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REVISITING THE CONCEPTUAL UNDERSTANDING OF DEVELOPMENT POLICY IN DEVELOPING COUNTRIES

Abstract

Development policy is considered a comprehensive development strategy for developing countries, not only as a plan, but also with aid and several initiatives in international relations. This article attempts to define the conceptual understanding of development policy with different dimensions such as theories, policies, institutional approach, developing countries, and their developmental needs. Qualitative content analysis is a central method aimed at tracking development discourse in different aspects by academia, institutions and others. Concluding remarks highlighted that development policy has evolved after a long effort in social science with special reference to the economics discipline. Development diplomacy is significantly influencing the approach to foreign policy in international relations, aiming to enhance soft power. Now, we have sustainable development goals (SDGs), a comprehensive development policy where the donor and receiver are looking for new cooperation.

Keywords: *development policy, developing countries, development cooperation, international relations, Global South*

Introduction

From a broad perspective, development is an ancient concept in human history, and it is part of the process that determines continuous improvement for both individuals and society. After the religious, socialist, and industrial movements, which led to the legalisation of the establishment of democracy, directed to the foundation of improving the economic and social welfare of the people. Likewise, these were directly related to improvement in living conditions and rising economic activities. But World War I and World War II (WWII) somehow disturbed the development process; particularly, WWII was a turning point for human history, bringing major destruction. Nevertheless, it had also helped in decolonisation in the Asian, African, Caribbean, and South American countries from Western imperialism. This was the main result of the need to rebuild not only the war-ravaged countries in Europe but also in decolonised countries (Bharti, 2023, 2025). Then the decades of the Cold War landed in the world, where countries already needed mass development, and definitely, the world was not ready for World War III, and *non-aligned countries*[1] decided to look forward to the rebuilding and development of the country. Wherever there was a big competition between the capitalist West and the socialist East, this was the time for the emergence of international development assistance towards developing or poor countries in international relations (IR). Although that was an essential extension of foreign policy for both parties in IR. It was also the foundation phase of development policy for developing countries.

Likewise, this study first analyses the concept of development, and there is a need to discuss how the term development has evolved over the decades. Though the development debate has brought economic growth and well-being, as the transformation and advancement of humanity. There are billions of people around the world who live in extreme poverty, and it is nearly 10 per cent of the world's population. According to the World Bank, almost 1 billion people are living below $1.90 per day, and nearly 4 billion people live in a household with an income below $2.50 per day (Compassion, n.d.). The history of development policy is very old, and historical evolution describes its emergence into the contemporary development policy that is working as per sustainable development.

It is a moral framework that emphasises social arrangement, which should be promoted to meet the real freedom (real opportunity) for the people through the functioning and identification of value. It is people's opportunities to realise that beings and doings are what they can enjoy: *alternative combinations of functioning that are feasible for him/her to achieve. Capabilities thus a kind of freedom: the substantive freedom to achieve alternative functioning combinations*[2]. Equitable development is only possible when the expansion of the capabilities of the people results in real freedom. The conceptual framework of capabilities is understood as an assessment of well-being, social arrangements, and proposals, as well as the design of policies for social change for the individual and society.

The concept of development in social science is broad, encompassing economic development and the international political economy. It refers not only to a nation's income but also to the broader socio-economic transformation within a country. Development is closely tied to economics and is also a key theme in IR, particularly in discussions around underdeveloped and developing countries. But development policy evolved as a diplomatic instrument within the discipline of IR, which frequently refers to economic diplomacy and enables a donor country as an economic player in international politics to maintain the international political economy (Bharti, 2022). This evolution has allowed donor countries to not only address humanitarian needs but also to enhance their geopolitical influence and foster alliances. Consequently, development policy has become a crucial tool in shaping global relationships and addressing pressing international challenges.

This article builds its conceptual and theoretical framework around the notions of development, developing countries, sustainable development, and the application of international relations theories, especially as they relate to foreign policy analysis. Development, as a concept, is as old as human civilisation and has continually evolved alongside human progress. Historically, this study traces the phases of development and explores how these stages have shaped both economic systems and human activity. The study employs a qualitative research design, based on secondary sources from a comprehensive literature review, with the principal objective of deconstructing the notion of development policy within the field of International Relations. The thematic content analysis supports an interpretative approach to analysing the multidimensional nature of development policy, using key terms such as *development policy*, *development aid*, *development assistance*, *foreign aid*, *development cooperation*, and *humanitarian assistance*. It draws on literature including peer-reviewed journal articles, academic books, book chapters, theses, and institutional documents (policy reports, strategy papers, technical briefs, and online resources). The findings of this review reveal the intricate interplay between these concepts and highlight the evolving paradigms that shape development policy in international relations. Furthermore, it underscores the necessity for a nuanced comprehension of the implications these policies have on global cooperation and humanitarian efforts.

