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The Battle against Modernization Theory. Neoliberalism and development discourse during the 1960s

The “neoliberal international” of the Mont Pèlerin Society started to discuss questions related to underdeveloped countries and development in the course of the 1950s. Hampered by overriding *security concerns* (the threat of Communism) and anthropological conservatism of *colonial economics*, a more coherent neoliberal emphasis on market led development was presented in papers by Peter Bauer at the 1958 Princeton Meeting, and thus emerged rather late in the decade. At this point, Bauer’s opposition to foreign aid on economic grounds challenged a widely perceived need to help stabilizing the free capitalist world against the Soviet Union

by way of international aid, and Bauer’s discussion of Singapore’s early success in industrialization challenged prevailing judgments that restricted developing countries to the primary sector (see Plehwe 2005). Tracing the debates at MPS meetings of the 1960s will allow assessing whether or not, and if: to what extent Bauer’s attempt to clarify a forward looking neoliberal economic perspective (industrialization without the state!) succeeded in establishing a common platform for the international community of scholars organized within and around MPS. If so, certain shifts with regard to the range of opinions featured at MPS meetings on the topic of foreign aid, and different ways to address strong concerns with regard to Communist influences that had overpowered neoliberal economic perspectives before should be easy to observe. Furthermore, the exclusive emphasis on agriculture and aggressive attacks against industrialization would probably have to give way to a neoliberal

industrialization perspective (relying on private capital).

Basic sources for the paper are a total of five MPS conferences (four general and one regional meeting, five general meetings if the discussions of international money issues and property rights at Stresa in 1965 are included) that took place in the course of the 1960s, and during which development topics were discussed. The international aid issue was prominently addressed at the 1960, 1964 and 1966 meetings; the issue of Communist influence was addressed in several contributions at the 1961 meeting. These papers, and other works published by some authors should make it possible to observe whether or not pluralism beyond neoliberal confines has been turned into pluralism within neoliberal confines. Issues related to industrialization seem not to have been addressed in straightforward ways, but a

number of papers are likely to allow assessing if Bauer's perspective has succeeded in reducing the impact of colonial economics (while Nakayama addresses the lack of attention to agriculture, he also addresses the issue of true "independence", and towards the end of the decade Nishiyama declares the end of the neo-mercantilist era). Since MPS-neoliberalism was trying hard to strengthen its position in Japan, an analysis of Leoni's discussion of Confucianism (Confucius according to Leoni was eligible for MPS membership!) will be examined in order to see in which ways neoliberalism addressed cultural barriers to its truly global and universal project.