How to transform foreign aid in Latin America through ecological economics

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Abstract:
This study mainly argues the role that neoliberalism and neoclassical economics (mainstream economics) have had through foreign aid in Latin America and its effects over the years. The mere ideology of a market-centered society has been detrimental for many already. What this study aims to do is to portray that it has had the same effect on our environment as well. From poverty to environmental destruction, the neglect of social and environmental factors in our political socio-economic system has had its toll worldwide. The constant aim for growth and neoliberal approach in politics cannot be simply reversed by applying SDG’s political strategies. The definition of sustainable development has been vague enough already to rely on it as a fix. Ecological Economics on the other hand may imply a factual solution within aid and politics in Latin America and around the world, as it would be environmental and humanitarian-based. Some of the finding of this study include a comparison between ecological economics and neoclassical economics and practical applications for ecological economics within foreign aid.

Keywords: Development, Ecological Economics, Foreign aid, Latin America, Neoclassical economics, Sustainable Development.

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Summary:
This literature-review study scrutinizes the development discourse, its effects mostly in Latin America and its applications through foreign aid. Mainstream economics through foreign aid in Latin America have had certain unwanted results, which have led to the current socio-political and environmental situation of the region. What this study proposes is a change of paradigm within our system to be able to cope with those unwanted results and be able to make sustainable, long-term, “good for every being” decisions. The neglect of social and environmental factors in our political socio-economic system has had its toll worldwide. We can no longer rely on contested concepts like sustainable development and democracy in our policy-making without defining a proper line of action. Ecological Economics as a new pluralistic paradigm on the other hand may imply a real solution within aid and politics in Latin America and around the world, as it would be environmental and humanitarian-based.

Keywords: Development, Ecological Economics, Foreign aid, Latin America, Neoclassical economics, Sustainable Development.
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<tr>
<th>Abbreviation</th>
<th>Full Form</th>
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<tbody>
<tr>
<td>BAU</td>
<td>Business as usual</td>
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<tr>
<td>CBA</td>
<td>Cost Benefit Analysis</td>
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<td>DAC</td>
<td>Development Assistance Committee</td>
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<td>GDP</td>
<td>Gross Domestic Product</td>
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<td>Genuine Progress Indicator</td>
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<td>GHG</td>
<td>Greenhouse Gas Emissions</td>
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<td>HDI</td>
<td>Human Development Index</td>
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<td>HPI</td>
<td>Happy Planet Index</td>
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<td>ISI</td>
<td>Import-substituting industrialization</td>
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<td>LA</td>
<td>Latin America</td>
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<td>MDGs</td>
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<td>ODA</td>
<td>Official development assistance</td>
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<tr>
<td>OECD</td>
<td>The Organization of Economic Co-operation and Development</td>
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<td>PEO</td>
<td>Political Economic Organization</td>
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<td>PEP</td>
<td>Political Economic Person</td>
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<td>PES</td>
<td>Payment for ecosystem services</td>
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<td>SDGs</td>
<td>Sustainable Development Goals</td>
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<td>TEEB</td>
<td>The Economics of Ecosystems and Biodiversity</td>
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<td>UN</td>
<td>United Nations</td>
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<td>UNFCCC</td>
<td>United Nations Framework Convention on Climate Change</td>
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<td>USAID</td>
<td>United States of America Agency for International Development</td>
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<td>WMO</td>
<td>World Meteorological Organisation</td>
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<td>WSSD</td>
<td>World Summit on Sustainable Development</td>
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<td>WBCSD</td>
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1. Introduction

Since Latin America’s independence and slavery abolition the continent has been struggling with major social inequalities, extreme poverty and major environmental degradation. Latin America’s colonization set a precedent that only certain people (ethnic group, social class) were deserving of a certain life-style based and constructed over the work and misery of the other part of population. This has been partly because of the historical relations between Europeans, Indigenous and Afro-descendants and even more reinforced by the still current discrimination of formal and informal working opportunities (De Ferranti and Ody 2006;1).

On a desperate attempt to leave the post-colonization economic status in Latin America and imitate the Global North, policies in Latin America were made to industrialize as much as possible while at the same time creating important foreign trade treaties, becoming the labour force for many northern industries (ibid;3). These policies worked at first. They did improve the economy in the region but after some time started to disappoint as inflation and inequality endured and, in some cases, upscaled (OECD 2001). This industrialization became an important factor in the environmental degradation that has been happening in the region for decades now. The import-substituting industrialization (ISI) in Latin America created a whole range of policies and a general incentive-directed mindset strictly co-related to the exploitation of natural resources (De Ferranti and Ody 2006;29).

Inequality in Latin America is as shocking as this statement; the richest ten percent from the world’s population received circa 48 percent of the total amount of income earned in Latin America during the nineties (De Ferranti, et al. 2004). Latin America’s inequality can be easily explained through comparison by using the Gini coefficient. Measuring the gathered and compared inequality of income per country, still the most “egalitarian” countries in Latin America match the least egalitarian countries in the rest of the world (De Ferranti and Ody. 2006;7). Inequality does not only mean the poor distribution of income and wealth but the whole life-style this implies, such as access to education, healthcare, water, electricity, gas and all utilities. Being in this unequal position also decreases and breaks the hope of real democracy. This disregard from the Latin-American governments of not taking care of their population is not entirely unrelated to the lack or low payment of fiscal retributions in the region (ibid; 9). The latest and most important political changes in the region have been through domination and mostly authoritarian governments (Burki et al. 1999). This social weakness, lack of safety and regional political disregard has been one of the main attracting factors for foreign aid in the region.

Throughout this thesis is explained how colonialism had a considerable role in development history. At the same time development as a concept and the whole development discourse is one of the main aspects that gave birth to foreign aid, which is related as well to neo-colonialism or post-colonialism. Latin American’s “developmentalization” (Escobar 1995;24), was done mostly through foreign aid, which brought with itself many consequences which can be seen today throughout the whole continent. Furthermore, it will be discussed how all of LA’s history has created today’s current political, economic, environmental and social state.

We will further see how the economy has been transformed throughout the years and the many streams that have been born since and from neoclassical economics. How they interact in our social reality, for good and for bad, and what are the available choices today to pick from to create a new social reality or a new social order, one where we could actually counteract today’s environmental and social threats.
1.1 Research gap and rationale of the study

It has existed a sense of puzzlement caused by the fact that for many years the industrialized nations of North America and Europe were taken as the unquestionable models for societies like Asia, Africa, and Latin America, the so-called Third World or underdeveloped nations (Escobar 1995; vii). Since the post-World War II period, development was and continues to be seen as the magic formula for thriving societies (ibid.). This same emphasis on development has been the main objective in all foreign aid in the Third World and same which has led to some discrepancies and further problems in these areas of the world, like Latin America. This geopolitical term was the result of the division of the world into three worlds - the free industrialized nations constituting the First, the communist industrialized nations, being the Second, and the poor, non-industrialized nations constituting the Third World respectively (Escobar 1995; 31).

The approach of this study is discursive. Escobar explains a discursive approach in the sense that it stems from the acknowledgement of the importance of discourse and power dynamics in all cultures (ibid.).

“There is a sense in which rapid economic progress is impossible without painful adjustments. Ancient philosophies have to be scrapped; old social institutions have to disintegrate; bonds of caste, creed and race have to burst; and large numbers of persons who cannot keep up with progress have to have their expectations of a comfortable life frustrated. Very few communities are willing to pay the full price of economic progress.” (United Nations, Department of Social and Economic Affairs, Measures for the Economic Development of Underdeveloped Countries, 1951)

The past paragraph was taken from the Measures for the Economic Development of Underdeveloped Countries by the Department of Social and Economic Affairs from the UN in 1951. It shows clearly the vision that the western world had at that moment. The birth of foreign aid. The foundation where it all has been based upon. A “need” for rapid economic growth and the facing out of “ancient philosophies” which could not keep up with “progress”, western progress.

On January 20 of 1949, Harry Truman announced his “fairness” concept to the entire world, with its essential component which was his appeal to solve the problems of the underdeveloped world. His report suggested no less than a complete restructuring of the Third World. This doctrine initiated a new era in the understanding and management of world affairs (Escobar 1995; 3-4), such as foreign or development aid.

The post-World War II development discourse and strategy has produced the contrary of its allegedly main purpose. It has brought massive underdevelopment, hunger and impoverishment, bigger social gaps, exploitation, higher criminality and oppression. Arturo Escobar explains this clearly with these next examples; “the debt crisis, the Sahelian famine, increasing poverty, malnutrition, and violence are only the most pathetic signs of the failure of forty years of development” (ibid; 5).

Since this 1950’s period, the world has been colonized by the development discourse. Even those who opposed neoliberal or capitalist strategies were compelled to rephrase their critique in terms of “development”. They threw names of concepts such as another development, participatory development, socialist development, etc (ibid.). Those who were against this discourse had to struggle and remain hoping that a different reality could be constructed in the process of all of this (ibid.).

Development has managed to achieve a status of certainty in our constructed social imaginary.
Europeans have constructed social and economic models for the “underdeveloped” worlds to follow, while leaving the “underdeveloped” population out of the scene, as mere observers of the “developing” of their own worlds and forcing them to leave behind all of who they are/were. This reflects in an objectivist and empiricist stand that dictates that the Third World and its peoples exist “out there” and “need” to be intervened upon from the outside (Western world) (Escobar 1995:8).

The Third World has been set and seen in an ahistorical manner. The only formal and accepted representation of it is usually from the western point of view. Some new currents of study have risen because of this western pressure in the “underdeveloped” world. Such as “Orientalism” or “Africanism”. The African philosopher V. Y. Mudimbe explains that this discipline may open the way for a process of rebuilding and recouping an interrupted historicity within westernized representation (1988:183). This could lead to the process by which Africans would have greater autonomy over how they have been represented and their history, leading to being able to construct their own social and cultural models, rather than staying and dealing with forced upon ones. Holding as a standard of life western worldviews have led to a paternalistic attitude from the western world towards the rest of the world. There has been an underlying western “superiority” even on ethics. This discursive homogenization and systematization have created more oppression rather than support to the Third World (Escobar 1995:8).

This study aims to show the power relation between the western world and the underdeveloped world over the years. Specifically, how it has had an impact through foreign aid and even more specifically, in Latin America. The goal is to see how it has had profound political, economic, and cultural effects, and how these relate to today’s environmental and social degradation. Holding all of these into account the study aims to recommend ecological economics as a reliable option to transform foreign aid and with this life in Latin America.

1.2 Research Questions

The purpose of this thesis is to examine how foreign aid in Latin America can become more sustainable through a paradigm shift from a neo-liberal approach to an ecological economics approach.

The way this thesis seeks to answer the next question is through qualitative and quantitative content and discourse analysis of several theories, discourses, ideologies, speeches, institutional papers, academic papers and more relevant literature on the matter. The thesis is mostly a literature review. This thesis has been done through literature review leading to only hypothetical assumptions as results and conclusions.

The proposed research questions derive from a main research question which is;

“How can foreign aid in Latin America be transformed through Ecological Economics?”

This thesis hopes to contribute to a solid, feasible and reliable solution to Latin America’s current political, economic, environmental and social status. The thesis tries to portray to the reader how other techniques or ideologies have worked in LA and the results they have had. Taking into consideration the complicated state of LA today, and the importance that development and neoclassical economics has had all through its history, this thesis wants to propose a new ideology to achieve long lasting, inclusive changes through Ecological Economics.

The sub-questions which came from the main research question were the following:
• How can a paradigm shift in our system such as one based on ecological economics tackle problems more holistically in Latin America?

• Which possible implications could ecological economics have instead of mainstream economics in foreign aid?

• How is the Sustainable Development Goals’ paradox restraining true climate change action through our current concept of foreign aid?

The first question refers to the possibility of an improvement in all social, economic, environmental and political areas in LA. It seeks to see if a change of paradigm from a neoclassical approach to an ecological approach in economics would help tackling problems in LA more holistically.

The second questions as a follow up, questions if it would be in fact more efficient to do this change.

At last, the third question refers to something of great importance at the present time, the Sustainable Development Goals (SDGs). Sustainable development has been a contested concept since the start and now with the SDGs we find this paradox even more evident. The further explanation for this paradox is found later on in this thesis, however the main idea is that the SDGs are still focused on economic growth and too closely related to the private sector, which makes them paradoxical and incoherent.
2. Background

The background will be structured in a way which helps the reader to understand how Latin America’s current situation was shaped. It starts explaining the influence that colonialism had and left in the continent and how it is still relevant. Furthermore, it connects these forms of post-colonization with the development discourse and now the sustainable development one, including the sustainable development goals.

In this chapter is explained and analysed how sustainable development and foreign aid has been done in L.A. The impact they have had, how they have run, how they started and how efficient they have been. The analysis made throughout this background was done with a discourse analysis approach.

2.1 Post-colonialism

The production of a discourse under unequal power conditions is what Mohanty and others refer to as “the colonialist move” (Escobar 19;9), which means that even though Latin America is no longer a European colony, it still remains subjected to its power.

Homi Bhabha explains in his critique to post-colonialism, his book Nation and Narration the definition of colonial discourse (1990; 75):

“[Colonial discourse] is an apparatus that turns on the recognition and disavowal of racial/cultural/historical differences. Its predominant strategic function is the creation of a space for a “subject peoples” through the production of knowledges in terms of which surveillance is exercised and a complex form of pleasure/unpleasure is incited.

The objective of colonial discourse is to construe the colonized as a population of degenerate types on the basis of racial origin, in order to justify conquest and to establish systems of administration and instruction. . . . I am referring to a form of governmentality that in marking out a subject nation, appropriates, directs and dominates its various spheres of activity.”

This discourse description matches every Latin American socio-political-economic relation towards the western world. The “underdeveloped” term has been used as a perfect flag to conquest and establish “new orders” in these “old”, “ignorant” worlds. Foreign aid has been especially convenient in creating this new way to implement and spread “new” western knowledge into the Third World. It has successfully reinstalled a regime of “government” over the Third World.

The development discourse undoubtedly has carried within some geopolitical imagination throughout the years. It becomes clear when expressions such as First and Third World, Global North and Global South come up. The social space production implicit in these terms is correlated with their production differences, subjectivities, and social orders. Notwithstanding the correctives introduced to these geopolitics like globalization, international commerce, international aid, and so on, they still carry with them power relations which have remained the same. The Third World seems to resist still disintegration, despite the important changes that have given rise to postmodern geographies (Soja 1989).

One of the most important things to notice while assessing if there is still a sense of post-colonization, is as we said before, discourse analysis. Words like “civilization” and “barbarism”, internal versus external, “us” and “them”, all these terms show us how the power relation is still so unequal. How one part is still patronizing and controlling the other part. The Colombian author Rojas de Ferro mentions this example in her dissertation in 1994, how language has such a strong power and how to see through it.
Third World circumstances might look quite peculiar, nonetheless, even today most people in the West and even inside the Third World struggle thinking about these situations such as overpopulation, the permanent threat of famine, poverty, illiteracy, criminality, violence, and so on. Though, this does not mean that all these situations have been caused by its “underdevelopedness”, and that is something crucial to keep in mind (Escobar 1995;12). The concept of “development” has been based entirely on one knowledge system, the Western one. The dominance of this knowledge system has dictated the marginalization and disqualification of non-Western knowledge systems in the rest of the world, calling this non-Western knowledge “underdeveloped” (Escobar 1995;13).