Understanding of Developing Countries

Developing countries are a group of low – and lower-middle-income states. Statistical approaches are very important to assess the country's lower rating in the Human Development Index (HDI), which includes the least developed countries (LDCs) and developing countries. Countries with low per capita income are also called 'the developing world', which includes most countries, and the rest of the countries are called 'the industrialised world' (Chen and Sapsford, 2005, pp. 3-5). There are some common challenges amongst the developing countries, and they share issues of health, high population growth, lack of safe drinking water, poverty, health issues, e.g., diabetes and high blood pressure, as well as environmental-related problems such as hazardous air pollution. The above discussion defines those developing countries as less advanced or mature in major areas like technology and defence, as well as having a low *Human Development Index* (HDI). Likewise, HDI is a statistical tool to measure the overall achievement in the social and economic dimensions of a country, and these dimensions are based on the health of people, the level of education, and the standard of living.

The United Nations Conference on Trade and Development (UNCTAD) is responsible for the classification of the term as *least developed* according to their low gross national income (GNI[3]), which defines weak human assets and their high degree of economic vulnerability. There are more than half of the world's population lives on less than USD 1,018 per annum. As of 2024, the Gross National Income (GNI) per capita threshold for inclusion in the LDCs category is set at under USD 1,088, based on a three-year average. Despite the implementation of the 'Washington Consensus' policies for more than two decades, nearly 1.2 billion people worldwide still live on less than one dollar per day, and over half of the global population survives on less than two dollars per day. LDCs account for approximately 12 per cent of the world's population – around 880 million people – who continue to face severe structural barriers to development. These countries remain at high risk of deeper poverty, with more than 75 per cent of their populations living in extreme poverty, reflecting ongoing challenges of underdevelopment[4].

The United Nations Committee for Development Policy (CDP), through its secretariat, is responsible for reviewing and monitoring the progress of LDCs to assess their eligibility for graduation – from LDC status to developing country status, and eventually to developed country status. The CDP operates under a mandate from the United Nations General Assembly (GA) and the Economic and Social Council (ECOSOC)[5].

Table 1: *UN Criteria for Classification of LDCs 2024*

Indicators	Sub-indicators
1) Human Assets Index (HAI)	1. Secondary school enrolment 2. Under-nourishment 3. Maternal Mortality 4. Adult literacy 5. Under-five mortality
2) Economic Vulnerability Index (EVI)	1. Population 2. Remoteness 3. Export concentration 4. Victims of natural disasters 5. Share of agriculture and fishing in GDP 6. Share of population in coastal zones 7. Instability of exports 8. Instability of agricultural production
3) Income Per Capita (GNI)	Under USD 1,088 for inclusion, above USD 1,306 for graduation.

Source: Department of Economic and Social Affairs, UN.

Table 1 outlines the United Nations criteria for classifying Least Developed Countries (LDCs), based on three main indicators. The Committee for Development Policy (CDP) uses these indicators to recommend the inclusion or graduation of countries. To qualify for inclusion, a country must have a GNI per capita below USD 1,088, while graduation requires a GNI per capita above USD 1,306. A country must meet at least two out of the three criteria in two consecutive triennial reviews to be considered for graduation from LDC status. Alternatively, a country may qualify for graduation if it achieves a GNI per capita of at least USD 3,918 in both reviews[6]. The World Bank Atlas method is a key assessment criterion to define the per capita income in a fiscal year, and it is defined based on Gross National Income (GNI), formerly known as Gross National Product (GNP). There is a formula to calculate GNI per capita, e.g., $GNI = GDP + (EX_{FS} – IM_{FS})$[7].

Despite indicators such as high economic growth, strong human security, high per capita Gross Domestic Product (GDP), and an elevated standard of living – characteristics that typically define a developed country – many nations still fall short of these benchmarks. Developed countries include examples such as the United States, Australia, New Zealand, and those in Western Europe. Countries that fall between the extremes of developed and least developed are referred to as developing countries. In contrast, LDCs – also known as least economically developed countries – are identified by the United Nations as having critical structural weaknesses. These include a lack of skilled human resources, low per capita income, an underdeveloped industrial base, and fragile economies. Such underdevelopment is often the result of persistent challenges such as population displacement, environmental shocks, limited human capital, and weak or underutilised natural resources. Examples of countries currently classified as LDCs by the UN include Afghanistan, Angola, Bangladesh, Nepal, Mali, South Sudan, and Yemen[8].

