>
<td></td>
<td>To have many Sindhis as classmates or co-workers would be</td>
<td>.66</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>To have many Sindhis settle in your mohallah (neighborhood) would be</td>
<td>.62</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>To have many Sindhis as friends would be</td>
<td>.79</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>To have Sindhis as your business partners would be</td>
<td>.72</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>To marry a Sindhic would be</td>
<td>.65</td>
<td>-</td>
</tr>
<tr>
<td>Pathans</td>
<td>To have many Pathans as classmates or co-workers would be</td>
<td>.76</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>To have many Pathans settle in your mohallah (neighborhood) would be</td>
<td>.76</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>To have many Pathans as friends would be</td>
<td>.80</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>To have Pathans as your business partners would be</td>
<td>.43</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>To marry a Pathan would be</td>
<td>.76</td>
<td>-</td>
</tr>
<tr>
<td>Balochis</td>
<td>To have many Balochis as classmates or co-workers would be</td>
<td>.75</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>To have many Balochis settle in your mohallah (neighborhood) would be</td>
<td>.73</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>To have many Balochis as friends would be</td>
<td>.74</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>To have Balochis as your business partners would be</td>
<td>.76</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>To marry a Baloch would be</td>
<td>.76</td>
<td>-</td>
</tr>
<tr>
<td>Muhajirs</td>
<td>To have many Muhajirs as classmates or co-workers would be</td>
<td>.73</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>To have many Muhajirs settle in your mohallah (neighborhood) would be</td>
<td>.77</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>To have many Muhajirs as friends would be</td>
<td>.76</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>To have Muhajirs as your business partners would be</td>
<td>.78</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>To marry a Muhajir would be</td>
<td>.65</td>
<td>-</td>
</tr>
<tr>
<td>Intelligence*</td>
<td>.73</td>
<td>.12</td>
<td>.02</td>
</tr>
<tr>
<td>Looks*</td>
<td>.80</td>
<td>.19</td>
<td>.04</td>
</tr>
<tr>
<td>Warrior Traits*</td>
<td>.83</td>
<td>-.19</td>
<td>-.11</td>
</tr>
<tr>
<td>Physical Build*</td>
<td>.80</td>
<td>-.05</td>
<td>-.01</td>
</tr>
<tr>
<td>Development resources are unjustly allocated to different regions in Pakistan</td>
<td>.03</td>
<td>.64</td>
<td>-.08</td>
</tr>
<tr>
<td>Economic resources in Pakistan should be allocated according to the population size of a region</td>
<td>.17</td>
<td>.66</td>
<td>.00</td>
</tr>
<tr>
<td>Economic resources in Pakistan should be allocated according to the level of development of a region</td>
<td>-.07</td>
<td>.74</td>
<td>.04</td>
</tr>
<tr>
<td>Quota system in Pakistan to help individuals from underprivileged regions to get ahead is fair</td>
<td>-.18</td>
<td>.09</td>
<td>.77</td>
</tr>
<tr>
<td>Individuals from underdeveloped regions of Pakistan should get preferential treatments in getting jobs</td>
<td>.11</td>
<td>-.14</td>
<td>.79</td>
</tr>
</tbody>
</table>

*Items across target groups
CONCLUSION

The material and social conditions of globalization no longer support the long-standing pyramidal view of the world order as a geographic core-periphery hierarchy. Past development theories, though radically opposed in pointing out the rights and wrongs of the pyramid, shared the premises of "universalistic and inclusive credo" that all human beings on the planet had a right to partake in the fruits of technological and economic advancement" (Hoogvelt, 1997, p. 239). The nation-state was the central arbiter and agent of development and the inherent drive of capitalist expansion was to lead the way to worldwide social progress (Hoogvelt, 1997) or destruction. Globalization has changed it all.

This new world economic order is the outcome of neo-liberal economic policies that regard the market as the central organizing principle of human societies and economic growth as its primary goal. It idealizes free trade, efficiency, and perfect competition. It can be seen as an extension of the mercantile and colonial period paced up tremendously with a revolution in communication and information technologies. Economic policies of deregulation, privatization, government 'downsizing' and market liberalization are the tools to enforce and regulate this system. The nation-state, which was considered the central arbiter and agent of development, now has become a "rent seeking" police for globalization. Developmentalism is lost in the current, dog-eat-dog, competition in which states are pitted against states, regions against regions, and individuals against individuals. "In the present stage of high-tech information-driven capitalism, there is, for the moment, neither theory, world view, nor moral injunction, let alone a program of action, to include them (excluded masses) in universal progress" (Hoogvelt, 1995, p. 240).

The Bretton Woods institutions, whatever they contributed to the development in their earlier years, under globalization have...