Talal Asad questioned in his book Anthropology and the Colonial Encounter (1973), if there was still not “a strange disinclination on behalf of most professional anthropologists to seriously consider the power structure within which their discipline has taken shape”, meaning colonialism and neo-colonialism with their political-social economy and all institutions created under this structure. How can we rely in a system which was created over this power relation? Over this mindset, and still believe it is fair for all? How can we trust this system to work fairly enough for all? Development as we know it today was created within this same structure which was shaped through colonizing other worlds, older worlds, and disregarding all knowledge that came from these and rather installing new different knowledge as the one and only truth. Is this still happening within aid? Is aid still a way for installing our mindsets, our value systems, our truth over other cultures and calling it aid? Is aid truly helping or creating a world that suits best certain countries’ needs?

After World War II, the Western world seemed to “discover” the extreme poverty that was being experienced in Latin America, Africa and Asia (Escobar 1995;21). Even though this poverty was a natural consequence of the post-colonial period, it was the perfect base upon which the rapid U.S globalization of domination as a world power through their “development discourse” and their “war on poverty” in the Third World began (ibid.). It is true that since the colonization era the Third World was seen as poor as well as their natives, as their knowledge was meaningless to the Western world.

As Escobar said (1995;30), all of the sudden all that which was held important to the Third World in their cultural, social, economic and political life, such as their population, its cultural character, their processes of capital accumulation, their agriculture and trade, and so on entered into this new strategy. Nonetheless, the “poverty” concern did not arise until the consolidation of capitalism, which carried with it a systemic pauperization of the Third World. This gave place to the first break in terms of the advent in the nineteenth century. Systems for dealing with the poor based on assistance provided by impersonal institutions were created all over the Western World, such as the World Bank, the United States Agency for International Development, and so on. Philanthropy became a major piece in this new era (Donzelot 1979; Escobar 1995;22). Of course, this assistance has had profound consequences, which are been experienced now. Environmental degradation, growing social gaps, racism, elitism, criminality, just to name a few. Escobar (1995;22) explains the concept of “modernization of poverty”, as a rupture of vernacular relations and structuring of new control mechanisms in these areas of the world. Poverty was increasingly portrayed as a social problem which required Western intervention. Concepts like “poverty” and “the search for democracy” have opened for the Western World the doors to step in and conquer new domains in new ways (ibid.).

As Sachs explains (1990;9) the global perception of poverty “was nothing more than the result of a comparative statistical operation, the first of which was carried out only in 1940”. Immediately after this comparison in 1948, the World Bank defined as “poor” two-thirds of the whole world. This all, because these countries had an annual income per capita below $100 USD. This meant of course, that if the problem was a lack of income then the fix would clearly be “economic growth” (Escobar 1995;24). These events place poverty as the object of a new major problematization, this came along
with new discourses and political strategies which shaped reality for everyone else. The main characteristic of the Third World was that it was plainly “poor” and in urgent and evident need for economic growth and development and these became the sole universal truths to follow (Foucault 1986; Escobar 1995;24).

2.2 From “developmentalization” to Sustainable Development

Rodney (1973;25) wrote that an indispensable component of modern underdevelopment was the fact that it expresses a particular relationship of exploitation. Every “underdeveloped” country has at some point in history been exploited by another country. Underdevelopment is the result of capitalist, imperialist and colonialist exploitation. So, thinking that the fix for “underdevelopment” lays within neoliberalist politics is like thinking the fix for a flood is water. The Third World was naturally developing independently until they were taken over by this “developmentalization” speech, which is driven and empowered through pure capitalism.

The development discourse gained force after World War II, through the dissolution of the remaining colonies and the beginning of the Cold War. Truman’s doctrine divided the world in to two different worlds, the developed and underdeveloped, first and third, north and south. Truman’s speech, The Marshall Plan and the cold war are undoubtedly the most important factors at play in the structuring of the development discourse (Escobar 1995;34).

After many years of complaint towards these policies, the undeniable truth that “developmentalization” in the Third World was not working emerged. Therefore, a new concept arose. Sustainable Development. These two words have been joined occasionally since the early 1970s (Dryzek 2013;148). It did not begin with the Brundtland report, but it was originated in a radical discourse for the Third World (ibid.). Prior to the 1980s, Sustainable Development was solely a part of environmentalism, especially within the Third World development context.

Sustainable Development was born as an alternative to the same old development discourse with its main aim being economic growth (Carruthers, 2001).

Sustainability rose in the eighties as an attempt to fix the conflicts between environmental and economic values. This conflict arose mainly because of the push towards industrialization and economic growth.

Sustainable Development enabled the concepts of growth and development to be redefined as “new” concepts, while at the same time looking out at for the limits within the new limits discourse. This new strategy would make it a lot more agreeable and easier to take in again into politics and global affairs. Fairclough defined sustainability as a “nodal discourse,” in which other discourses would gather around and cluster (2006; 39), because of its lack of forward meaning and definition. Sustainable Development does not allude to any concrete accomplishment. It lacks a precise set of structures and measures. Sustainable Development is more of a discourse, rather than a concept itself (Dryzek 2013; 147).

The era of sustainability was established by the Brundtland Report in 1987 (World Commission on Environment and Development, 1987). This establishment came with a new wave of ideas and discourses within Europe. Specially on how to make processes more efficient, about ecological modernization, and how to continue economic growth while having some sort of environmental protection (Dryzek 2013;16). One of the main issues that came up with the publication of the report and the establishment of Sustainable Development as a known and popular concept, were environmental concerns in public discussions (Torgerson 1995;10). This takes us back to the main
problem which is, what is exactly Sustainable Development? What is its aim? Its purpose? Its set of structure or rules?

The most quoted definition for Sustainable Development is the one at the Brundtland Report:

“Humanity has the ability to make development sustainable—
to ensure that it meets the needs of the present without
compromising the ability of future generations to meet their own needs”
(World Commission on Environment and Development, 1987: 8).

This definition did not manage to satisfy everyone, but it is still the most accepted one. The Brundtland Report defines Sustainable Development more like a process of change rather than a concept or discourse (ibid; 46). The passing decades still do not yield convergence on any precise definition (Lipschutz 2009; 136). Later on, at the 2012 United Nations Conference on Sustainable Development in Rio, some of the organizers defined Sustainable Development as a “far-sighted approach to decision-making at all levels, which emphasizes not just strong economic performance but intragenerational and intergenerational equity” (Dryzek 2013;147-148). After the Conference the United Nations established a Commission on Sustainable Development to implement Agenda 21 which was endorsed by the same commission (Madowcroft, 2000:379). In 2002 Johannesburg hosted the World Summit on Sustainable Development (WSSD), then the world’s largest-ever international conference. After these summits, even the World Bank stablished its own environmental department (Dryzek 2013;152).

Both of the mentioned definitions suggest that Sustainable Development still holds at its core the main goal of emphasizing a “strong economic performance” and it still seeks perpetual “development” to keep our economic growth and, most likely, industrial development. It is still a contested concept.

Some of other important definitions for sustainability are related to economic growth and development. For Meadows and colleagues (1992; 209) sustainability means an end to economic growth. For the World Business Council for Sustainable Development (WBCSD), sustainability requires of perpetual economic growth. The Council declared that “economic growth in all parts of the world is essential to improve the livelihoods of the poor” (Schmidheiny, 1992; xi).

Egeslton describes Sustainable Development “as a holistic approach to the relationship between man and the environment” (2013;2).

Sustainable development is quite complex, it has been criticized for its vagueness since its coinage (Hopwood, et al. 2005). Sustainable Development has reached the same importance as well as vagueness as “democracy”. Almost every relevant political figure today claims to believe in it, but it still carries too many and too vague meanings to know what this really means (Dryzek 2013;149).

Sustainable Development does recognize our ecological limits, yet it recognizes too that these limits can be stretched as best suited if the right policies are chosen, all in favour of perpetuating economic growth indefinitely.
Dryzek concludes (2013;155) that “the core story line of Sustainable Development started with the recognition that the developmental aspirations of the people cannot be met by all countries following the growth path, because this would over-burden the world’s ecosystems.” Yet he claims that “economic growth is still necessary to satisfy the poor’s needs and that the alleviation of poverty would mend the basic causes of environmental degradation”. As if the poor, were truly the ones causing the most environmental harm. This claim results entirely out of place, as it is a fact that most of the environmental degradation that we are experiencing comes from industrialization for poor people are forced to abuse their local environment just to survive. Oxfam international (2015) claimed that the World’s richest 10% produce half of carbon emissions while poorest 3.5 billion account for just a tenth. Sustainable Development per se entails a radical change in our current socio-economic system (Egelston 2013;5).

One of the most prominent tools used by development has been technology. The faith in technology is one of the most important factors in the development discourse and now, in Sustainable Development, like for example our reliability in green energy, electric cars, and so on. Technology was believed to not only amplify material progress but to grant a sense of direction and meaning to society. In sociology of modernization, Escobar (1995;36) explains how technology was theorized as a “sort of moral force that would operate by creating an ethics of innovation, yield, and result”. Technology has been a pillar for modernist ideals and the promethean discourse (Dryzek 2013;63). The concept of “technology transfer” would become an important component in time for all development projects, which would bring with it a special interest in economy as well.

The new awareness of the importance of the economy and politics in the Third World, brought with it a new special recognition. Instead of thinking of going to the Third World only as volunteers, pioneers or for some sort of social help, scholars, business men and more professionals took interest in what this new world had to offer. As Burgin said, this new interest called for a “detailed knowledge of the economic potential of Latin America as well as of the geographic, social and political environment in which that potential was to be realized” ([1947] 1967; 466). This interest brought with it a new era of imposed science. It was all replaced by the North American model, such as Parsonian sociology, Keynesian macroeconomics, systems analysis and operations research, demography, and statistics. Sociology and economics were the disciplines most affected by this change. Capitalism was more and more embedded through time in Latin America as the ideology “to follow” in order to reach development. Escobar explains it like the establishment of the “tree of research” of the North being transplanted in Latin America through the foundation of institutions capable of generating such a knowledge (1995;37). Some of them being foreign aid institutions like USAID.

This strategy meant for Latin America losing a great deal of autonomy in their own affairs. Burgin called Latin America the “tabula rasa to the economic historians” (Burgin [1947] 1967; 474), it became an empty vessel for European and American economic theories to be applied on. The absolute appeal of economic growth was in the same way closely related to the unbreakable faith in science and technology (Escobar 1995;38).

The effectiveness of the development discourse did not go unquestioned. Some statutory corporations were established in industrialized countries by their own governments as the British Broadcasting Commission (BBC) and the Tennessee Valley Authority (TVA). Following the same strategy, a number of regional development corporations were set up as well in Latin America and other parts of the Third World, making sure to spread the unquestionable functioning of development (ibid.). This method is still used today, only it is more powerful now as we have a sum of new media to make sure to convince people of ideologies and political strategies.
Sustainable Development embraces the so-called triple bottom line approach to human wellbeing. Economic, social and environmental (Sachs 2012:2206). The action of separating them instead of holding a holistic view and understanding that there is no possible separation between social and economic or economic and environmental or social and environmental, has been one the biggest critiques towards the sustainable development discourse.

2.2.1 Sustainable Development Goals

Today’s most prominent framework for Sustainable Development are the most recent Sustainable Development Goals. The UN defines the Sustainable Development Goals as “the blueprint to achieve a better and more sustainable future for all” (UN).

The predecessor of the SDGs were the MDGs. The Millennium Development Goals (MDGs) set a historic precedent of an effective global method for achieving a set of important social priorities worldwide, such as poverty, hunger, disease, unmet schooling, gender inequality, and environmental degradation (Sachs 2012; 2206-2207). Instead of seventeen, these were eight goals which established measurable and timebound objectives. The SDGs now are a newer and more complete version of the MDGs. The MDGs timeline was from the 2000, hence the “millennium” name, to 2015, when the SDGs started. The SDGs timeframe goes from 2015 to 2030, following the same 15 years’ timeframe (ibid).

The SDGs were reached on the 21st session of the Conference of the Parties to the United Nations Framework Convention on Climate Change in Paris, France, from the 30th November to the 11th December in 2015. The agreement was accepted by the international community, 195 countries (Spash 2016; 928).

They are the 17 SDGs. An important factor with these new goals in the fact that they are calling for action to all countries “in a global partnership” (UN).

The UN in their SDGs website section explain that these seventeen specific goals “recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.” This statement could be too ambitious. To think that is possible to keep our aim on economic growth and the activities around it “while tackling climate change”.

The urgency of the triple bottom line, economic, social and environmental arose from the realisation and global awareness of the changes happening in the last decades. This realisation was that the world had entered a new geological epoch, in which human activity played a central and threatening part, the Anthropocene (Sachs 2012;2206-2207). Another huge aspect has been the impact of global economic growth per person. Specially with emerging economies like China and India. Population has reached 7 billion already and is expected to reach 8 billion in 5 years (ibid.).

In 2012 the Member States who attended the Rio +20 summit, started a process to develop a set of Sustainable Development Goals (SDGs). These ones would take as a base the MDGs, but unlike them which were more focused on human development results, the SDGs would have a more holistic approach, following the Sustainable Development ‘triple bottom line’ approach (Scheyvens, et al. 2016;373).
The MDGs and SDGs have been successful methods on creating autonomy on each country’s development, responsibility and action towards a need for a more sustainable world. It has created global action and most importantly awareness of “global action”. There is no difference here of first and third, developed or developing, Global North or south, they are all in it, all fighting for the same cause, the same region, Earth and everyone’s future. They have helped create awareness on our interconnectedness and reliability on everyone and everything else.

The seventeen goals are the following;

GOAL 1: No Poverty
GOAL 2: Zero Hunger
GOAL 3: Good Health and Well-being
GOAL 4: Quality Education
GOAL 5: Gender Equality
GOAL 6: Clean Water and Sanitation
GOAL 7: Affordable and Clean Energy
GOAL 8: Decent Work and Economic Growth
GOAL 9: Industry, Innovation and Infrastructure
GOAL 10: Reduced Inequality
GOAL 11: Sustainable Cities and Communities
GOAL 12: Responsible Consumption and Production
GOAL 13: Climate Action
GOAL 14: Life Below Water
GOAL 15: Life on Land
GOAL 16: Peace and Justice Strong Institutions
GOAL 17: Partnerships to achieve the Goal

Most of these goals are essential and just on point of what we need today, but some others could be debatable.

Spash (2016), for example, points out that the agreement has only been reached by discarding pretty much all major, considerable issues related to the underlying causes of “human-induced” climate change. The Paris Agreements does not offer a real planification nor strategy for tackling these true causes of the accelerated global warming, we as humans, have caused. As Spash (2016) explains it, instead of significative and immediate greenhouse gas (GHG) emissions reductions, the agreement promises the escalation of damaging and counter-effective practices related to global warming.

The SDGs “treat worst-case scenarios as an acceptable 50:50 chance” (Spash 2016;928). It is entirely paradoxical to expect achieving a significant GHG reduction and reverse or stall climate change while supporting, and even more, encouraging sustained industrial and economic growth (ibid).
The primary commitment of the Paris Agreement is to keep our current social and economic system untouched and alive, which has been shown is not really an option. Some people claim that through technology we could be able to rely on business as usual, while at the same time counteract global warming. Some examples are geoengineering, carbon capture and storage, renewable energies, and so on (*ibid*; 929). All technology implies some industrial process, which means more emissions, which makes the whole idea contradictory. A clear exemplification of this, is the fact that we have failed already (WMO) to avoid exceeding the expected level of emissions to avoid a 2C degree rise (UNFCCC). Even the Secretariat of the United Nations Framework Convention on Climate Change (UNFCCC) has stated that, if implemented the 2C degree plan for the 28C degree target, meaning a 450 (ppm) stabilisation, this would only offer a 50 percent chance of avoiding the worst-case-scenarios climate change effects (Spash 2016;929). The only aim of the UNFCCC was to protect us from the Anthropocene consequences by creating policies around it, to avoid more human-inflicted damage to the Earth and the environment and keep the global warming effects stalled and in line. The 2C degree plan displays perfectly the huge failure and the protectionism around our BAU and modernization concept.