Graduation from the LDC category impacts a country's access to various forms of international support, including financing from multilateral development banks and eligibility for Official Development Assistance (ODA). Specifically, graduation involves the transition from access to highly concessional financing provided by institutions such as the World Bank's International Development Association (IDA) and the International Bank for Reconstruction and Development (IBRD). Eligibility for ODA is assessed by the Organisation for Economic Co-operation and Development (OECD). A country graduates from ODA eligibility once it exceeds the World Bank's high-income threshold for three consecutive years (United Nations, 2018, p. 13). The graduation process from LDC status now includes a higher GNI per capita threshold and incorporates a multidimensional approach to development in assessing eligibility. As a result, some LDCs may also qualify as middle-income countries based on their income levels. Currently, 19 LDCs are classified as middle-income countries.

The World Bank's World Development Indicators and the UNDP's Human Development Reports both use income data in their annual assessments.

The World Bank calculates income figures annually for inclusion in the UNDP's Human Development Reports. Per capita income is one of the key metrics used to assess countries, helping to determine whether they are classified as developing or developed (Sanford and Sandhu, 2003). The UNDP's annual Human Development Report (HDR) defines the fundamental distinction between developed and developing countries by emphasising human development as *the expansion of people's freedoms and capabilities to lead lives that they value and have reason to value. It is about expanding choices. Freedoms and capabilities are a broader concept than merely fulfilling basic needs*[9]. People in developing countries need to meet basic needs and access opportunities that provide the necessary freedoms and capabilities to progress on the development ladder.

The International Monetary Fund (IMF) is an international organisation comprising 189 countries, dedicated to *fostering global monetary cooperation, securing financial stability, facilitating international trade, promoting high employment and sustainable economic growth, and reducing poverty around the world.* Established in 1945, the IMF has since been working to provide support to developing countries on their path toward development[10]. The World Trade Organisation (WTO) is an international organisation that oversees the rules of trade between nations. The WTO supports countries through its agreements, negotiations, and cooperation with the world's trading partners. Its goal is to *help producers of goods and services, exporters, and importers conduct their business.* The WTO plays an important role in developing countries by supporting economic development and promoting peaceful relations between nations[11]. So far, the IMF's definition describes fast development and structural transformation in developing economies or countries, considering it the most comprehensive measure based on per capita income levels, export diversification, and the degree of integration into the global financial system[12]. However, other developing countries that are not included in the LDC category are still considered developing. The LDCs (Least Developed Countries) are a special subgroup within the broader category of developing countries.

The North American Free Trade Agreement (NAFTA) was established to reduce tariff barriers among its member countries. Before the creation of the World Trade Organisation (WTO), international trade was regulated under the General Agreement on Tariffs and Trade (GATT), which was replaced by the WTO in 1995. Currently, the WTO has 164 member states and holds the authority to enforce trade sanctions. Its free trade policies have been illustrated through cases such as EU banana imports and U.S. steel imports (Willis, 2011).

The General Agreement on Tariffs and Trade (GATT) came into effect in January 1948 and transformed into the World Trade Organisation (WTO) in January 1995. They were created to provide a trade advantage through reduced tariffs and trade barriers to all members. The GATT and developing countries' relationship have been more debatable for the negotiation over a conflict about the preferences, and negotiations were continued until recent rounds of debate (Burton, n.d.).

Trade Assistance for Developing Countries

The two very important enabling clauses for developing countries have been provided for relaxation in trade, which could help the development process. The first enabling clause was adopted under GATT in 1979 that officially called the *Decision on Differential and More Favourable Treatment, Reciprocity and Fuller Participation of Developing Countries,* and the second was the WTO legal basis for the GSP, which offers to developing countries as *non-reciprocal preferential treatment (such as zero or low duties on imports) to products originating in developing countries*[13].

Developing countries have special rights known as *special and differential treatment* (SDT) provisions under the GATT/WTO Agreements. These provisions were reaffirmed during the Fourth WTO Ministerial Conference in Doha, which mandated the Committee on Trade and Development to examine the implementation of SDT measures. Later, the Bali Ministerial Conference established a mechanism to review and analyse how these provisions are being applied. The WTO Agreements include special arrangements to grant developing countries certain rights and to enable developed countries to treat them more favourably compared to other WTO members. The main special provisions include: 1) extended periods for implementing agreements and commitments; 2) measures to increase trading opportunities for developing countries; 3) obligations for all WTO members to safeguard the trade interests of developing countries; 4) support to help developing countries build capacity for WTO work, dispute handling, and implementation of technical standards; and 5) specific provisions related to least-developed country (LDC) Members[14].