...gravitated to a different purpose: advancing the revolution, fostering conditions necessary for the "one world" market envisioned by finance capital In various collateral ways, both institutions now serve as paternalistic agents of global capital—enforcing debt collection supervising the financial accounts of poor nations, promoting wage suppression and other policy nostrums, preparing the poorer countries for eventual acceptance by the global trading system (Greider, 1997, p. 281).
The empirical evidence we presented in our first paper supports this point of view. We have seen that aid dependency contributes positively to the indicators of integration with the global economy and at the same time some of the dependency indicators showed significantly negative consequences for human development. Greider (1997) likens the zeal to impose this "mode of regulation" to a medieval church proselytizing for a fundamentalist theology. He quotes Susan George and Fabrizio Sabelli "The missionary is replaced by the neoclassical economist, the development expert mediates between the developed and undeveloped worlds as the priest mediates between the divine and secular ones, helping the underdeveloped to tread the long road to salvation. The way is hard and steep; it's not for the faint hearted." (1994, p. 6).

"The religion has clearly failed to save the sinners from their poverty," writes Greider (1997, p. 282). The polices of the World Bank and the International Monetary Fund (IMF) under SAPs (structural adjustment programs) so far have translated into cutbacks on social spending, insecurity, social exclusion, poverty, rising crime, and community disintegration. We have seen in the first paper how the expenditure on social spending, as basic as health and education, has been slashed amidst increasing poverty and rising population.

The United Nations' Human Development Report (1999) provides alarming figures on the concentration of wealth and increasing inequality. We saw in paper one that Hoogvelt's assertions on the implosion of capital carry a lot of weight. Even though financial transactions worth a trillion dollars take place each day across the globe, the capital remains in increasingly fewer hands. We saw evidence for capital flight from poorer states, yet no significant gains were recorded in foreign direct investment there. In reality, foreign direct investment is decreasing in most developing countries. Hirst and Thompson (1996) argue on similar lines that there is no massive shift of capital, investment, or employment from advanced to developing countries, something globalization is suggested to have done. The G3 (Europe, Japan, North America) still dominate the world economy with only 14% of the global population and 75% of all direct investment flows including ones from poorer states. Hirst and Thompson (1996) conclude that globalization is a "myth." From a Third World perspective economic gains of globalization are indeed a myth, but its costs, economic and social, are very real.

Globalization is not merely an economic phenomenon. "...it's a complex set of processes, not a single one. And these operate in a contradictory or oppositional fashion" (Giddens, 1999). Giddens thinks that to look at globalization solely in economic terms is a
mistake. To him “globalization is political technological and cultural, as well as economic” (1999). Hoogvelt does not see it as purely economic either. “Globalization is the intensification of human interaction at all levels—financial, social, and cultural” (1997, p. 10). She thinks that as a result of globalization a condition of “exclusion and anarchy” exists in parts of the world where states emerging after independence were not strong enough viably to unite the civil society out of the mosaic of ethnic fragments bequeathed by colonial administrations. In the second paper we found that ethnically dominant Punjabi students in Pakistan expressed biological prejudices against outgroups much the way their colonial heritage dictated it. Pakistan does represent a fragile social and political order similar to the one found in sub-Saharan African states. Globalization, structural adjustment, and failure to progress can lead the country into civil strife, anarchy, and instability. Giddens (1999) also believes that as the hold of the older nation-state weakens, local nationalism and cultural identities will spring up as a response to globalizing tendencies in different parts of the world.

The results in the second article were strikingly similar to those of Hraba, Brinkman, and Gray-Ray (1996) and Kleinpenning and Hagendoorn (1993) with respect to types of prejudice. The Punjabi students distinguished among aversive, symbolic, and biological prejudices, parallel to survey respondents in the West. We do find in Pakistan the fundamental premise of multiculturalism manifest in its oppositional structure of “new racism.” Furthermore, distinguishing among these types of prejudice hardly varied by religious observance of the Punjabi respondents. The universalistic ideal of Islam that was the basis of the formation of Pakistan seems vulnerable to biologically-derived notions of racial superiority. Also, these respondents differentiated symbolic prejudice into two subtypes. This was expected, however, since the ethnic distribution of resources in Pakistan is by territory as well as job and educational quotas. This surely reflects the social reality in Pakistan, where ethnic claims and state-sponsored quotas concern the distribution of resources by region as well as opportunity within regions. Future research might find that other ethnic groups in Pakistan distinguish these subtypes of symbolic prejudice as well. We fear that further marginalization of societies like Pakistan can lead to inter-ethnic conflicts as is the case already in sub-Saharan Africa.