The Paris Agreement and the SDGs were intrinsically based in a Sustainable Development discourse, that as we have seen, has an inherent aim for growth and development. The words or concept “Sustainable Development” are consistently emphasised in the Paris Agreement. Spash (2016) accounts this by occurring 12 times in the first 10 articles, and as he states the Agreement is inseparable with the whole “Business as usual” (BAU) context. It has been made to suit effective corporate business lobbying and is clearly a new agenda for “development”. The same old aim as it was in the forties and fifties and throughout all the past decades, economic growth under the poor disguise of what used to be “development” and today’s cleverly new name “Sustainable Development”. The Agenda itself promotes economic growth, relying in and developing technology, industrialisation and more energy use. Goal 8 specifically holds the aim to sustain economic growth at a rate of “at least 7 per cent gross domestic product (GDP) per annum in the least developed countries”. To counter the critiques made towards this goal, the strategy has been to decouple economic growth from environmental degradation, which as Spash (2016) says, makes the task fairly impossible. Goal 9, for example refers to industrial and infrastructure promotion. The core contradiction of the Paris Agreement comes as no surprise as most of the lobbying for making this happen was done by businesses and financial actors who have been using for a while the rhetoric of a green economy (Spash 2014), the business sector had a strong role in influencing development of the SDGs (Scheyvens, et al. 2016). Industry leaders sat alongside political leaders and civil society actors, for example, Paul Polman from Unilever was part of the UN’s High Level Panel (*ibid*;373). This was one of the most praised factors in comparison to the MDGs, how much more participative the SDGs creation and design process was in comparison to the MDGs process, especially with the private sector (Scheyvens, et al. 2016;372).

Throughout the years the role of private sector has been emphasized in different development summits and conventions. In the Johannesburg Declaration stated;

“the private sector, including both large and small companies, has a duty to contribute to the evolution of equitable and sustainable communities and societies” (UN 2002; 27)

In the Rio +20 convention it was stated that the private sector was a key partner in development;

“We acknowledge that the implementation of sustainable development will depend on active engagement of both the public and private sectors…We support national regulatory and policy frameworks that enable business and industry to advance
sustainable development initiatives taking into account the importance of corporate social responsibility. We call on the private sector to engage in responsible business practices, such as those promoted by the UN Global Compact” (UN 2012; 46; Scheyvens, et al. 2016:373).

The 2030 Agenda implies that the root cause of climate change is not fossil fuel combustion or energy sources as thought before but the lack of proper technology, so the obvious solution is technology, development, economic growth and industrialisation, all of which would be brought by Sustainable Development (Spash 2016; 931).

Koehler (2015;747) expresses too his concern regarding the high level of involvement from the private sector in the designing of the SDGs process. His main concern is the possibility of corporate interests outweighing those of society. In earlier years there has been a distrust of businesses and the private sector in general to get involved in international development affairs. The reason has been always the same, the fear of them overplaying their needs over the general and more real needs of society and the environment (Blowfield, 2012, p. 415).

The major problem with the 2030 Agenda and the SDGs is the lack of a structured and viable work plan to achieve the “relevant” goals, secondly, the biggest problem probably, is the fact that these goals contradict themselves, making the task impossible. As Spash (2016;932) concludes “In reality, the Paris Agreement is a compilation of nationally determined intended contradictions.”

2.2.2 Sustainable Development in Latin America

In the last decades, most nations in Latin America have been implementing economic reforms, referred to as “neoliberalism” in Latin America and as Washington Consensus and in the U.S. These reforms intend to promote economic development by forcing their economies to be open to the global markets (Gallagher et al. 2009;1). Many countries in Latin America have been shifting to extreme political left parties. Democracy has suffered in the last decades in Latin America for this very same reason. A decade ago the main countries to start with this critical view towards neoliberalism were Argentina, Bolivia, Brazil, Chile, Uruguay, and Venezuela (ibid.). It prevails today in some of these countries and many others have joined them, like Mexico. Since the beginning of the 20th century some Latin American countries have been against these imposed reforms but in the years 2005 and 2006 a new movement arose in the region. Latin America experienced roughly half a dozen popular rebellions, the so-called “Pink Tide”. Centre–left governments have been growing throughout the continent and even turning into extreme left ones. Argentina, Brazil, and Venezuela were the main first important countries within the global market to turn with Nicolás Maduro as President of Venezuela, Cristina Fernández de Kirchner as President of Argentina and Dilma Rousseff as President of Brazil (Rojas 2017;1). Today we have André Manuel López Obrador in Mexico turning the government too towards a centre-left wing approach and the successor of Dilma in Brazil has turned the country now towards an extreme-right wing government.

The Andean countries, Venezuela, Bolivia and Ecuador are some of the countries with the strongest political transformation and some of the countries with the highest hydrocarbons’ reserves. The strongest hypothesis out there for this, has been the pressure from the neoliberal discourse Latin America has experienced over the years and their need to protect their resources from it (Stanley 2004). All these reforms during the century have had a high toll in LA’s politics.

As Rojas says, it comes as no surprise that this big democratic change in the region has been displayed by the Western press as “an irrational resurgence by protectionists” (2017;1).
Much of this desire of wanting to change democracy and Latin American governments has been because of the realisation that old reforms and neoliberalism has failed to deliver the promised results to the region for a whole century. Economic growth has declined since the eighties (when the strongest neoliberal reforms were implanted) in comparison to the economic growth and general well-being in the previous decades (ibid.). An important debate arose when it was discovered that one of Chile’s most significant growing periods were when it refrained the most from the Washington Consensus policies.

The biggest and most significant promise from this neoliberalism discourse and the Washington Consensus was the promise of having significant foreign (western) aid flowing into the region to ensure its growth (ibid:2). Foreign aid promised to deliver a knowledge plethora that would build new and better skills as well as technological capacities bringing with them economic growth, and environmental protection (ibid.).

Gallagher and Porzecanski (2007;220-229) made the following observations regarding foreign aid in relation to Sustainable Development in Latin America;

“1. Foreign aid has been concentrated only in certain strategic countries in the region.
2. Foreign aid was attracted by traditional determinants, not whether a nation has a regional or bi-lateral trade and/or investment treaty or if it can serve as a pollution haven for foreign firms.
3. When foreign aid came, foreign firms obtained higher levels of productivity and higher wages than were likely to increase trade in the region.
4. Foreign aid fell far short of generating “spillovers” and backward linkages that help countries develop, and in many cases wiped out locally competing firms thereby “crowding out” domestic investment.
5. The environmental performance of foreign firms was mixed, in some cases leading to upgrading of environmental performance, and in others performing the same or worse than domestic counterparts.”

Latin America has been one of the largest recipients of Sustainable Development foreign aid since the nineties. Some of the main attractors of the region were the ability to serve as an export platform to other markets, political and macroeconomic stability and its nature (Rojas 2017;4), which has served as a carbon offset haven. This last theory has not been proved yet by any facts except the fact that international trade agreements such as the North American free trade agreement (NAFTA), encouraged American industry workforce to migrate to Mexico. This hypothesis has generated another one of why foreign aid for development might be counterproductive towards environmental protection. One of the main attractions for developed countries to work in developing ones, is the lack of enforcement on environmental protection regulations.

Latin America received an unprecedented increase of foreign aid for Sustainable Development reaching $1.6 trillion in 2000. However, seventy percent of this help truly stayed in developed countries (ibid.). China, Brazil and Mexico were the three countries most benefited from foreign aid in development. They received fifty-eight percent of all foreign aid allocated to the developing world during the nineties (UNCTAD 2002), the same three countries with the biggest and most important free trade agreements. Another key point while choosing the recipients for foreign aid for development has to do with the number of population (high) and the level of their debt and inflation (low) (Rojas 2017;4). Neumayer and Speas (2005) found that countries which had bilateral investment treaties, such as the free trade agreements, were more likely to receive foreign aid inflows.

Rojas (2017;9) explains in his first chapter the three reasons for foreign aid for development inflows in each Latin American country. He divides the three reasons in “Natural Resource Seeking”,
“Market-seeking” and “Efficiency-seeking”. For example, “Goods industries” seek for “Natural Resource Seeking” in “Petroleum and Gas” in the Andean Community, Argentina and Trinidad and Tobego. For “mining”, Chile, Argentina and the Andean Community. For “Market-seeking” and “Efficient-seeking” in the “Automotive Industry” Mexico. For “chemicals” Brazil, for “Food Products” and “Tobaco” in Argentina, Brazil and Mexico, and so on. Rojas explains in his book how foreign aid for development is well thought and while he does not say it plainly as such, the underlying reason is “capitalism” and economic growth, not so much for the developing countries but for the developed ones who own the companies and which their industries benefit from this raw material, workforce, poor environmental policies, labour protection, etc, found in underdeveloped countries (See table 1.2 from Rojas 2017:9-10).

Rojas (2017) explains how foreign aid for development has the potential to deliver three types of environmental spillovers for sustainable industrial development. The first one being Clean technology transfer, meaning obtaining information, skills, etc. from big multinationals on how to develop new technologies like renewable energies technology, to generate a form of clean energy or clean technology. The second one is Technology leapfrogging, which refers to transfers of state-of-the-art production and pollution-control technologies, and at last, the third spillover, the Pollution halo, this one refers to the diffusion of better and improved practices for environmental management techniques for domestic firms and suppliers.

It has been shown already that the first expected spillover has not happened yet (Rojas 2017;13-14). A recent study of foreign aid for development showed that US auto companies in China transferred outdated automotive pollution-control technologies (Gallagher 2006). Leighton et al. (2002) found case studies of foreign aid in the petroleum industry in Nigeria, Ecuador, Azerbaijan and Kazahkstan where he found that multinational corporations operated with “double standards”, referring to environmental and human rights practices, all of which would be forbidden in their respective countries, but because of the lack of proper regulations they feel enabled of doing this in other countries. On the Brightside, they were found a volume of case studies in Latin America, which have found evidence that better environmental practices were diffused through foreign aid programs (Gentry 1998; Rojas 2017;14). A successful way for avoiding exploitation and abuse has been holding their own countries’ standards while working outside, in a developing country and enforcing higher and better regulations than the ones set by the local governments.

Foreign aid has been helpful in many occasions, but the lack of regulation of it and the underlying speech behind it all has been detrimental in many cases too. Even though the amount of money from Western countries to developing ones seems good, eventually the money goes back to these Western countries as we saw before. The United Nations Commission for Trade and Development reported that the Latin America would need a twenty-five percent investment of GDP each year in order to put the region back on an equal track as developed countries (Rojas 2017;15).

In Rojas (2017) book we can see how he concluded that foreign aid in both Mexico and Argentina, has had either no effect or a negative one. In Costa Rica he portrays how the lack of taxation of international corporations (used as an incentive to attract firms) has robbed the nation of the needed revenue to operate necessary domestic policies for their own development.

Southern American countries have had more “luck” in the matter that most of their foreign aid comes from Europe, so the countries they mostly export to are in Europe, thus having stricter and higher standards for their products. In the case of Mexico and some other central American countries their main market is the U.S. The country which receives most foreign aid from the U.S. for example, is Mexico. One of the problems with this, is that the U.S. has lower market standards, therefore the Mexican market and workforce keeps operating with poor regulations (Rojas 2017).
Foreign aid or foreign investment has been seen as the key to development in the Global South. Thus, it has been found that in some cases foreign aid and investment has crowded out domestic investment. In other cases, it even fails to contribute to capital formation. All of these examples have created doubts of whether foreign aid and foreign investment actually contribute to development in these countries (Agosin; Rojas 2017:22). Furthermore, given the scarcity of domestic entrepreneurship and the need to nurture the existing one, finding that foreign investment can displace domestic firms raises more doubt on the benefits of foreign aid (ibid.).

Investment through foreign aid and investment alone in developing countries has not always lead to improved circumstances for these countries. The so called spillover of technology transfer, usually ends up as merger or acquisition of a local company by a foreign one benefiting more the developed country rather than the local developing one. That is why one of the most attractive reasons for this “help” is the size of population in the country (ibid:25-26).

Therefore, some countries, even though with very liberal policies, still have imposed new limits to the access of foreign companies and foreign investment, like Chile (ibid.). The new so-called movement “Pink tide” in Latin America has a lot to do with these results. This does not mean that the movement will solve Latin American issues, neither exploitation nor their poverty and lack of life quality. Every country needs different policies and different approaches. One of the issues in the “Third World” was the fact that it has been seen as a whole, as one item, rather than understanding the immense difference between all of its cultures, needs, topographies, natural resources, etc. Something that does work for all is that as Agosin explains it (Rojas 2017:29) “the poorer the country and less developed human resources, the more it should concentrate on fundamentals like good governance and ensuring property rights.”

Sustainable Development in Latin America, as seen before, has been mostly about mere development. Economic growth, industrialization, and tackling power through foreign investment. Following Latin America’s concern, with the realisation that this way of proceeding with foreign aid has not been as effective as thought, then as Agosin said, the focus should be on new undisputable fundamentals. The main problems in LA are poverty, criminality, environmental degradation (being one of the most important areas for the whole world on Earth regarding natural resources), fair access to health and education for all, improve gender equality, reduce the gap within social classes in LA, higher standards and stronger regulations in the assembly and maquila industry (ibid).

The SDGs that Latin America should focus on should be:
Goal 1, 2, 10 and Goal 16: No Poverty, Zero Hunger, Reduced Inequality and Peace and Justice Strong Institutions
These four, go hand in hand. By focusing on reducing poverty, hunger would diminish as well as the enormous gap in social classes within LA countries would slowly start disappearing or at least closing. Reducing poverty, thus inequality would inherently lower criminality in the region. With a lower criminal rate there would be no need for more Peace and Justice Institutions, simply reinforcing the existing ones with higher and more meticulous regulations to avoid corruption.

Goal 3,4 and 5: Good Health and Well-being, Quality Education and Gender Equality
A major problem in LA is the lack of good services to provide accessible health to all citizens. Not everyone in LA countries is entitled to receive free and good quality health services; therefore, this lowers incredible life quality in LA. If people would not have to worry about how to keep their families safe and healthy they could focus on other important things like their children’s education and having better education would improve gender equality. Including gender education since the earliest school years in all public and private schools, would lead to a much improved gender equality in LA.
Goal 12, 13,14 and 15: Responsible Consumption and Production, Climate Action, Life Below Water and Life on Land Many developed countries have outsourced their workforce and manufacturing to developing countries. This has been incredibly detrimental in many ways. Rather than generating development as before, it has brought immense environmental degradation and with it health risks and often irreversible damage. LA is known to be one of the areas of the world with more precious metals. The mining from developed firms in the region has been one of the worst environmental degrading procedures in the region. LA needs to have strict and untouchable policies and regulations for the allowed industrial procedures in its region. Responsible production is a fundamental goal to avoid further environmental degradation and to be able to protect life below water and on land. LA holds two of the most biodiverse countries in the whole world. Mega-diverse countries are those one which possess nearly 70% of all global species. The main and most important five mega-diverse countries are all in LA: Mexico, Colombia, Ecuador, Peru and Brazil. The list holds 17 countries, from which six are LA countries (Mexican Biodiversity).

Focusing on these goals and creating fundamentals around it, LA could direct its own Sustainable Development, and if foreign aid would be needed then they could have their own regulations rather than being at someone else’s disposal and planning.