The Generalized System of Preferences (GSP) is an important instrument designed to promote development by facilitating trade through duty-free access to goods for eligible beneficiary countries. The GSP provides a nonreciprocal trade preference, allowing vulnerable developing countries to export products to Western markets without tariffs. It was first introduced by UNCTAD during the Kennedy Round negotiations to encourage developing countries' participation in the General Agreement on Tariffs and Trade (GATT). GATT members approved special treatment for GSP initially on a temporary basis in 1971, and then permanently in 1979. The GSP aims to support beneficiary developing countries (BDCs) in alleviating poverty and generating employment, while upholding international values and principles, including labour and human rights standards. Typically, countries classified by the World Bank as low income or lower-middle income, as well as those below the *upper-middle income* threshold, and not benefiting from other preferential trade arrangements, are eligible for partial or full removal of customs duties on specified tariff lines under the GSP (Özden and Reinhardt, 2003). In addition to the general conditions, BDCs may qualify for a 'special incentive arrangement for sustainable development and good governance.' Under this arrangement, BDCs can receive enhanced trade benefits, such as duty-free and quota-free access for all products, with the exception of arms and ammunition, among other conditions.

The European Union (EU) is a unique economic and political supranational union of 27 countries. Its policies aim to promote common values such as human dignity, freedom, democracy, equality, the rule of law, and human rights in order to foster peace, well-being, security, and justice based on sustainable development. The EU not only promotes these values within its Member States but also extends them through its external actions as part of its foreign policy with partner countries. The EU's development policy serves as a key instrument of its foreign policy, focusing on trade promotion, humanitarian aid, diplomacy, and security worldwide. These development policies aim to eradicate poverty, combat social exclusion and discrimination in developing countries, and support liberalisation of world trade. The EU is committed to fighting poverty, instability, and insecurity while promoting prosperity, democracy, fundamental freedoms, and the rule of law in developing countries[15].

Concept of Development and Evolution of Development Policy

Development defines the level of economic equality between developed and underdeveloped countries, as well as the commercial activity in developing and developed economies. Gerald Berthoud regarded development as the integration of national markets into international markets. Though there is a minimal condition for a region of the country in this integration to be considered as *developed* (Bapir, 2011, p. 7). He was convinced that development is a multi-dimensional process involving major changes in social structures, popular attitudes, and national institutions, as well as the acceleration of economic growth, the reduction of inequality, and the eradication of absolute poverty.

The institutional evolution of development policy owes much to the insights of prominent political, sociological, and economic thinkers such as Karl Marx, J.S. Mill, Adam Smith, and others. In his seminal work An Inquiry into the Nature and Causes of the Wealth of Nations, economist and philosopher Adam Smith highlighted *the different progress of opulence in different nations*. In that chapter, he critiqued colonial policy and its heavy reliance on international trade. Following World War II, it took more than five decades for scholars and policymakers to fully grasp the literature and policy analysis needed to inform and shape development policy from an economic perspective (Kirkpatrick, Clarke and Polidano, 2002, p. 15).

Theories and practices of development have evolved over time, shaped in part by development policy itself. International development policy – formulated by both developed and developing countries, as well as by institutions such as the World Bank, the IMF, UN agencies, and others – has significantly influenced development theory. Major development approaches, including modernisation, dependency, and neo-liberalism, were shaped by the economic and social ideologies of donor countries, particularly during the 1950s and 1960s. These ideologies placed a strong emphasis on economic growth, often measured by increases in gross national product (GNP). In the 1960s, the relationship between the European Economic Community (EEC) and the African, Caribbean, and Pacific (ACP) Group of States helped advance modernisation theory to a new level (Holland and Doidge, 2012, pp. 23-25).

Lewis and Rostow introduced multidimensional aspects of growth theory that significantly contributed to the evolution of development policy. However, even before their work, U.S. foreign policy in the 1940s had already begun focusing on the development of newly independent countries, motivated by a desire to prevent them from aligning with the communist bloc. In this context, American social scientists promoted research and policy approaches aimed at fostering capitalist values and political stability, coining the term developing world to describe these nations. These efforts laid the foundation for what would become the field of development theory. The period from 1955 to 1960 was particularly significant for economic and technical development. Two landmark works shifted the direction of development policy: The Theory of Economic Growth by Arthur Lewis (1956) and The Stages of Economic Growth by Walt W. Rostow (1960) (Jolly, 2002, p. 16).

Lewis and Rostow emphasised the central role of increasing savings and investment as the driving forces behind accelerated economic growth worldwide. Their approaches laid the foundation for industrialisation in developing countries and are often referred to as first-generation development theories. Building on this, Robert Solow introduced a growth theory focused on creativity and productivity, highlighting the importance of technological progress in sustaining long-term growth. Development theory, in general, serves as a foundational framework to help developing countries pursue economic growth and narrow the gap with developed nations. These theoretical approaches, including the Harrod-Domar growth model, stressed the importance of trade and foreign exchange as mechanisms for development, particularly through technical assistance, training, and the flow of investment and capital from developed to developing countries. The goal was to strengthen economic sustainability and stability. Development theories have significantly influenced policy-making, particularly in areas related to economic growth, technological innovation, and structural transformation through government programs. Moreover, these theories reflect the social, economic, and political realities of developing nations, emphasising the need for structural changes in both markets and societies. They also highlight the impact of governance – both good and bad – on development outcomes (United Nations, 2018a).