Robert Kaplan (1997) also foresees ‘coming anarchy’ in international politics, resulting from economic disparity, famine, genocide, and environmental problems. He cites Africa and Afghanistan as examples of anarchy already taking shape in different regions of the world.
Kiely (1991) and Hoogvelt (1997) are rather pessimistic about what is left of developmentalism, but they see a ray of hope in development strategies being worked upon in the “excluded sphere.” They feel that the intellectuals working with the masses that have been excluded from globalization have an inherent advantage of “post structuralist thinking.” They are autonomous, culturally grounded, democratic, and ecologically friendly, without having to worry about “taming” the capital that already has abandoned the sphere they work for. Hume and Turner (1990) emphasize the significance of developing tools to allow local-level organizations to engage in development in areas where the global capital has left for good.

Giddens (1999), however, is not as pessimistic. He thinks that state and politicians are still important: “trade always needs a framework of institutions, as do other forms of economic development. Markets cannot be created by purely economic means” (1999). The nation-state, he agrees, is being reshaped; the world is fraught with anxieties, and scarred by deep divisions, but the powerlessness we are feeling today is a reflection of the incapacities of our institutions. “We need to reconstruct those we have, or create new ones, in ways appropriate to a global age.” He admits that this is not a global order driven by collective human will. This system is emerging in anarchic, haphazard, fashion. To achieve greater control over this runaway world, Giddens suggests a greater role for the state and a need for the “democratization of democracy.” He says, and we agree, that state and civil society cannot be replaced with the free market. “Government, the economy and civil society need to be in balance. If one dominates over the others, unfortunate consequences follow” (Reith lecture, 1999).

Another important point Giddens (1999) makes is the need to for Building a “democracy of the emotions,” in which democratic attitudes, including tolerance, have to be developed and fostered by government. This in its turn should become the basis of government. It is particularly important for multiethnic societies under economic strains. Instead of institutions like the World Trade Organization (WTO), there is a genuine need for fair and truly democratic global institutions with nation states as its equitable members. To accomplish this the development agenda will have to make another sharp turn, but this time away from promoting a global market, instead, for harnessing it.

We end with a hopeful note from Giddens:

We should and we can look to achieve greater control over our runaway world. We shan’t be able to do so if we shirk the challenges, or pretend that all can go on as
before. For globalization is not incidental to our lives today. It is a shift in our very life circumstances. It is the way we now live” (1999, Reith Lecture).
REFERENCES


Helleiner, G. K. (Ed.). (1990). The Other side of international development policy the non-aid economic relations with developing countries of Canada, Denmark, the Netherlands, Norway, and Sweden.


Naisbitt, J. (1994). Global paradox the bigger the world economy, the more powerful its smallest players, New York: W. Morrow.


Stouffer, S. (1955) Communism, conformity, and civil liberties, New York: Doubleday


ACKNOWLEDGEMENTS

Some years ago, not sure of my academic plans, I sat in a sociology course, “organizations and their environments.” The professor, Dr. Mulford, and his cheerful style of teaching, showed me what I wanted from my life. He inspired me to take-up sociology as my filed of study and has helped me all the way to a Ph.D. I am absolutely grateful, this would not have been possible without his “no sweats” and “supers.” I thank Dr. Lee, my co-major professor, for her candid and practical advice on matters of academia as well as life. But most of all, I thank her for allowing me to lean on her in times of crises. With Dr. Lee, the line between a caring mother and a wise professor blurs frequently, an honor so few can get to. I would like to thank the rest of my committee members for putting up with me. Dr. Shelley shines with his remarkable kindness and flexibility. I will always remember him as true benefactor of students. I thank Dr. Sapp for his wisdom and insight in challenging me to write in a manuscript form. His help and precise ways have improved my writing abilities forever. I am grateful to Dr. Brent Burton, whom I consider a sage with a smile, for his advice. I am equally indebted to Dr. Helen Jensen for her mature and relevant advice, despite being included in the committee at a very late stage. I also am grateful for the advice Dr. McElroy provided me till he graciously offered to be replaced with someone in economics.

Two people not in my committee who changed me are Dr. Joseph Hraba and Dr. Vern Ryan. Dr. Hraba has not only co-authored the second paper included here, he has literally taught me the ropes of writing a research paper. He has been a mentor who’s company I value very much. Dr. Ryan’s help has been vital for me, both professionally as well as emotionally. He trusted my abilities and provided me opportunities at times when I myself was in doubt. He has virtually pulled me out of a quagmire I was in, and has made it possible for me to move on.

I thank Shahinda, my wife, for being there for me, my daughter Maaria for being the reason to push on, and my mother-in-law Marium Jan Sufi for her prayers. My thoughts are also with my entire family in Pakistan specially my sister Fareeba. I would like to thank my colleagues and friends on the forth floor of the East Hall and the most wonderful staff of the department, specially Janet Huggard, for making it all possible.