2.3 Foreign aid in Latin America

Simply put foreign aid has been defined as a consensual transfer of capital of any sort, such as goods and/or services from one country (normally from the Global North) to another country (normally is the global south) to help them further develop (Sanchez 2002;1). This does not include exports or trading nor funding for cultural exchanges, remittances, private charity and omits transfers to countries which are not classified by the Development Assistance Committee (DAC) as “poor” (Picard et al. 2007;15).

Formal aid, as it is seen today, developed throughout history. There have always been subsidies, and tributes (Sanchez 2002;1), but foreign aid as we perceive it today has been going on for the past half century (Picard et al. 2007;15). This trade started basically when the western world got interested in the rest of the world. The starting point for this has been marked with the Marshall Plan. The Marshall Plan should be seen as Bataille puts it, “an exceptional event of historical importance” (1991; 173), with this Plan, the whole (western) world (re)took a general interest over certain “investors” (nations).

Bataille described the underlying reasons behind the Marshall Plan; “an investment in the [Western?] world's interest” (ibid; 177). It was the start of the use of public funds from one country to defend its own interests in another one (ibid.). Official aid began with this urgent attempt on behalf of the U.S. government for a non-military strategy to contain the expansion of the Soviet Union and its starting influence over Greece and Turkey (Picard et al. 2007;21). This aid program is the best-known aid program in history. It has been one of the most generous, and mostly admired foreign aid program within international development. The underlying reasoning behind this great aid program was mostly the fear that during the weakness and vulnerability of a fallen Western Europe, communism could spread easily and take over the continent. This event would force the U.S.A into war as communism was a threat for all they believed and represent (Picard et al. 2007;4). The plan consisted in defending neoclassical economics against communism. The Marshal Plan created a precedent for our current aid programs around the world. After this, countries started to cut out into their military budgets trading those estimated funds into expanding their foreign aid programs, transforming aid into the new most appreciated political strategy in the new world (ibid.). The success of the Marshall Plan in Europe created a false hope for Latin America that foreign aid could look like that in its region. The
Third World was not exactly seen as deserving of the same treatment as Europe though. Europe received $19 billion, which was less than two percent of the total of U.S. aid in Latin America during the same period (Bethell 1991; 58). During the Point Four Program, only $150 million were allocated for the Third World (Kolko 1988; 42).

Some of the main purposes of aid giving have been as mentioned before, diplomacy, meaning those purposes involving international security or political interests like creating and maintaining spheres of influence. Others include expanding the language, religion, or culture of the donor country, which could be interpreted as a form of post-colonialism (Picard et al. 2007:20). During the 21st century the main reason behind all foreign aid has been to increase development (Picard et al. 2007:22). Mostly economic development. The focus remained on increasing GDP and nation’s wealth.

Foreign aid impact in Latin America has been empirically examined. Regressions are run to see if the aid is either invested or consumed by the countries it has been given, nonetheless no relationship has been found between aid and social improvements (Sanchez, 2002:1). Even after more than fifty years into different forms of foreign aid in Latin America, poverty, social inequality and ecological degradation are still growing strong.

One of the main inflows of foreign aid in Latin America in the last years has been due to the narcotic war, assisting mostly Bolivia, Peru and Colombia (Picard et al. 2007:10). The narcotic war has grown increasingly in the last years as well as the debate on the applied policies by experts, non-governmental organisations and political leaders, which have not only questioned their effectiveness but the grave side effects that have come with them (Garzón and Pol 2015;5).

This type of scepticism and criticism towards foreign aid has existed for quite some time now. The chairman of the Senate of Foreign Relations Committee for a long time during the nineties, went so far as to claim that “foreign aid only lined the pockets of corrupt dictators while funding the salaries of a growing bloated bureaucracy” (Radelet 2005;4). Proponents have argued that trade can provide more help than aid can, especially in eradicating poverty (ibid:6). Certain economists have estimated that the elimination of trade barriers by the Global North or high-income countries could inject $100 billion annually into the economies of the Global South or low-income countries. In fact, they noted that the United States collects more in import duties from some poor countries than it provides in aid (Radelet 2005;3).

The first international mission sent to an underdeveloped country was in Latin America in 1949. The country of the choosing was one of the richest countries in natural resources in the world, such as gold and petroleum, Colombia. It lasted from July 11th to November 5th. It was an economic mission organized by the International Bank for Reconstruction and Development. The purpose of this mission was to formulate a general development program for Colombia (Escobar 1995; 24).

The next paragraph was part of the final report from the International Bank in 1950 regarding the project. It is a perfect example of the “developmentalization” process in Latin America through foreign aid and demonstrates the Western view of the Third World;

“Colombia is presented with an opportunity unique in its long history. Its rich natural resources can be made tremendously productive through the application of modern techniques and efficient practices. Its favourable international debt and trade position enables it to obtain modern equipment and techniques from abroad. International and foreign national organizations have been established to aid underdeveloped areas technically and financially. All that is needed to usher a period of rapid and widespread
development is a determined effort by the Colombian people themselves. In making such an effort, Colombia would not only accomplish its own salvation but would at the same time furnish an inspiring example to all other underdeveloped areas of the world”. (International Bank 1950; 615)

The text reflects the power relation of these “two worlds”. The superiority/ messianic complex from the Western World towards to Third World comes through quite clear. The power of one over the other referring to this foreign aid project as a “unique opportunity for Colombia” and a condescending tone throughout the whole International Bank report (1950) sets a perfect example of what foreign aid has meant and the underlying concept behind it.

Although these foreign aid projects were carried out based on terms of humanitarian goals, the underlying reason was to build a new strategy which pursued to keep a hold on the Third World countries as well as their resources (Escobar 1995;26).

The Latin American case is quite different from the African. As it is known, most Latin American countries achieved political independence in the early decades of the nineteenth century. Nonetheless, Latin America remained on many levels under a strong influence of European cultures. One of the major differences to the rest of the Third World, is that Latin America experienced a strong American influence since the beginning of the twentieth century. The rise of the United States of America helped them feel entitled to meddle in everywhere, but of course especially in their own continent. The rise of the U.S. was felt strongly all over the continent. Those in power perceived the coming opportunities for commercial exchange but this same recent relationship gave the United Stated an even stronger sense of justified interventionism in Latin American affairs (ibid.). This made Latin America not only sensitive to European pressures but to American pressures as well.

The 1912 Nobel Prize winner, Robert Bacon, former U.S. secretary of state was one of the principal actors in the separation of Colombia and Panama. He was a major force in shaping U.S. foreign policy and took active part in the interventionist policy within Central America. This Nobel Prize winner once wrote about a trip he made to South America “the majority of these countries, laboriously building up a governmental structure under tremendous difficulties, were unstable, tottering and likely to fall from one month to another…. out of the condition of militarism, out of the condition of revolution, into the condition of industrialism, into the path of successful commerce, and are becoming great and powerful nations” (Bacon 1916, 20). Again, a condescending discourse while hailing to the “big fix”, industrialism, capitalism, development. These policies were the ones that gave more power to the U.S. in thinking they had the “right and ability to intervene politically in weaker, darker, poorer countries” (Drake 1991;7).

Latin American nationalism did arise in time after all their respective independences and civil wars. They started settling in their own “new” countries and found some national pride in it. After World War I, the U.S. significantly reduced its open interventionism and instead proclaimed the principles of “the good neighbour”. These principles were particularly focused on assistance to financial institutions and during this time the Rockefeller Foundation became active for the first time in Latin America (Brown 1976; Escobar 1995;28).

Back in the forties were held three inter-American conferences. The first one started at Chapultepec in Mexico from February 21\textsuperscript{st} to March 8\textsuperscript{th} in 1945. The second one was held in Brazil at Rio de Janeiro in August 1947, and the last one of these first inter-American conferences was held in Colombia, Bogota from March 30\textsuperscript{th} to April 30\textsuperscript{th} in 1948. These conferences set a precedent of how Latin American would be seen and treated by their “good neighbour”, United States. Latin America at this point was caught up by all the “development” speech and the urgent need they had of it. So
Latin American countries mainly emphasized their economic and social goals (López Maya 1993; Escobar 1995;29). This concern regarding their economic status before the world, the Western World, created a fertile soil for the “developmentalization” seed to grow in Latin American politics, as well as the vision of the “little brother” wanting and needing help from their “big powerful brother” who was there to take care of them. These conferences played a major role in letting the U.S. to play a key part in Latin American countries politics and economics. The U.S took the opportunity during these three conferences to warn and strongly recommended Latin American presidents to abandon all “economic nationalism” politics (Escobar 1995;29), otherwise they would never be able to reach the desirable state of a developed country. The U.S. at this point was strengthening through militarizing its foreign policy and made sure that this came across clearly in all three conferences, especially in Rio, where disagreements regarding an economic nationalism came up (López Maya 1993; Escobar 1995;29). The infantilization of the Third World was fundamental to development and the “salvation theory” (Nandy 1987). Nonetheless, this infantilization was not only a Western conception but eventually became an adopted conception for the Third World, which in itself, stall its own development. Kolko (1988; 39-40) argued that if the United States would have treated Latin Americans like adults, then perhaps they would have acted like such.

2.3.1 Foreign aid through Neo-liberalism

From 1945 until the North Korean invasion of South Korea in June 1950, foreign aid was actually thought to be the primary instrument for containing the Soviet Union, more important even than military power (Picard et al. 2007;4). The underlying issue became “protecting” worldwide economics, which for LA meant becoming one of the “protected” areas.

In the 1990s the United States contributed about 25 percent of the world’s foreign aid (Picard et al. 2007;6) and it was when the Clinton administration argued with success that foreign aid, particularly economic assistance, supported six interrelated foreign policy goals, in which one of the most relevant was of course broad-based economic growth (Picard et al. 2007;7). After this, the Bush administration modified the Clinton approach by structuring its aid program on what it viewed as the three strategic pillars, namely, economic growth, agriculture, and trade (Picard et al. 2007;7). According to USAID, aid in 2006 some of the operational goals were to support the U.S. geostrategic interests to promote transformational development, especially in the areas of economic restructuring (Picard et al. 2007;8).

Foreign aid has been based in the concept of economic growth. The Official development assistance (ODA) is a governmental aid program created to promote economic development and welfare of developing countries (OECD 2018). Most foreign aid programs are based in this notion, basing their programs into having a contribution to “economic development”.

This form of aid within an economic rationalism concept, conceives nature as a bare raw material for us to keep producing, it appeals to our competitiveness and its intrinsically based in market, prices and privatization (Dryzek 2013;122-144). One example of using economic rationalism within foreign aid are the Payment for Ecosystem Services (PES) programs. Over time, they have been examined in different countries to prove its efficiency and it has been proved successful in some ways, as it helps create awareness of the benefits that nature gives us, but in the long run the programs have been troublesome. In most cases the programs have had crashes because they are not planned to sustain themselves, these programs are set for just a determined period without engaging all stakeholders (Wunder et al. 2008). Some of the main problems of PES, have been “leakages”, the environmental damage is usually displaced from one area to the other (ibid;8). An example of this is deforestation as a secondary effect for focusing on water resources within this scheme. From all the cases reviewed in Latin America, 77.3% suffered from deforestation as a secondary effect and 93.4% of the reviewed
PES cases had cash payments (Martin-Ortega, J. et al. 2013;9-14), which tends to increase the risk of perverse incentives (Daniels et al. 2010;7-11) proving to be inefficient in helping with poverty issues in the area. Another common flaw in this policy is conflicted or lack of ownership (ibid.). This exemplifies the lack of vision of this economic conceptualization regarding the complexity and interdependency of systems.

One of the main issues with these types of schemes is the marketization and privatization of a “common good”. Privatization is highly valued in economic rationalism, and one of the bases of why this would work is that normally people tend to care more for what they own, creating more awareness of common goods and the environment (Dryzek 2013;122-144). The problem with these schemes is that environmental degradation and damage are merely displaced not reduced. More problems about this scheme are the lack of precise measurement, as there are no clear or standardized measures for it, transparent reporting, and thorough monitoring (Hoag 2011). Neoliberalist and neoclassical market mechanisms keep failing to protect the environment and improve social conditions. We cannot squeeze Nature into commodity boxes. Nature is in itself a whole system, not some good or service to make part of mainstream economics (Spash 2013;1). Monetary valuation of the environment was developed within the neoclassical theory but was only intended for small projects. In spite of this it has still been applied to all sorts of contexts. It has been regarded as a policy aid rather than simply a tool to help us realize how most people value nature (Spash and Vatn 2006).

The economic aspect of Sustainable Development is not about GDP but about securing social and ecological systems, that should be the one and only purpose of economy (Hahn 2014).

Biodiversity neoliberalisation is explained by Castree as the use of capital pushing either (a) to overcome the economy–environment contradictions, and the way to do this would be by including the environment into the concept of “capital accumulation”; (b) for submission of the non-human world to become merely a means to an end for fulfilling our human “capital accumulation”; (c) as a “degrading nature to profit” strategy”, or, (d) a poor State’ attempt to try to overcome the inherent contradictions of capitalism (Castree 2008; 146–148).

2.4 Nongovernmental Organizations (NGOs)

NGOs have tried to influence a behavioural change of prominent actors such as states, international organizations, economic powerhouses, and other entities through political processes (Egelston 2013;48). NGOs have changed through time their mentality from being “apolitical” and providing specialized knowledge to actual governments to becoming into decision makers and “political” actors who expressed their desired outcomes. This change occurred around the time of the Stockholm conference in 1972 (Feraru 1974;49). Scholars have agreed that NGOs constitute a major part of global civil society. Consequently, theories about global civil society establish NGOs as an important actor within international and environmental politics (Egelston 2013;35). NGOs have gained a special moral authority over the world. Their influence imbues more than merely formal negotiations within international affairs, but they impact on global outcomes, structures, relationships, and normative values within global environmental diplomacy. (ibid;36).

Global civil society is a term of particular interest as it has multiple meanings. Adding the term “global” to civil society suggests NGOs are enabled to be global too (ibid.). Most NGOs receive funding or better said, need to receive and rely on international funding from (western) organizations, like the United Nations (UN), USAID, World Bank, etc. Meaning that NGOs are not truly autonomous, but they highly depend on someone else’s framework or set of values.
States dictate the conditions under which global civil society, meaning NGOs, participate in the political arena. This way of interacting generates the usual “top-down” approach, which emphasizes on structural modus operandi in established institutions to promote and support certain ideals or strategies. For example, as Hoggart described it, UNESCO deliberately promoted solely NGOs willing to support their own mission (1996:106). The top-down approach, which is based on the state’s pressure towards society results ineffective and ends up creating more pressure over the same state. This kind of procedures emphasizes the domination of the Western neo-liberal democratic values over other societies (Reimann 2006).

Another method which has been found to be the opposite of the “top-down” approach, has seemed to work a lot better and could result in a good solution for the “domination” problem within global civil society. Global civil society uses this method to target changes in the state’s behaviour. This method is known as the “bottom-up” approach. Cox and Falk stated that the “bottom-up” approach creates voluntary groups of organized people which look ways for imposing “moral and ethical limits on the uses of economic and political power” (Cox 1999; Falk 1999). It’s a way of creating change actors without having any hidden agenda rather than the higher good for society. When it comes to environmental problems a mixed method could be of use. Creating new laws and policies while at the same time demanding for better, more impactful policies from the citizens themselves.

A very important aspect while talking about the importance of NGOs, especially those in the Third World, is the fact that governments in these areas are usually seen as morally lacking or illegitimate (Egelston 2013:40). This has given NGOs so much more power than they should have had and has been a perfect tool in influencing societies public opinion in these areas. The fact that NGOs are perceived as non-related to the state or business makes them more trust worthy than the state itself.