Rostow outlined five stages of economic growth, illustrating a linear path from traditional to advanced industrial economies: 1) Traditional Society: Characterised by subsistence agriculture or hunting and gathering, minimal technological development, and the absence of a formal state structure. 2) Preconditions for Take-Off: Marked by the emergence of nation-states, changes in social structures, growing collective economic interests, and the beginnings of individual social mobility. Agriculture becomes more commercialised with improvements such as irrigation systems, canals, and ports. 3) Take-Off – A phase of rapid growth featuring increasing urbanisation, industrialisation, and technological advancement. Key examples include the textile and apparel industries and the Green Revolution in agriculture. 4) Drive to Maturity: A stage of sustained industrial growth where investment expands across multiple sectors. This period is marked by the development of transportation and social infrastructure such as schools, hospitals, and universities. 5) Age of High Mass Consumption – The final stage, defined by a mature and technically advanced economy, a predominantly urban society, and widespread access to high-value consumer goods. Economic activity becomes deeply intertwined with social progress and well-being (Rostow, 1959, 1960).

In the 1960s, Rostow's Stages of Economic Growth highlighted the central importance of development as a growth theory focused on economic expansion. His theoretical model emphasised economic growth and industrialisation while acknowledging a wide range of variables, including social, gender, political, religious, cultural, and environmental factors. Rostow proposed a linear, sequential stages-of-growth model that all societies were expected to pass through. This market-centric notion of development prioritised accelerated economic growth, investment in human resources, income redistribution, and domestic reforms.

At the time, these ideas responded to the urgent need for reform, driven largely by external pressures for economic independence in developing countries. The era of economic growth and industrialisation reinforced a market-oriented view of development, as developed countries sought new markets, particularly in newly independent nations. Underdevelopment in these countries, coupled with capitalist economies' reliance on external trade and international markets, meant that capitalist powers favoured free trade relationships with developing countries to support their products and economic interests.

Institutionalisation of the Development Policy

The year 1960 is considered a pivotal moment for Africa and the broader process of decolonisation. Newly independent states – often referred to as the *Third World* – gained a stronger voice at the United Nations (UN) plenary sessions, where they raised concerns about inequality and the need for development. This focus on development took a concrete form in December 1964 with the establishment of the United Nations Conference on Trade and Development (UNCTAD), which aimed to address the economic disparities that persisted after World War II. Following this, the United Nations Development Programme (UNDP) was founded on November 22, 1965. Today, the UNDP operates in nearly 170 countries and territories, with the mission of supporting developing nations in eradicating poverty, reducing inequality, and promoting inclusive development[16].

The UNDP assists countries in developing policies, enhancing leadership skills, building partnerships, strengthening institutional capacities, and fostering resilience to sustain development outcomes. The United Nations initially established the Expanded Programme of Technical Assistance (EPTA) in 1949 to support development efforts, followed by the creation of the UN Special Fund in 1959 to finance development projects worldwide. The UNDP was formed in the 1960s as a merger of these two programs. Today, the UNDP actively supports the implementation of the '2030 Agenda for Sustainable Development' through a five-year framework focusing on key areas such as poverty reduction, governance, resilience, energy, and gender equality. Additionally, the UNDP commissions the annual Human Development Report

(HDR), which plays a crucial role in shaping the global dialogue on development by offering new measurement tools, innovative analyses, and sometimes controversial policy recommendations'[17].

The creation of the Club of Rome in 1968 marked another significant international milestone in development policy. This initiative brought together technocrats, researchers, scientists, and other professionals from various countries to collaborate on development and innovation. In 1972, the Club of Rome published a landmark report titled Limits to Growth, which addressed the challenges of environmental sustainability and the long-term survival of humanity on Earth (Soares and Quintella, 2008, p. 106). The post-war period up to the mid-1970s was a pioneering era that instilled confidence in newly established governments. Worldwide decolonisation led to the emergence of sovereign independent states, many of which faced the challenges of a difficult colonial legacy. Influential thinkers in these countries began shaping visions for development, coining the term development and creating models aimed at the continuous improvement of people's lives. These new states often sought aid-dependent development policies from developed countries. During this time, development policy became a crucial instrument of foreign policy. As a development enterprise, it played a key role in the interactions between superpowers and developing nations, shaping international relations and influence.