NGOs have had a most prominent role within development. NGOs are both intrinsically connected with international affairs and local affairs. They are allowed to be part of negotiations and to apply this same new “rules” or decided structures in the localities where they are supposed to be applied. They count with a good percentage of acceptance from both the state and the general public and they are the most important component while applying any developmental or environmental work anywhere in the world. The problem is that not all of these projects are necessarily “green” or environment friendly. Many of the projects run by NGOs are based simply on industrial development, economic development and so on. So, the general trust that today exists on NGOs is unfounded. It is necessary to create a structured value-system which will hold to certain standards all NGOs in order to make sure that all of them are working towards a better future for all.

The theoretical approach of NGOs is that they have had the role of promoting social change by working within the same political global system while promoting new normative standards, but this theoretical approach is not necessarily true for all of NGOs. Besides there has been a noticeable increase in the number of NGOs constituted in the last decades (Egelston 2013:45-48).

A very important task for NGOs until now and which is indispensable to preserve, is providing continuity to policies, international agreements and projects.

NGOs have played a major part in the shaping, designing, negotiating, applying and monitoring of international agreements regarding Sustainable Development, see chapter one from Egelston (2013).
3. Theoretical Framework

This chapter will deepen into the main theories utilized for this thesis. This chapter explains the main differences specially within economics.

3.1 Neoclassical Economics and Neoliberal Ideology

Neoclassical economics tends to be quite technocratic as it suggests what should be the norm for firms and consumers to do in a decision-making process considering them all as one whole. (Söderbaum 2019 (1);3). This discipline is often regarded as a technical one. Neoclassical supporters claim to hold the truth about many topics, like consumers’ behaviour, production patterns, markets, how to evaluate infrastructure projects and so on. What is clear, is that there is no value-neutrality within neoclassical economics (Söderbaum 2019; 92).

One of the main issues in the present time with neoclassical economics is a concern for democracy. It would seem as it has been assumed like a norm. There is a tendency in economics to stay neutral in the face of politics and neoclassical economists almost never touch upon any sort of ideology or world-view. Creating an extremely limited discussion in the neoclassical way of framing problems (ibid;8), it tends to disregard accumulative impacts (ibid;10). Usually the assumed interaction between consumers and firms in neoclassical economics is a mechanic one. (ibid;3). The whole view of markets is mechanistic in this economic theory. It contains assumptions of perfect competition, homogeneous commodities traded in markets assumed to be full of homogeneous sellers and buyers which carry complete information (ibid;9).

In the end, as Peter Söderbaum (2019 (1)) stated neoclassical theory is one among many other elements that make neoliberal economics and our current political system legitimate. So, to change this, we would have to reconsider structural and important modifications in our existing political economic system simply to grasp a better sense of what a sustainable economy would be and abandon this current protectionism of neoclassical economics theory. One of the examples of neoclassical economics trying to broaden their view, including the environment, has been the application of environmental taxes (Söderbaum 2019 (1);13).

Neoliberalism was born in the midst of the category of economic ideas that arose between the1930s and sixties. It has been associated with the Freiburg Ordoliberalism school, the Mont Pelerin Society, the work of Friedrich Hayek and the counter-Keynesian economics of the Chicago School (Venugopal 2015;168). The main impulse to popularity neoliberalism had was the influence it had over the Wirtschaftswunder, the West Germany’s economic miracle post-war. This deed was carried out by one of the neoliberalists advocates, the Minister for Economics, Ludwig Erhard (ibid.). Neoliberalism has been a victim of its own success. Neoliberalism has been pegged not only as dominant and pervasive but as a powerful and extensive political agenda of class domination and exploitation, “the dystopian zeitgeist of late-capitalist excess” (Anderson 2000;17).

One of the main traits of neoliberalism has been its divergence, which has been extremely helpful in accommodating diverse scenarios like now, with biodiversity (Brock 2015;288). A problem in relation to markets for example, the neoliberalist conceptualisation ignores that markets are themselves a consequence of politics though markets are usually presented as “non-political” entities (Beck 2000;122). Neoliberalism has most definitely become a hegemonic discourse in international politics and economy (ibid;280), thus making it extremely hard to be modify in any way. Its divergence can be seen as well as a disembedding to its definition. Neoliberal practices do not represent market detachment, but instead an institutional expansion. This process as explained by
Konings (2010) by which certain power relations get attached in people’s daily strategies that end up being entirely “wove into the fabric of social life”.

Rajesh Venugopal (2015) poses the question; Is neoliberalism a depoliticized and technocratic fetishization of the market, or is it a deeply political agenda of class rule and neo-colonial domination? Which exemplifies perfectly the main issue with neoliberalism as a concept and as a practice.

Theoretically, neoliberalism has been sold as a symbol of freedom, of a “market for everyone”, equal opportunities to succeed for all, but in practice neoliberalism has been mostly seen as political agenda that favours only a certain fraction of the population. Some authors like Saad Filho and Johnston (2004;2) have even described neoliberalism as “a hegemonic system of enhanced exploitation of the majority”.

3.2 From Neoclassical Environmental Economics to Ecological Economics

Coming from the idea and the notion that Neoclassical school of thought has ruled our economic and political system for at least the last century, we can see how the first logical and viable response to include the environment in our system, was to create a movement like Neoclassical Environmental Economics. The need to do this, arise from the fact that neoclassical and neoliberal economics segregated the environment while developing its theories. Creating an unsteady base to build up a holistic system.

A more sensible way to explain the transition from economic schools like Neoliberal and Neoclassical Economics to the new available movements like Ecological Economics, is explaining the first version of an economic theory including for the first time with the environment in it.

3.2.1 Neoclassical Environmental Economics

Neoclassical environmental economics covers only environmental and resource economics problems (ibid;48). Neoclassical environmental economics is certainly a step forward compared to neoclassical economics as it does not include at all environmental problems. Nonetheless relying solely on the neoclassical approach seems to be a poor strategy (ibid;49). To think that both ecology and economics can be treated through one single approach is a huge mistake considering how complex these issues are. The main problem with the neoclassical approach is its reductionist approach to all (ibid.).

Neoclassical theory points at the government as the main agent in environmental policy. It tends to classify policy instruments as “command-and-control” or as economic incentives (Söderbaum 1994;47). Environmental policy relies on more agents apart from just the government, such as business companies and other relevant groups (ibid.).

Neoclassical economists view economic growth as the answer, rather than the core of the problem while dealing with environmental issues. Neoclassical economics and even neoclassical environmental economics believe that Sustainable Development can be achieved through new technologies and inducing and manipulating the market. On the other hand, ecological economists, believe that there are limits to technology and they definitely do not trust the market to regulate itself. Our environmental problems as they do realize the market’s demands, mis-information and self-made aspirations of certain life-styles are the main cause of our resource’s depletion. Ecological economists see the need for capital redistribution to solve poverty and put our focus on this rather than in economic growth. Neoclassical environmental economics was born as an attempt from neoclassical
The major failure with this attempt is that it is clear that the neoclassical approach cannot appropriately deal with our environmental and humanitarian problems (Greenwood and Holt 2007) because of its underlying assumptions and methodology (Greenwood and Holt 2008:450) it results in a paradoxical concept. The challenge of Sustainable Development is quite complex, it involves environmental issues, energetic issues and humanitarian issues. Sustainable Development problems are of the non-monetary kind. Nonetheless neoclassical economists think that it can all be solved through its Cost-Benefit Analysis (CBA) analysis or any method which focuses simply on the monetary dimension (Söderbaum 2014:2760). Some of the most prominent examples of neoclassical environmental economics are the “Stern Review”, “the Brundtland Report”, the carbon market, the payment for ecosystem services (PES) schemes and most renewable energies new markets. Even though they are a step ahead in trying to find a fix for our environmental issues within our same economic system, they keep failing to do so. The lack of pluralism in its approach and the lack of democracy and narrow reductionist view, prevents this method to be proven effective. Understanding the Ecological Economics discourse involves more than simply focussing on academic debates or technicalities, it needs a deep historical analysis and conflict exploration to understand the ideological and methodological differences (Spash 2011:344).

The neoclassical approach to environmental policy has been shown in numerous textbooks and has been presented to politicians, bureaucrats and other relevant actors. Neoclassical environmental economics keeps proliferating (Söderbaum 1994:47).

3.2.2 Ecological Economics

The ecological economics movement general idea embraces many different subjects that have been around throughout history. Ideas that have been debated since the ancient Greeks, such as limits to wealth having a “good life,” well-being individually and socially, the epistemology of value, and the social impact of ostentatious consumption (Spash 2011:345). And ideas that have been debated not so long ago, in the 18th and 19th centuries like the writings on social motivation of Adam Smith ([1759] 1982), the population and poverty problem stated by Malthus regarding arithmetical against geometrical growth ([1798] 1986), Jevons worries on our non-renewable energy dependence ([1865] 1965) and Marx (1867) on his critique on capitalism and the underlying exploitation, wealth accumulation and poor distribution (Spash 2011:345). These are just some of the unconscious roots underlying the ecological economics movement, while the conscious roots started developing around the sixties and seventies (ibid.). One of the most relevant authors of this time was K William Kapp, whom explored deeply the link between social and natural sciences. His work remained underground and unknown mostly because of his critique to the system, which was way ahead of his time, nonetheless remains one of the minds which founded this movement (ibid; 346)

Environmental economics arose in the late sixties, when the promise of material wealth for all and post-World War II optimism in science and technology were stumbling. The economy was being run like the Wild West, stated Boulding (1966). Resources were being exploited, waste was being chucked down on the ground and no one cared or gave a second thought about it Spash 2011:348).

Ecological Economics challenges neoclassical economics’ paradigm as contrary to the latter, it incorporates all elements natural and social, resulting on a more pluralistic and fair perspective on economics.

Ecological economics could mostly be understood as a new form of economics that could end up being truly sustainable in the long-run (Söderbaum 2019 (1);2). This kind of economics conceives
ecosystems as the primal bodies within which human and economic systems are engrained (Dryzek, 2013:33). This approach on economics sees natural systems as finite which remains the most important challenge; How to address the insufficiency of resources within our ecological and economic systems while sustaining life within these constraints?

The pioneers of ecological economics include Nicholas Georgescu-Roegen and Herman Daly. (Dryzek, 2013:34). Daly formulated principles of steady state economics where “conventional economics are committed to perpetual economic growth” and regards economic health in terms of growth. Daly described how an economy could be run on steady-state lines with no need of natural resources input increases (Daly and Farley 2010; Czech 2000).

The sudden new ascend of Ecological Economics is marking a new era of stepping towards a social and natural science integration and an urgency to swift from mainstream economics towards a new holistic political and environmental economy (Spash, 2011).

Ecological Economics has its own divisions as well, such as shallow and deep ecological economics and it is referred as well as Social Ecological Economics or Institutional Ecological Economics. Going into depth of these concepts will further help understand the type of ecological economics that would be best suited for foreign aid.

### 3.2.2.1 Shallow Ecological Economics

Shallow Ecological Economics is the movement that mostly refers to business as usual and our current political and economic system. This part of ecological economics goes closer to the mainstream economics and its values (Spash 2013:1). This movement is more present and powerful while the deep one has been less influential (ibid.). This movement was created at the same time as the deep ecology movement by Arnes Naess. For Arnes Naess (1973) shallow ecology could be summarised as a fight between humans against pollution and resource scarcity which has as main objective the health and affluence for the Global North. All preoccupation was sourced on everything functional and useful for human ends being threatened (Spash 2013:359).

It refers mostly to our current paradigm and the current reforms by which we live by, the mainstream environmentalism, merely an anthropocentric extension (Nelson 2008:206). Shallow ecology is broadly seen as a counter movement to our increasing pollution and resource depletion, with a special focus on its effect in the “Global North” (ibid;9). Shallow economics on the other hand has the same concerns but it includes as well concerns such as social justice, poverty, democracy and so on. The problem with this ecological economic approach is that it leaves these “concerns” in someone else’s hands and leave them to be dealt with “later” (ibid.). Another issue with shallow economics has been that it has not brought more into the table rather than what environmental economists have already brought except for their higher valuations on natural resources (ibid;10).

### 3.2.2.2 Deep Ecological Economics

Deep Ecological Economics is the less popular movement within ecological economics. Deep ecology movement supporters agree in their distaste of the anthropocentric principles at the core of the Global North industrial culture. Within the deep ecology movement, environmental philosophy objectively notes the existent integrity in nature freely of human needs and desires (Nelson 2008:206). The main advocate for the deep ecology movement is the Norwegian academic Arne Naess, he invented the term in 1973 in his article “the Shallow and the Deep” (ibid.).
Some of the deep ecology background are for example (ibid.); the link it has with ecological science (Golley 1987), religions from around the world (Barnhill and Gottlieb 2001), the land ethic of Aldo Leopold (Devall and Sessions 1985) and the phenomenology of Martin Heidegger (Zimmerman 1986). The fact that this background includes so many different variants and concepts, explains a lot regarding the deep ecology movement and how complex, inclusive and holistic it is. This movement represents the psychologization of environmental philosophy (Nelson 2008;206). It refers to an egalitarian environmental philosophy, where we recognize the intrinsic value of all biota, human and non-human as well as their interconnectedness (ibid.).

The deep ecological cosmology “digs” the core assumptions of the Global North anthropocentrism, it intends to go deeper, therefore the term (Fox 1995; 91-94). The deep ecological thinking is not about a slow transformation and reformation of our current value system but instead a complete transformation of our core values and society as it is today (Naess 1989;45). Deep ecology has inspired radicalisation in many environmentalists as it calls for a complete redirection of human history (Nelson 2008;206). Deep Ecology carries two main principles; Biocentrism and metaphysical holism (ibid; 2017).

Deep ecology in a strict academic manner is the study of the criteria of our current value systems which analyses the existing or inexistent balance of a biocentric egalitarianism in them (ibid;207). By biocentric egalitarianism, this movement denies the supposedly higher hierarchy that human beings pose over other living things. This movement is not simply non-human-based, but as Watson (1983) called it anti-anthropocentric. Biocentrism, as explained before, is merely realizing that there is no difference or higher morality between human and non-human life worth and the second principle means the self-realization of the first principle. The awakening to the fact that we are all interconnected and share the same worth. Naess and Sessions argued that the psychological realization of metaphysical holism makes ethics superfluous and is more about the way we experience the world (Nelson 2008;207).

One of the main critics to biocentric egalitarianism has been the effect if would have in axiology. If all organisms share equal value, then there is no basis upon which to make ethical evaluations of environmental ethics. Or as Bryan Norton states, you cannot give the same value to the 120,000th elk as to the last California Condor. As Naess explains, the deep ecology movement is simply a set of general principles to create our new value system, is merely descriptive (ibid.).

As Naess said “living beings have a right, or an intrinsic or inherent value, or value in themselves, that is the same for all of them” (Naess 1984;202). Axiology is most commonly measured by how important or necessary a resource is to humans. So, considering the deep ecology principles it would imply that axiology would not be affected as it would be entirely different as it is today. Utility and disutility are seen through an anthropocentric view. Most of the used examples in the critics against deep ecology are scenarios where human’s well-being is involved (Nelson 2008;209). The problem with this movement remains in the fact that it is still a mere descriptive philosophy, rather than a more practical system to apply. Deep Ecology is more of a strong foundation where to grow up into transforming a new value system for our society.

The deep ecology movement is more ecophilosophical rather that ecological. Ecology is a limited science which depends on scientific methods to thrive, philosophy on the other hand, is more of a forum for an open debate on fundamentals, which makes it a great base to start the redirection of society as a descriptive and prescriptive method (Naess 1973;99).
Social Ecological Economics mainly expresses the essential socio-economic character of the current gap that we have been experiencing for a while with mainstream economics (Spash 2011). Social economists tend to be quite critical with the deep ecology movement. Murray Bookchin, the father of social ecology criticized the deep ecology movement, stating that the movement reduces humans to simple species, instead of considering our whole complexity as social beings. He claims that deep ecology sees humans as a menace to the planet, that is devouring and overpopulating it (1988:13). Though it is true that humans are considered as simply another being, the complexity of ecosystems and all their beings within them is considered in the deep ecology movement. Bookchin claims that this same lack of vision from the deep ecologists to see human’s complexity is the same reason they fail to see the true causes of environmental problems (Bookchin 1988:18). Social Economics on the other hand focuses on the area of Ecological Economics that takes a positive step towards integrating social and natural science. It is the part of the movement of Ecological Economics that goes beyond the frame of mainstream economics towards a developing and transforming environmental political economy (Spash 2011:1).

One of the reasons Ecological Economics was born was because of our environmental crisis such as environmental degradation, loss of species, air pollutants, soil and water pollutants, synthetic chemicals, desertification, deforestation, and our belatedly recognition to link all of these with our economic system (ibid.). Mainstream economics has left these problems to sub-disciplinary specialists such as agriculturalists, environmentalists, etc (ibid.). Macro-economics is mainly focused on topics only like money flow such as income, earnings, expenses, productivity, unemployment and inflation and seemed to have completely segregated all environmental problems and their links to these topics (ibid; 341). Not even economic schools like post-Keynesians, critical institutionalists and neo-Marxists have shown the least interest in getting involved or paying any kind of attention to environmental problems within economics (ibid.).

Even though today we hear and see more attention being redirected to environmental issues in economics, they are usually related to neoclassical economics. We might be able to see how regular environmental economy issues in The Economist, but these are mostly embedded in neoclassical economics and are usually cunning speculators who manage to predict or anticipate the potential returns of an early investment in this area (ibid; 342).

The fact that the environment is now an economic trendy topic is concurrent with the fact that managing air pollution has become a great business scheme. There is a reason behind the special attention within environmental issues to the human induced climate change because of carbon generating industries. The clearest reason would be the neo-liberal support to all the multi-billion-dollar carbon trading markets. A clear example of this is the European emissions trading scheme which had an estimated worth of $US51 billion in 2007 (European Commission 2008: 21) which successfully grew into a $US80 billion worth in 2008 (Kantner 2008). The carbon market is a growing industry, thus the great support and new attention from neoclassical economists to the “environment”. Another example of a failed attempt of neoclassical economics to truly include environmental issues in its study has been the Stern report (2006). One of the hardest critiques to Sir Nicholas and his team’s review is the fact that it reinforces everything that has been done incorrectly by the governments. It would appear in the review that all scientific matters regarding climate change have been settled already (Byat et al. 2006) The review seems to justify throughout their utility model standard discounting approaches and use of GDP growth as means for inaction on this major environmental issue (Spash 2007).
This constant disregard for the environment from mainstream economics has been explained by Clive Spash (2011) as a two alternative ways theory. The first alternative is that the mainstream economists treat environmental problems as special cases of general theoretical economics constructs, which allows them to sustain their own concerns without paying attention to the environmental ones. The second mentioned alternative is the recognition that if they were to in fact pay real attention to our environmental reality (crisis), this will eventually lead to a whole new way of thinking which would necessarily call for interdisciplinary learning within our political-economic system (Spash 2011:343).

Future research in Social Ecological Economics needs to start making new ways and creating space for giving the needed importance to questions like; what contributes to well-being? Is well-being a goal? What are our real aspirations as a society? How to behave individually and institutionally? (ibid;360).

Rejecting today’s “universal truths” could lead into a whole new systemic revolution, rather than simplifying humans merely to a clog of cells that should not question these “truths”. Psychology is a wonderful tool for Social Ecological Economics as it offers great insight into human behaviour (Earl 2005).

Social ecological economics rejects the idea of valuing and pricing nature as well. It regards the neoclassical theory as merely monist. It tends to reduce everything into monetary terms whilst stripping all complexity away, even moral and ethical issues, it reduces everything into numbers (Spash 2011; 362).

Social Ecological Economics is widely seen as a scholars’ community developing and innovating new forms of political and economic systems. The foremost important commitments in this ideology are to take care of environmental problems using behavioural and systemic change, an urgent requisite for power balancing, all of this while keeping a central role for ethical debate. Social Economics aims to design alternative institutions, promote public participation, empower and engage everyone while always caring for human and non-human life (ibid;367). Some of the characteristics that separate Social Ecological Economics from the other types of Ecological Economics are parts of its method like value pluralism, recognize non-consumption, include interdisciplinarity, rejection of mechanistic reductionist approaches, rejection of mathematical formalism and its claimed rigor, acceptance of indeterminacy (ibid.).

The aim of Social Economics is to focus on our true well-being. How to attain human, social well-being. For attaining well-being in society, we require social interactions, and this requires institutions to allow for this pluralism of expressions. This may be described as the need for value articulating institutions (Vatn 2005), which leads into our next important face of Ecological Economics, Institutional Ecological Economics.

3.2.2.4 Institutional Ecological Economics

Institutional Ecological Economics refers to Institutional Economics within Ecological Economics. Institutional Economics has been presents as an interdisciplinary and holistic approach to economics with an institutional layout (Söderbaum 1992:911). Söderbaum (1992:912) argues that subjectivism can be an asset, rather than something to be pushed away and avoided in academia.

Some main characters in the Institutional approach are Kauko Hahtola assisted by Antti Leskinen and Markku Turtiainen. Hathola was the head of the Department of Land Use Economics at Helsinki University. This department is probably the first one to be dominated by institutionalists in a Nordic
country (ibid; 912). Other important characters in this field like Clarence Ayres, Gunnar Myrdal and John Kenneth Galbraith introduced the idea that economic development should be based in life quality rather than in economic growth (Greenwood and Holt 2008:446). Nonetheless, having and contributing to continue improving life quality is important, but ecological economists argue that core matter to look for is for economic development to be “sustainable” over time (ibid.).

The concepts of “institutionalisation” and “legitimation” are at the core of institutional theory. Every “institutional change” refers to the change between a phenomena and individuals, which is the core of the matter in the Institutional Economics movement (ibid;440,441). Peter Söderbaum defines an institution as a “phenomenon that has a similar meaning for a larger or smaller number of individuals” (ibid;440).

The main aspects in this movement have been the recognition of non-renewable resources for which there are no substitutes and are indispensable for today’s living. Another extremely important aspect that has been recognized by this school too, is the fact that population growth and the desire and aspirations for higher life standards and life quality, are in themselves waste generators, thus waste will keep increasing and may surmount the biosphere’s capacity (ibid.). Ecological Institutionalism believes that having these aspects in mind most definitely can help promote a more pluralistic and holistic approach to economic development (ibid.).

Institutionalists like Veblen (1908) have identified technology and its role in society as a contributor in improving life quality, one of the keys to economic growth. Institutionalists see technology as knowledge, whilst neoclassical economics see it as merely an externality. Institutionalists believe that the more knowledge people have regarding resources the more they will care for them and use them efficiently growth (Greenwood and Holt 2008;447).

Another important aspect which conforms Institutionalism is that institutions are regarded as impediments sometimes to do things in new and different ways. Veblen (1908) referred to institutions like habits of thought, the same for discernible consumption (1899) 1973). Very much like Social Economics, Institutional Economics keeps a main focus on people, as they own the knowledge and are the creators of institutions (Greenwood and Holt 2008;447). Institutionalism within ecological economics truly seeks something that the other sub-movements fail to emphasize, the need of a “radical” change within our institutions (Söderbaum 2014;2759). Intuitionalism is closely related to democracy, and one of the main problems it faces is the fact that not many people are ready to discuss radical institutional change (ibid.).

One of the main concerns of these alternative economic movements is the strong and much needed pluralism within economics. One thing in common within all these sub-movements within Ecological Economics is the scepticism they all share on neoclassical and mainstream economics and its approach to environmental problems (ibid: 914). What Institutional Ecological Economics seeks is an institutional change for Sustainable Development (Söderbaum 2014;2762). These changes can be made with minor and major impact. For example, politics exist at a local, national and regional levels. So, changes can happen in all these levels as well generating different impacts per each. Institutional change does not need to be exclusively a matter of national or regional reforms, it may be just as well initiated by individuals and organizations at a local level (ibid.).

Institutionalists believe that technology and institutions have to coevolve with humans and their environment. Herman Daly defines Sustainable Development as a cultural adaptation made by society as it becomes aware of the emerging necessity of nongrowth (1993;268).
Institutional economists tend to look for other form of interpretation. They focus on ideology as well as science (Söderbaum 2000;435). Gunnar Myrdal (1978;77) stated that values are always intertwined in social sciences, we cannot proclaim value neutrality whilst preferring one interpretation over another one. We should be aware that there is in fact a role for objectivity to a certain extent but as such, there is too a role for subjectivity and ideology (Söderbaum 2000;435). Institutional theory is an alternative for this. It is one of the ways for interpreting the world that competes with neoclassical economics (ibid.). Institutional language in comparison to neoclassical language comes across as less restrictive and is more aligned with democracy (ibid.;436).

Some of the major critiques of this movement is the fact that some ecological economists still consider the focus on institutions as anthropocentric (Greenwood and Holt 2008;449). This remains the main issue of neoclassical economics as well. The narrow anthropocentric focus on its theory is what caused all these new movements to arise. That is one of the reasons the neoclassical environmental theory was born.

3.3 Democracy

One of Söderbaum’s (2014) interpretations on democracy is when the existence of more than one ideological orientation among decision-makers is recognized. He referred as well to economics as a “multidimensional management of resources in a democratic society” (Söderbaum 2014;2760). Having this in mind, that economics intrinsically functions through democracy, it seems inappropriate to disregard the importance of democracy’s role within economics.

In Söderbaum’s paper (2019) he suggests seeing the dictionary’s definition on democracy, which involves more than one element:

- Government by the people or their elected representatives
- A political or social unit governed ultimately by all its members
- The practice and spirit of social equality
- A social condition of classlessness and equality
- The common people, especially as a political force (Collins Dictionary, available at: https://www.collinsdictionary.com/dictionary/english/democracy)

As stated before, one of the problems with mainstream economics has been the lack of pluralism which is inherent in democracy. This may clarify why these mainstream theories keep failing to fix our current issues. Somehow contradictory, one of the main characteristics while advocating for neoliberalism has been freedom. Advocates for neoliberalism have been using “freedom” and “free market” (Larrea Gayarre 1994;36) as a flag for this economic stream, but this assumption is a paradox. We have seen that one of the major failures of this theory has been its lack of pluralism and its simplistic and reductionist approach. There is no place within this theory for freedom, as if it were to be so, there would be a pluralistic approach to it and an openness and respect for interdisciplinarity in it.

There is a monopoly position for neoclassical theory at academia, politics and economic departments. Since introductory economics courses and most popular and recommended literature from these courses, the most prominent theory that is spoken about is the neoclassical one. This theory has been proven to be incompatible with democracy. Only pluralism with respect to theoretical and ideological perspectives is compatible with democracy (Söderbaum 2014;2760).

Neoliberal and neoclassical policies do not involve the State’s withdraw from society. So, any supposed deregulation is always a re-regulation or in Vogel’s (1996) terms, “the freer the market
more rules”. Democratic liberal capitalism has always claimed representative democracy and now has encountered a firm ally in neoconservatism (Larrea Gayarre 1994;35). Neoconservatism states that the free market is model-based on private property and that price is the best tool for efficient resources allocation. Termes (1992) explains that in this free market people assumingly freely make decisions on their own futures, "assuming the risk of failure in return for the chance of reaping reward or profit, if this is produced” (ibid.). Velasco (1992) explains that whilst the "free market" has been seen as a desirable state, within the liberal capitalist system is been proved inefficient in identifying the real needs of all individuals as it only detects those ones that fit the current monetary system, those who can draw enough attention to their problems, the rest are entirely left out (Larrea Gayarre 1994;36). Making the whole notion of democratic liberal capitalism untrue.

Neoclassical and Neoliberal economists seem to look upon democracy as disassociates from their discipline. Classical literature in economics barely mention democracy if so (Söderbaum 2014;2760). On the other hand, new streams like institutional economics are closely related to democracy (ibid; 2759). Institutional economists such as Peter Söderbaum (2014) believe that there is no society or economy sector that could not be improved or strengthen by democracy, and this is how new economic streams are emphasizing the importance and major role democracy carries in economy if we wish to improve it and find better ways to deal with the current crisis we have been experiencing.

Democracy is about observing and respecting all human rights and acknowledging the existence of a respected legal system. All individuals, groups, institutions and organizations are responsible and accountable actors in this system for democracy to work. Naturally, democracy is opposed to all sorts of totalitarianisms like political dictatorialships and technocracy governments or authorities too (Söderbaum 2014;2760). Neoclassical economists usually incline to be technocrats (Söderbaum 2013;223), which again opposes to the ideals of democracy. An example of this in the neoclassical environmental economics approach is their confidence in CBA. Ezra Mishan, textbook writer on Cost–Benefit Analysis (Mishan 1971), admitted that the CBA method should only be employed “if and when” there is a consensus in society about the rules of valuation, therefore CBA is not compatible with democracy and should then be rejected as an employed method (Söderbaum 2013;223). Analysts should not decide or dictate which correct values we should follow. We should decide this in a consensus by dialogue as a democratic society (ibid.). Valuation and ideology must remain an open dialogue, scientists should not decide the correct ideology for the rest, not in a democracy (ibid;225).

A great degree of pluralism with respect to others’ opinions and ideological orientations is essential in any democracy. Tensions and debates regarding these orientations and ideologies are an important part as well of democracy. Maintaining freedom of speech is most constructive for society’s and democracy’s progress. Procuring freedom and respect before everything is what help society prevail (ibid.). Democracy stands for open-mindedness, tolerance and acceptance of all the different ideologies in society. Söderbaum (2013) writes how the deliberative democracy that is mentioned in the The Economics of Ecosystems and Biodiversity (TEEB) book is often based upon expectations of a rational compromise.

Nowadays the system that mostly rules over us is based on mainstream economic theories, where inertia and dependency have become mechanistic forces of our social power. Because of this, we keep encountering a sort of social propaganda and protectionism to the system. Today’s structure keeps fighting this radical change new economic stream want to bring along with democracy (Söderbaum 2014;2759). Mann’s (1984) definition of ‘infrastructural’ power could exemplify this. He refers to a “despotic” power and direct authority over a set of agents. This attitude is usually backed up by the threat of coercion. Infrastructural power can be indirectly displayed too, like when we diffuse and confer more control over ourselves through systemic properties of daily social
interaction. The indirect power shows through the existent dependency on our hegemonic socialization that secure our continuing social cooperation, such legitimacy has been constructed through agencies that display idealized narratives of our social relations (Konings 2010:87).

Behavioural Economics aims for democratizing economics and strengthening democracy so that we can achieve a more sustainable society (Söderbaum 2014:2756).

Because of all the latter a new concept was born in the eighties, “green democracy”. It has been regarded as “environmental democracy”, “biocracy” and “ecological democracy”. It emerged as a way to make sure that democracy was truly embedded in our environmental movements and that our environmental issues were truly embedded in our democracy. To strengthen the relationship between democracy and environmentalism (Wong 2016:136). The main aim of “green democracy” is to ensure through democracy to have environmental sustainability.