The international development process experienced massive expansion, marked by the proliferation of development-related concepts across various fields, including models, plans, policies, assistance programs, aid agencies, experts, conferences, books, and journals. The concept of development increasingly cantered on research aimed at achieving specific development goals. This broad spectrum of efforts contributed to the creation of diverse development models, such as basic needs approaches, gender-focused strategies, microfinance initiatives, environmental and natural resource management, pro-poor financial programs, and sustainable livelihood frameworks. Additionally, participatory and empowerment approaches emerged as vital methods to meet objectives like poverty reduction, employment generation, income redistribution, and economic self-reliance (Mudacumura and Haque, 2004).

Over time, domestic savings and investment increased, drawing greater policy attention and becoming a vital part of external economic action.

International trade emerged as a crucial element of foreign policy within the global arena. Foreign investment from developed countries began to play a significant role in the economies of developing nations. Economist Gunnar Myrdal emphasised the importance of experts from developed countries working in developing nations, which encouraged the inflow of imports, foreign investment, and foreign technologies. While these were essential for development, careful national policy control was necessary to manage these influences effectively. International engagement in commodity markets and the provision of international aid started to bridge resource gaps, which were critical for accelerating investment and economic growth. This need ultimately contributed to the establishment of the United Nations Conference on Trade and Development (UNCTAD) in Geneva in 1964 (Jolly, 2002, p. 17).

The two Bretton Woods institutions – the World Bank and the IMF – successfully gained prominence, working alongside UNCTAD. This collaboration was instrumental in advancing discussions around a New International Economic Order during the 1970s. The period from the mid-1970s to the late 1980s was dominated by neo-classical economic thought, emphasising market mechanisms and price signals amid significant macroeconomic turmoil. This era witnessed major global challenges such as the oil shocks, debt crises, fluctuating commodity prices, and the end of fixed exchange rate systems. These developments influenced dominant discourses on development, shaping political, social, economic, and technological transformations. Economic necessities, social demands, and political power structures reinforced these key changes. In the early 1990s, the collapse of the Soviet Union marked the end of the Cold War and led to a restructuring of the decolonisation process, increasingly shaped by Eurocentric development theories emphasising international development frameworks. During this time, rising anti-globalisation and environmental movements – particularly concerns about global warming – heightened awareness of environmental issues in the West. While theory and practice remain interconnected, their relationship with international development is complex and cannot be easily defined (Jolly, 2002, pp. 18-19).

According to Ribeiro's approach, the concept of development across various fields of knowledge converges around ideas such as a state or process of well-being, progress, economic and human growth, and ecological balance

(Soares and Quintella, 2008, p. 106). The South Commission (SUD) defines development as *a maturing and self-development process that frees the population from fear and exploitation* (South Commission, 1990, p. 10). Both phenomena attracted the interest of developed countries, which were seen as more advanced in development. Consequently, the UNDP interpreted development as the active participation of people in democratic decision-making, alongside the enjoyment of human rights and political freedoms. Building on this understanding, the UNDP launched the Millennium Development Goals in 1990, incorporating these crucial elements.

A key example of the institutional role in development policy is reflected in the United Nations' expenditure on development. According to UN data, 80% of annual development funding supports key agencies such as the UNDP, World Food Programme (WFP), UNICEF, UN Population Fund (UNFPA), and specialized agencies including the International Labour Organization (ILO), Food and Agriculture Organization (FAO), World Health Organization (WHO), UNESCO, and UN Industrial Development Organization (UNIDO). Long-running programs demonstrate the connection between development theory and practice, including the Structural Adjustment Program (SAP) of the 1990s, Poverty Reduction Strategies (PRS), the Millennium Development Goals (MDGs) from 1990 to 2015, and the Sustainable Development Goals (SDGs) set for 2030. These initiatives represent some of the largest development policies promoted by the UN and Bretton Woods institutions (Ralph Bunche Institute for International Studies, 2010). These key institutions have not only shaped development policymaking but also played a significant role in transforming development processes within developing countries.

Development policy discourse became more analytical and effective in the late 1990s, leading to the proposal of the National Framework for Sustainable Development (NFSD) as a strategic approach to reorient national development towards sustainability. According to the UN's website, South Africa provides an example where five key strategic areas of intervention have been identified: 1) Enhancing systems for integrated planning and implementation, 2) Sustaining ecosystems and using natural resources efficiently, 3) Promoting economic development through investment in sustainable infrastructure,

4) Creating sustainable human settlements, and 5) Responding effectively to emerging human development, economic, and environmental challenges[18].

The OECD Development Assistance Committee's policy statement on pro-poor growth emphasises the concept of *inclusive growth*, which promotes rapid and sustained poverty alleviation. Inclusive growth ensures that people can both contribute to and benefit from economic progress. Achieving substantial poverty reduction requires a fast pace of growth that is sustainable over the long term and covers a broad range of sectors. This approach highlights the importance of including a large portion of the country's labour force. Inclusive growth focuses on creating productive employment opportunities over the long run while addressing the needs of excluded groups, with particular attention to increasing incomes and improving income distribution (Ianchovichina and Lundstrom, 2009)[19]. There is a pressing need to address global challenges through a comprehensive and effective development policy. As noted by the OECD, *The global crisis and its tragic human legacy followed a long period of global prosperity… Society continues to feel the effects of the crisis… Social tensions are visible across the globe… It is imperative to find solutions that foster economic growth more inclusively*[20].