One of the main triggers for this idea to come to life as well as for Ecological Economics in general, was the limit to growth thesis introduced by the Club of Rome in 1972. One of the responses to this thesis was the emergence of the survivalism movement (Dryzek 2013). This movement supports both a new green democracy and the opposite, an authoritarian strong and drastic governmental control on human activities (Wong 2016; Heilbroner 1974; Ophuls 1977).

Die Grünen, the German Green Political Party developed in 1983 four pillars for green politics. They found that the core principles to rely as a green party were ecological responsibility, grassroots democracy, social justice and non-violence (Wong 2016:137). Within these concepts ecological responsibility can be understood as the core concept for achieving environmental sustainability, the goal of these political parties. Furthermore, the concept of grassroots democracy could mean pursuing a sustainable society (ibid.). Contrary to what some survivalists think, advocates of green democracy and democracy in general reaffirm that there is no need for radical measures as authoritarian controlling governments to avoid hitting that ceiling that would lead us into a global crisis, most likely irreversible. Nonetheless, this movement has its own critiques itself. Robert Goodin (1992) offers a classic critique of “means to an end”. He claims that the connection between the means of grassroots democracy and the ends of environmentalism oppose themselves (Goodin 1992:15). He contrasts the green theory of value, which for him represents a unified moral position of the greens, which refers to the things that are of value and why it is so. On the other hand, there is the green theory of agency, which advises how to act whilst pursuing those values (ibid.). Goodin claims that they are entirely different arguments, thus should not go together (Goodin, 1992;168). Just as the authoritarian advocates, Goodin suggests that we should prioritise environmental ends over democratic means.

Saward (1996) has been an advocate for the possibility of incorporating environmental concerns into democratic procedures along the creation of environmental rights. He believed that citizens would recognize and want to prevent environmental harm and would rather take a green democracy approach to prevent further harm (Saward, 1996:88). To make this achievable we should first make sure that environmental ends and democratic means need be compatible to one another. Tension between them already exists, and this threatens the opportunity for green democracy to become a viable solution (Wong 2016;139).

Some of the minimal requirements for green democracy to work would the following; robustness to pluralism, consensus preservation, focus on green (substantive) outcomes and the green democracy dilemma or environmental decision-making scenarios (ibid;140).
Robustness to pluralism refers to the necessary openness to all opinions, ideologies and the inherent respect during these procedures. This element is indispensable not only in green democracy but democracy itself. Furthermore, consensus preservation is quite self-explanatory. It is an absolute requirement to keep all consensus in all democratic procedures for them to be actually democratic and fair. These first two requirements are more general for all kinds of democracy, but as we go further in the list is gets more specific. The focus on green outcomes refers to “keeping the eye on the ball”. Keep as the main goal in all democratic procedures to have substantial and sustainable environmental fixes. The last requirement is too, quite specific for green democracy. It refers specifically to the green democracy dilemma which arises or is most likely to arise during the decision-making processes. List (2011) referred to this as the conflicts that arise between respecting strong pluralism, basic majoritarianism and collective rationality in one same process and how this can be contradictory at times. The clearest example for this would be a scenario where a whole consensus, which already includes various ideologies and mindsets (respecting the pluralism in the process) would decide to vote for something that results contradictory to the “green outcomes” requirement (Wong 2016;140). Would it then be right to enforce the opposite as the voted result? Where would the line between respecting democracy and acting for the highest good would be drawn? Would that mean that for a green democracy the pluralism should be then restricted? How could unfairness to the minority be avoided if the “majority rules” democratic principle applies? All of these questions constitute the major issues within this “green democracy” concept. We know it has to be fair to all, we need it has to good for the environment and we know it has to embed respect for all ideologies, so how can we make it work?

One of the most important answers to all these questions would be to ensure a “green” social change before having open debates and democratic decision-making over these issues.

Wong (2016) proposes another solution to solve the concerns stated in the questions above. He proposes to “relax” one of these requirements. And as it can be deducted by the formulations of the past questions, the most conflicted requirement is pluralism. Wong (2016) proposes to restrict pluralism within “green democracy” or at least to reduce the domain of inputs and make sure most inputs come from a “pro-environmental” ideology, allowing for diversity within this scope. He refers to this restriction as an “eco-filter”. He claims that having this “eco-filtering” would ensure keeping an ethical extensionism approach. Making sure that all non-human entities are regarded as are equals as moral beings. This filtering procedure would be introduced in order to rule out any inputs which are contrary to an ethical extensionism or eco-centric approach (Wong 2016;141). The problem with having this filter would be that even though it does not affect the consensus principle it does makes the decision-making process undemocratic to a certain extent, as it limits people’s freedom to have any ideology of their choosing (ibid.).

A second option Wong (2016) presents is to use an eco-transformation. Instead of “eco-filtering” ideas and opinions, restricting all non-green ideas, eco-transformation aims to persuade through facts. This allows to persuade individuals to change their non-green opinions into green ones, avoiding breaking a major democratic principle such as pluralism. “Eco-transformation” instead gives place to deliberation. Deliberation facilitates the parties to direct reasoned debate about their opinions, without changing or restricting anyone from them. This results in a universal consensus or an ongoing debate. Including comprising deliberation into green democracy could help in can in solving this past contradictory dilemma, the problem with deliberation could be that as it does not restrict it may even result as well in non-green outcomes, it lacks the “guarantee” that restricting pluralism offers (Wong 2016;143).

Wong (2016) explains that we could choose to relax more principles rather than simply pluralism. When relaxing the consensus principle while restricting the decision power of individuals could work
just as restricting pluralism but it might lead to Eco-authoritarianism or Eco-technocracy, when imposing facts could end up being deciding for the rest of the people cancelling democracy. These are just some critiques that Wong (2016) presents regarding green democracy. Nonetheless, he presents as well certain solutions depending on which principle it is decided to relax. One of the best presented solutions, if not the best, is to create “substantive environmental rights” (Wong 2016:148). These would be a set of human rights suited for environment for health and well-being (Hayward 2005:47–8). These environmental human rights would be morally predominant. This way this “environmental rights” would always have to be taken into consideration as they would be inherent in our society’s rules, no matter what ideology or preference we had before. This way the environment and our right to a cleaner future would not be threaten. These new rights would help everyone understand that environmental harms threaten human life, so to dismiss these issues would be detrimental to all society (ibid.).
4. Applied method and Material

4.1 Method: Literature Review, Content and Discourse Analysis.

This thesis was done with both a content and discourse analysis approach as well as literature review. The reasoning behind the selection of these methods was mostly done because of the nature of the contested concepts used in this thesis (e.g. Sustainable Development, pluralism, democracy). These concepts and the nature of this study makes it hard to have a fully quantitative research. For this reason, a qualitative approach is preferable while using a quantitative data to show the impacts.

Literature review
This thesis was done through a literature-based analysis of different sorts of material. The whole written work was done by compiling, analysing, structuring and referring several literary works such as books, peer-reviewed academic articles, public policy reports and other related to the topic literary materials.

This literature review has been structured in order of importance to explain and lead the reader to the final results and conclusion. This review used qualitative as well as quantitative data to come to its results.

Content Analysis
The content analysis was based mostly in qualitative data, nonetheless it took into consideration quantitative data, such as hard data of LA’s social, economic and environmental situation throughout its history. The most significant area of the content analysis was the paradigms’ comparison between the old forms of schools of neoclassical economics with more recent schools of economics.

Content analysis started in the fifties with the research on mass communications. It emphasizes inferences on quantified analysis of “recurring, easily identifiable aspects of text content, sometimes referred to as manifest content” (White and Marsh 2006; 22).

This method was chosen due to its highly flexible research method. The themes that this thesis approaches are too complex and wide, therefore a method such as content analysis allows to expand the limits of its analysis.

Krippendorff (2004) defined content analysis as "a research technique for making replicable and valid inferences from texts to the contexts of their use" (Krippendorff, 2004; 18). The purpose of this thesis is to show how strong and intrinsically unseparated is the neoclassical school of thought within the development discourse. Thus, this method helps showing the recurring and obvious aspects on the analysed material of this hypothesis.

The structure followed for the methodology of this thesis was based on the White and Marsh (2006) paper:

1. Establish hypothesis: Using ecological economics instead of neoclassical economics would make foreign aid more efficient and less “colonialist”
2. Identify appropriate data: Retrieval of adequate international material on development and foreign aid in Latin America
3. Establish data collection unit and unit of analysis: Collected material
4. Establish coding scheme that allows for testing hypothesis: This area is the point where I used discourse analysis to analyse the development discourse in foreign aid and the strong emphasis of neoclassical economics within this discourse.

5. Code data: N/A

6. Analyse coded data: N/A, regular data analysis through discourse analysis mostly.

7. Write up results: In this area it had to be based on merely a future scenario which was created by assumptions based on the raw demographic data, theoretical framework and background (history). As it is not possible to have actual results on how ecological economics as a new paradigm would impact foreign aid in LA.

Discourse Analysis
The discourse analysis was done mostly over the “development” discourse and the “neoclassical” ideology. Those two are the most important points this thesis takes into consideration while assessing where LA stands today and how an ideology such as ecological economics help reverse, tackle and improve some of its current problematic. The general analysis of this whole thesis was made through a literature review approach.

Dryzek (2013) defines discourse as “a shared way of looking at the world” (Dryzek, 2013; v). He believes that the history of environmental affairs is mainly a matter of the history of the, their interactions and impacts (ibid.). The aim of the thesis is to address the development discourse throughout the years. Since the earliest stages as in colonialism, post-colonialism, development and now with Sustainable Development.

The concept of discourse as well as discourse analysis, was based on Foucault’s work during the 1960s and 1970s. It has created an entire field of specific research on discourses (Keller 2011;46).

This thesis used Foucault’s mechanism to clarify and demonstrate how different governments, institutions and organizations conceive and have conceived throughout history development. Foucault considered discourses “historically situated”, in which social practices are the ones constituting the discourse rather than externalities (Keller 2011;46). For Foucault, meaning was continually reproduced, it was not something already given (Livesey, 2002). The reason for examining different material through history in this thesis is to show how the discourse was structured and the reproduced meaning of it through history and time. This level of understanding makes it so much easier to conceptualize the range of its impact and why it would be so important to change this discourse. Furthermore, this way of working with analysing texts through history and time, help showing the power relations through history. Foucault was concerned with knowledge production, as for him this happened within power relations. For him neither knowledge nor power were separable from discourses (Tregidga et al., 2013).

The main point of discourse analysis should remain in the formation and development of the analysed discourse. This helps discovering and showing clearly the connections, interactions and social constructionism of the actors within the discourse, such as power relations.

Social constructionism proposes that language is a pre-condition for thought so the aim of discourse analysis should be the process in which certain knowledge are formed through narrations (Burr 2003). Alongside this it denies determinism. Social constructionism conceives all truths as constructed, making knowledge one more representation among many other possibilities (Friman 2002).

It was taken into account that general theory underpins most discourse analysis which comes from social constructionism, as they tend to be based on a specific social reality and knowledge, which are
not always neutral. There is always some level of power-constructed relation to it (Jørgensen & Phillips 2002).

The way this thesis tries to tackle the issue of reflexivity and aims to build credibility was through demonstrating the analysis and the findings in the most explicit way.

From all the different options on analytic methods within discourse analysis, this thesis uses the four analytical elements proposed by Dryzek. The reason behind this, is that these elements have been used to study global environmental discourses, like climate change discourse, Sustainable Development discourse and other economic discourses.

The four analytical elements are (Dryzek 2013; 17-18):
1) basic entities whose existence is recognized or constructed
2) assumptions about natural relationships
3) agents and their motives
4) key metaphors and other rhetorical devices

The reason behind the choosing of the discourse analysis method was that this thesis views neoclassical economics as a knowledge monopoly in our society. It is recognized by most scholars and dominates entirely today’s academia, foreign aid, politics, and most areas of our lives. This has created a huge lack of democracy, mostly in international affairs.

4.2 Material

A variety of papers were analysed to collect all the empirical data. Qualitative and quantitative analysis were made depending on the nature and source of each document. The analysis itself was based on the explicit or implicit discourse on those papers. The main topics of the content of this material were democracy, economy, paradigms, development, LA history, politics and demographic analysis.

This thesis tried to sum up and briefly give the readers and idea and context of LA history, development history, foreign aid history and how they interrelate with our current economic paradigm.

176 documents were read and analysed to compile the information to reach a proper comprehension of all the topics surrounding the main theme of this thesis to create and understand interrelations between them and reach the final conclusion.

4.3 Delimitations of the study

This study refers only to a unique social context (Latin America), in which of course is hard to generalise the economics, education, political, cultural and general situation at a regional level.

Secondly, the fact that I personally grew up in one of these countries, worked with international organizations and AID programmes from certain countries referred to in this paper, might affect the perception of the study. This could have a created biased perception of the study.

Finally, the complexity of this study could have call for many more theories to take place, as the theory of change to achieve paradigm shifts. It could also have included many more paradigms as degrowth and shared economy, but the main focus stayed on a shift of paradigm towards Ecological
Economics as the main paradigm, as it was personally perceived as the most holistic one and relevant for our current needs. This is the same reason why this study keeps its focus on the results of a paradigm shift only within foreign aid (could be scaled-up).

4.4 Ethical implications of the study

In this section I believe is indispensable to mention that even though this study discusses all the “negative” impacts of “development” and specially development in foreign aid, this study also recognizes all the positive factors it has brought.

It is unrealistic to put all the blame on the Global North, developed countries and pretend that the Global South has been completely at the mercy of the Global North. Extreme corruption in many forms has been part of the Global South’s history and culture since the post-colonization period, which has nothing to do with the Global North. People on developing countries have taken advantage of this situation as well and have looked for their own personal benefits as well, just like some developed countries’ governments have. So, it is fair to say that there is no blame in this relation. The problem as seen before, lies in the system we have created and the corruption of the same one.
5. Analysis

This chapter will show a specific example of a discourse analysis. Even though the whole thesis is based on different documents being analysed through the discourse analysis method, this particular area will focus in analysing a main document within the development discourse ideology and will be analysed with Dryzek’s approach (2013; 17-18).

The analysis will be portrayed in a scheme analysis form. The analysed document is The 2030 Agenda and the Sustainable Development Goals An opportunity for Latin America and the Caribbean pages 9-11, chapter “The priorities of ECLAC in support of the implementation and follow-up of the 2030 Agenda for Sustainable Development in the countries of Latin America and the Caribbean”.

5.1 Neoliberal discourse analysis in foreign aid


CHAPTER. “The priorities of ECLAC in support of the implementation and follow-up of the 2030 Agenda for Sustainable Development in the countries of Latin America and the Caribbean

1. Strengthen the regional institutional architecture

In the wake of the adoption of the 2030 Agenda for Sustainable Development, wide-ranging efforts are needed in relation to its implementation and follow-up, including the assessment of capacities and resources of different kinds, the development of new strategies and the design of institutional architectures at the national, regional and global levels.

The Forum of the Countries of Latin America and the Caribbean on Sustainable Development, established in May 2016 by the member countries of ECLAC, is the regional mechanism for follow-up and review of the implementation of the 2030 Agenda for Sustainable Development, including the Sustainable Development Goals and their targets, as well as their means of implementation, and the Addis Ababa Action Agenda. The Forum will meet annually under the auspices of ECLAC and will be State-led. As well as the Governments of Latin America and the Caribbean, it will be open to representatives of civil society, academia and the private sector, and will also engage the subsidiary bodies of ECLAC, development banks, other United Nations agencies and regional integration blocs.