The Poverty Reduction Strategy Papers (PRSPs) are central to international efforts aimed at achieving sustainable poverty reduction. They present a comprehensive analysis of a country's poverty situation and articulate a medium-term strategy – typically spanning three to five years – for addressing poverty. This strategy is developed through a participatory process involving domestic stakeholders and development partners. PRSPs are jointly prepared by the World Bank, the IMF, and the member countries themselves, emphasising country ownership and long-term, inclusive approaches to poverty eradication (International Monetary Fund, 2016). There are five core principles identified following the PRSPs' development and implementation: 1) Country-driven: Involving broad-based participation by civil society and the private sector at all stages of implementation; 2) Results-oriented: Focusing on outcomes that directly benefit the poor; 3) Comprehensive: Recognising the multidimensional nature of poverty; 4) Partnership-oriented: Promoting coordinated participation among development partners – bilateral, multilateral, and non-governmental and 5) Long-term perspective: Grounded in sustained efforts for poverty reduction (International Monetary Fund, 2000; SOAS University of London, 2021). The principle of ownership of development policies and strategies – as emphasised in the Paris Declaration on Aid Effectiveness (2011) – places partner countries' leadership over their own policies and programmes at the heart of the international agenda to improve aid effectiveness. This approach aims to strengthen the quality and relevance of national development strategies, with particular emphasis on the active engagement of local governments, parliaments, and civil society organisations (CSOs). It promotes demand-driven capacity development and more effectively addresses cross-cutting issues such as gender equality (OECD, 2012).

Understanding of ODA and Development Cooperation

The United States has long played a significant role in shaping foreign aid policy, which remains a key component of its broader foreign policy agenda. Within the context of the 'North-South' debate, the developed countries of the 'North' sought to support the newly independent nations of the 'South,' positioning themselves as partners in development. This dynamic became a central theme in global development discourse. Over time, the United Nations Conference on Trade and Development (UNCTAD) formally recognised the role of the North in supporting the development of the South (Tripathi, 2011, pp. 1-2; Bharti and Kołodziejczyk, 2024). Before the establishment of UNCTAD, colonial powers, humanitarian societies, and Christian missionary organisations played a central role as early development actors in what would later become developing countries. This marked the initial phase in the evolution of development assistance. These actors also supported the broader mission of the United Nations, which emerged as a key player in global development. In the late 1940s, the UN Secretariat formulated the first-ever international development policy, with active participation from many developed nations, positioning the UN at the centre of development efforts for the Global South (Stokke, 2019, p. 3).

The growing need for international norms and guiding principles to govern cooperation between developed and developing countries led to the establishment of frameworks for managing Official Development Assistance (ODA). In the late 1940s, the United Nations introduced initial guidelines and, in 1950, established an agency under the UN Development Programme to implement the Expanded Programme of Technical Assistance (EPTA). This initiative marked a significant step toward institutionalising development support. Building on this foundation, the UN launched the First Development Decade in the 1960s, followed by three additional development decades. These efforts aimed to improve strategic planning, set clear targets, and enhance the management of capital flows. The initiative also emphasised monitoring, research, and evaluation to strengthen international development cooperation (Stokke, 2019, pp. 3-4). During the same decade, regional organisations began to form to support the implementation of the UN Development Programme, addressing the growing need for development initiatives at the regional level. Development assistance donors also agreed to adhere to the UN's established norms and regulations.

The OECD was established in 1961, evolving from the Organisation for European Economic Co-operation (OEEC), which was originally formed in 1948 to facilitate post-war assistance. The OECD is an intergovernmental economic organisation currently comprising 38 member countries. Its Development Assistance Committee (DAC) serves as a key forum for discussing issues related to aid, development, and poverty reduction in developing countries. The DAC oversees International Development Assistance (IDA) programmes, commonly referred to as Official Development Assistance (ODA), which contribute to achieving global development goals such as the Millennium Development Goals (MDGs) and Sustainable Development Goals (SDGs). Since 1961, the DAC has tracked resource flows to developing countries, with particular emphasis on the official and concessional components of these flows, defined as ODA[21].

All these global institutions have played a crucial role in facilitating development cooperation, especially during the global pandemic that began in 2020. Currently, the world continues to confront the ongoing challenges posed by the COVID-19 pandemic (Ma, 2020). The World Health Organization (WHO) declared COVID-19 a global pandemic on 11 March 2020. To enable economies to reopen safely, there was an urgent need for vaccines against the virus. In response, international organisations launched initiatives to provide free vaccines to poorer countries. One such effort is COVAX, a global partnership co-led by the Coalition for Epidemic Preparedness Innovations (CEPI), the Global Alliance for Vaccines and Immunisation (GAVI), and WHO, with UNICEF playing a key role as a delivery partner.[22] COVAX aims to ensure that high-risk and vulnerable populations, especially in humanitarian settings, have access to COVID-19 vaccines. It works to accelerate the development, production, and equitable distribution of vaccines globally. The initiative's core goal is to *accelerate the development and manufacture of COVID-19 vaccines and guarantee fair and equitable access for every country in the world.*[23]

Conclusion

In the 21st century, development and economic growth aim to increase national income per capita, build national wealth, expand production capacity, and create a resilient and durable economy. Economic growth refers to the expansion of the national economy and the rise in per capita income, often accompanied by structural changes in the economy that aim to raise the minimum standard of living and improve the overall quality of life. The discourse on development has evolved into a wider debate that includes economic development, policy-making, and critical issues such as poverty, inequality, well-being, welfare, justice, and human rights. The emergence of the nation-state and international institutions – particularly the United Nations – has played a crucial role in promoting human and sustainable development, particularly in relation to environmental challenges.

Today, sustainable development has become a global priority, aiming to meet the needs of the present without compromising the ability of future generations to meet theirs. This approach emphasises resource use in a way that ensures long-term environmental and economic sustainability. Developing countries, in particular, must balance economic growth with ecosystem preservation. Climate change and global warming have emerged as urgent environmental threats to life on Earth. In response, the United Nations adopted the 2030 Agenda for Sustainable Development, which includes the Sustainable Development Goals (SDGs). These goals represent a comprehensive framework for global action, requiring countries to integrate sustainability into both domestic and foreign policies. As a result, sustainable development has become an essential component of international development policy and foreign affairs.

In conclusion, development is no longer viewed solely through an economic lens; rather, it has evolved into a multidisciplinary discourse that incorporates political, social, and international dimensions. Within this transformation, IR has become institutionalised as an integral framework in development policy, particularly through its emphasis on diplomacy, global governance, and soft power resources. This article contributes to the existing literature by demonstrating how contemporary development paradigms extend beyond traditional economic indicators and increasingly reflect the strategic and normative influence of IR in shaping development agendas. Furthermore, the study highlighted how classifications such as LDCs and developing countries continue to rely heavily on low per capita income while simultaneously being shaped by broader geopolitical and institutional considerations. By bridging development studies and IR perspectives, the study offered a more comprehensive understanding of development as both an economic and political process in the contemporary international system.

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Endnotes

[1] Non-Aligned countries were member states of the Non-Aligned Movement (NAM) and that is an alliance of currently 120 countries from almost all regions of worldwide. Data is available on https://www.worlddata.info/alliances/non-aligned-movement.php

[2] Sen series of work in the year 1979, 1983, 1985, and 1999 After that he coined the term "capability approach".

[3] GNI is calculated from national accounts data converted into USD using the World Bank Atlas method (to reduce the impact of short-term exchange rate fluctuations). GNI per capita is derived by dividing GNI in USD by the annual population of a country. United Nations, LDC Identification Criteria & Indicators | Department of Economic and Social Affairs, [Online: web] Accessed on 20 June 2024, URL-https://www.un.org/development/desa/dpad/least-developed-country-category/ldc-criteria.html; https://www.un.org/ohrlls/content/ldc-category#:~:text=The%20United%20Nations%20defines%20LDCs%20as%20countries%20that,and%20face%20severe%20structural%20impediments%20to%20sustainable%20development..

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[5] The Committee for Development Policy (CDP) is a subsidiary body of the United Nations Economic and Social Council. CDP provides inputs and independent advice to the Council on emerging cross-sectoral development issues and on international cooperation for development, focusing on medium- and long-term aspects. The Committee is also responsible for reviewing the status of least developed countries (LDCs) and for monitoring their progress after graduation from the category… particularly relating to the 2030 Development Agenda and the LDCs. Economic Analysis & Policy Division - Secretariat of the Committee for Development Policy, [Online: web] Accessed on 25 May 2024, URL- https://www.un.org/development/desa/dpad/about-us/secretariat-of-the-committee-for-development-policy.html

[6] Further data can be accessed via https://www.un.org/ohrlls/content/ldc-category#:~:text=The%20United%20Nations%20defines%20LDCs%20as%20countries%20that,and%20face%20severe%20structural%20impediments%20to%20sustainable%20development.

[7]

GNI	=	gross national income
GDP	=	gross domestic product
EX_{FS}	=	money flowing from foreign countries
IM_{FS}	=	money flowing to foreign countries.

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