The regional dimension is acquiring ever greater importance in view of current global paradigm shifts, and is crucial for the implementation of the Agenda. Good use must be made of the existing institutional architecture in Latin America and the Caribbean. Notably, the experience of ECLAC and its subsidiary bodies in following up on the Millennium Development Goals (MDGs) and other international agreements, in coordination with the rest of the United Nations system and other regional and subregional forums, offers a solid basis for the collaborative follow-up and review of the SDGs, capacity-building among countries, and the identification of regional trends and gaps in the implementation of the 2030 Agenda.
The subsidiary bodies of ECLAC are:

- The Regional Council on Planning
- The Statistical Conference of the Americas
- The Regional Council on Population and Development in Latin America and the Caribbean
- The Regional Council on Women in Latin America and the Caribbean
- The Regional Council on Social Development in Latin America and the Caribbean
- The Conference on Science, Innovation and Information and Communications Technologies
- The Committee on South-South Cooperation
- The Caribbean Development and Cooperation Committee

The regional architecture provides the structure for follow-up to the 2030 Agenda at the regional level and supports a transparent, coordinated and integrated relationship among the global, regional and national levels, with clear reporting mechanisms, hierarchical arrangements and mandates. The Forum of the Countries of Latin America and the Caribbean on Sustainable Development will make use of existing platforms and mandates, avoiding duplication of efforts and the creation of additional structures. Within existing resources, it will promote coordination and coherence within the United Nations development system and will invite other relevant regional and subregional bodies and international financial institutions to take part in its meetings. It will also promote the establishment of a clear link with the High-level Political Forum on Sustainable Development, organized under the auspices of the Economic and Social Council and the General Assembly of the United Nations.

The Forum of the Countries of Latin America and the Caribbean on Sustainable Development and the other subsidiary bodies of ECLAC provide a regional platform that serves as a bridge between the national and global spheres, facilitating dialogue between multiple stakeholders to identify best practices and engage in peer-to-peer learning with regard to the implementation, follow-up and review of the new Agenda and the SDGs, and to discuss emerging challenges and shared aims.

2. Enhance analysis of the means of implementation of the 2030 Agenda at the regional level

On the basis of its traditional, integrated approach to development and its multidisciplinary work and structure, ECLAC will lay emphasis on strengthening policy analysis and dialogue centred on the key dimensions of the implementation of the 2030 Agenda for Sustainable Development, from the regional perspective. By tapping its accumulated experience in all areas of Sustainable Development, the Commission will provide comprehensive analysis, policy advice and technical assistance for member countries.

Thanks to the convening power it enjoys at the thematic and sectoral levels through its forums, subsidiary bodies and intergovernmental meetings, ECLAC will bring together policymakers and stakeholders from civil society, academia and the private sector to exchange knowledge and ideas, focusing on innovative solutions for implementing the 2030 Agenda and achieving the Sustainable Development Goals.

ECLAC will focus on the following priorities to support Latin American and Caribbean countries in the implementation of the new Agenda:
- Placing equality front and centre.
- Promoting the balanced integration of the economic, social and environmental dimensions in the formulation and implementation of national Sustainable Development strategies and policies.
- Progressive structural change in order to incorporate more knowledge into production, ensure social inclusion and move forward on a low-carbon growth path through an environmental big push.
- Analysis of key aspects of financing for development and the implementation of the Addis Ababa Action Agenda (such as traditional financing and innovative mechanisms to close gaps, technology transfer and fair trade), including debt relief in the Caribbean, efforts to combat illicit flows and the reduction of tax evasion and avoidance.
- Diversifying the production matrix with public and private investments towards lower-carbon consumption, production and energy patterns, the circular economy and smart cities.
- Pursuing technological innovation, the digital economy and the information and knowledge society.
- Building capabilities through good-quality education, universal protection and the care economy, the creation of employment with rights and the provision of better public goods.
- Ensuring natural resources governance.
- Strengthening regional action and integration in production, trade, technology, taxation, finance, infrastructure and value chains for environmental goods and services.
- Ensuring access to information and citizen participation.
- Reaffirming the importance of institution-building and redefining the equation between the State, the private sector and civil society.
- Supporting South-South cooperation and sustaining the rise of middle-income countries.
- Promoting multi-stakeholder dialogue and forums to build policy coherence and legitimacy.
- Coordinating the United Nations system at the regional level.
- Democratizing decision-making in global forums on finance and trade, and promoting access by developing countries to those forums. “United Nations 2018;9-11).

**Discourse analysis:**

Table 1. Dryzek’s method for discourse analysis

<table>
<thead>
<tr>
<th>1) basic entities whose existence is recognized or constructed</th>
<th>Found words which imply the ideology</th>
<th>Ideology, views or concept/attitudes implied</th>
</tr>
</thead>
<tbody>
<tr>
<td>-assessment of capacities and resources, of different kinds, new strategies, progressive structural change, multi-stakeholder dialogue at forums, democratizing decision-making</td>
<td>-Hierarchal arrangements</td>
<td>-Pluralistic tendency</td>
</tr>
<tr>
<td>-make use of existing platforms, within existing resources, traditional approach</td>
<td>-traditional financing and innovative mechanisms</td>
<td>-Hierarchism, meritocratic, resistance to change</td>
</tr>
<tr>
<td>-traditional financing and innovative mechanisms</td>
<td></td>
<td>-Incoherence with their traditionalist/progressive approach</td>
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<td></td>
<td></td>
<td>-Promethean approach, too much reliance on technology</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-Neoclassical economics, aims for economic growth</td>
</tr>
</tbody>
</table>
| 2) assumptions about natural relationships | -best practices  
-Commission will provide analysis, policy advise, etc.  
-Placing equality front and centre  
-integration of economic, social and environmental dimensions  
-low-carbon growth  
-circular economy, energy patterns, lower-carbon, smart cities  
-Pursue technological innovations  
-natural resources governance  
-environmental goods and services | -Efficiency for humans= economic growth implied.  
-Top-down approach, patronizing, superiority over someone else  
-Speciesm, humans go first, priority.  
-Economic comes first in this particular phrase.  
-incoherence on the aims  
-Promethean approach  
-Power of man over nature, we own nature.  
-neoclassical environmental economics, nature is a commodity  
-Nature subordinate to human problem solving |
| 3) agents and their motives | -traditional financing, diversify production, institution-building, use of existing platforms, within existing resources, Pursue technological innovations | -Political and monetary interests  
-Self-interest main motor |
| 4) key metaphors and other rhetorical devices | Based on all the past words and sentences found on the document it can be assumed: | -mechanistic  
- human intelligence over nonhuman  
- administrative mind |

Even though this document includes certain glimpses of a chance of change within foreign aid, it still focuses on neoclassical economics, economic growth, it implies “man’s” superiority over nature, carries a lot of hierarchic old school ideas and it is not coherent at all.

It seems to have all the main components as democratizing decision-making processes, acceptance for new ways of thinking and innovative strategies but it contradicts itself while trying to accomplish this under a neoclassical ideology with a traditional approach within the same existing system.
6. Results

The results of this thesis are all based on a literature review study, thus more than factual terms, they are assumptions based on facts. The facts will be based on Latin American demographics, environmental and social problematics and how they can be related to our neoclassical foreign aid system.

6.1 Latin American problematic

Latin American citizens are increasingly dissatisfied with their government. There is no trust at all on institutions (OECD 2018;17). Latin America’s political situation has become more and more unstable in the last years. The OECD in their latest study the Latin American Economic Outlook of 2018 found that the share of the population having little to no trust at all in governments was 75% of the population in 2017, 20 points higher than in 2010 (OECD/CAF/ECLAC 2018;17).

The OECD (2018;21) found the following comparisons on LA’s trust on their governments and the rest of the world:

- “In 2016, only 23% of Latin Americans said they were confident in the honesty of elections (compared with 46% in OECD countries)
- “ Barely 15% did not believe that corruption was widespread in government (28% in the rest of OECD countries)
- “ Only 34% had confidence in the national judicial system (49% in the rest of OECD countries)
- “ Finally, “29% had confidence in the national government (37% in the rest of OECD countries).”

Moreover, the public services satisfaction declined as well. Satisfaction with healthcare quality fell from 57% to 41% “well below levels in the OECD (stable at around 70%)”

One of the fundamental human rights and foundations for real development, the education system satisfaction fell from 63% to 56% (ibid.).

This lack of trust has weakened the social contract in Latin America. The lack of trust on institutions and on having their needs met, makes citizens care less about fulfilling their own obligations (ibid.). Tax evasion has grown. In 2015, 52% of Latin Americans were willing to evade taxes if possible when in 2011 was a 46% share of the population (ibid;18). This dissatisfaction does not reflect only in tax revenues, but in criminality and acting out against institutions, the government and other social classes. The OECD found that the perception of state compliance with the rule of law is extremely low in LA in comparison to the rest of the world. The average score was of -0.5 in 2016, when the scale is from -2.5 to 2.5 (ibid.). The weak legal enforcement in LA has let crime and corruption flourish all over the continent. In 2016, 80% of Latin Americans stated that their governments were corrupt (ibid;19).

The OECD (2018) found that 40% of the population in LA is considered “vulnerable” This term has been defined by the OECD as people living with USD 4-10 (from 2005) a day. Furthermore, 24% of the population is considered “poor”, which means living on less than USD 4 (from 2005) a day (ibid;23).

After three decades of openness to the global market, global trade and investment flows are still low in LA as well as their life quality. World trade growth in 2016 remained at a particularly low level of
2.4%. Forecasts of above 4% for 2017 and 2018 are still below the average of 7% growth since 1980 (IMF, 2017; OECD, 2017a; OECD 2018:24). LA’s gross domestic product (GDP) grew only 1.3% in 2017, despite of being one of the main exporters in the global market. In the last 15 years, more than 70% of total exports and imports have been concentrated in five economies: Argentina, Brazil, Chile, Mexico and the Bolivarian Republic of Venezuela (ibid;31). This has been a major foundation on the Pink Tide movement in LA’s democracy.

6.2 Latin America’s current political movements

This so-called Pink Tide (Lievesley and Ludlam, 2009: 35) or also called “left turn” (Luna and Filgueira, 2009: 371) began with the elections of Hugo Chávez in Venezuela in 1998. After this we had the Ricardo Lagos elections in Chile in the 2000. Argentina followed some years after with Christina Fernández and Luiz Inácio Lula de Silva in Brazil in 2002 (Hunt 2016;437). Left Electoral victories had occurred already in Argentina, Ecuador, Bolivia, Nicaragua, Paraguay, Uruguay, El Salvador and, most recently, Costa Rica, Honduras, Mexico, Peru and Colombia (ibid.). Common features of these governments have been their commitment when dealing with inequality and the use of state to balance the national market (ibid.). All of these governments have been identified mostly as populists. They all look for social inclusion as well as more political inclusion. Although this new movement was born out of the urgent need of LA to retake power on their own affairs, seeing neoliberal development as a failure, LA still has not solve any of their problems.

As Hunt (2016) states it, a major concern is “whether Latin American states have found the means to determine, or at very least navigate, their own destiny in development terms, rather than simply benefitting from a terms of trade windfall. The capacity of states to deliver lasting social change and political inclusion – and withstand a negative shock – will be critical in determining whether the shift to the left represents a definitive move towards a post-neoliberal political economy” (Hunt 2016;438). This new shift of politics in LA could be seen as pressure towards elite Western politics in the look for more autonomy within LA’s own development strategy.

As we know throughout history LA has been object of extreme or total interventionist politics. Since its conquest in the 15th century to the strong American interventionism further on in the last century. This last one was a big debate and problem for years since the first intercontinental conferences, but all the anti-American rhetoric was calmed down with their War on terrorism since 2001. September 11th created a new wave of tolerance towards the U.S. from LA (Emerson 2010). While this sentiment took over of LA, the US did not stop supporting right-wing politics and push more free-trade agreements in the region (Hunt 2016; 439).

The Pink Tide movement is Latin American’s post-neo-liberal strategy. This movement did not resurge out of the blue, there have been long-standing narratives and debates around development in the region for some time. There has been a persistent reflection on politics and the development discourse and how they have been imparted in Latin America. There are still ongoing debates between modernisation and dependency theories, same which started since before the beginning of the 19th century. Modernisation supporters argue the importance of the US role and foreign aid for development within LA. They are the most optimistic about progress, neoliberalism and more focused on economic growth as a fix for LA’s nuisance. The introduction of the “Washington Consensus” neoliberal reforms served as a means of enliven the US’s liberal project, which meant aligning aid, trade and foreign policy objectives (Hunt 2016;439). On the other hand, the other part is trying to gain autonomy of its own countries’ development strategy as Latin America’s issues have grown despite all of the past neoliberal reforms.
Even after a whole century of these new neo-liberal reforms, openness to the global market and free-trade agreements, still 65% of Latin Americans remain in poverty (OECD 2018; 15). There is a general dissatisfaction which surpasses more than 80% related to public education, water and sanitation, and public security reach similar levels (ibid; 24). Besides the social problems that are still growing in LA, one of the main concerns is its environmental degradation since all of these changes were applied to their politics and development strategies.

6.3 Latin America’s environment and natural resources worldwide importance

The environmental crisis in Latin America has been unfolding over a 22 million square kilometres area and it directly affects roughly up to 600 million people (Castro 2015). Human footprint in Latin America has existed for millions of years, but the state of crisis started with the liberal reforms efforts undertaken by the new independent regimes after LA’ wave of independences, which started in 1810. By 1875 land and labor markets had been created in order to make way for capitalism to flourish. This brought sustained economic and technological expansion through the 20th century. This came in many forms, as Castro (2015) puts it, from “organizations that ranged from semi-servile peonage in oligarchic holdings to the creation of foreign capital enclaves and protected markets for state-owned enterprises”.

Some of the most important environmental facts stated by the United Nations Population Fund and the GEO 5 report (PNUMA 2012; Castro 2015) are;

- “the region has 1995 million hectares, of which 576 million are arable reserves.”
- “In 2000 the region had 25% of the world’s forest areas”
- “Brazil, Colombia, Ecuador, Mexico, Peru, and Venezuela are among the nations considered as biologically mega-diverse, which hold around 70% of all life forms on Earth.”
- “Latin America receives 29% of the world’s rainfall and has a third of its renewable water resources.”
- “the region contains approximately 23% of the world’s forests; 31% of its fresh water resources, and six of the 17 mega-diverse countries in the world.”
- ECLAC and UNASUR (Castro 2015) indicate that Latin America has important mineral and hydrocarbon reserves
- “Latin American water reserves represent about 70% of the entire Western Hemisphere’s reserves.”

From these data, and acknowledging LA importance to the world environmentally, we can see why it is so important to consider its environmental crisis. LA environmental issues go from complex processes of soil degradation due to erosion and pollution to forest loss, which has led to a significant decline of biodiversity due to habitat loss and fragmentation. Biodiversity loss in LA does not mean that it affects only LA (Castro 2015). The region holds around 70% of all life forms on Earth. This biodiversity loss leads to great impacts all over the world. Furthermore, LA has been experiencing deterioration of watersheds and watercourses related to increases in the demand for water, which again, LA holds 70% or the water reserves of the Western World. The accelerated deterioration and overexploitation of coastal marine resources and urban areas has meant a significant growth in our ecological footprint (ibid.). These problems have been strictly exacerbated by economic growth and industrialisation.

During this environmental crisis, unresolved conflicts have resurfaced as we have seen with the Pink Tide movement. A new culture of respect for nature is taking shape, slowly but surely. Tendencies show that LA is looking now for a new democracy, which would be built upon the old indigenous
cosmovision. All neglected races and social groups in LA are gaining more and more power whilst getting a strong support from a cultured middle-class *intelligentsia* which is strongly intertwined to environmentalism. Castro (2015) sees this new democratic system as not “the mere sum of the ecological, economic, technological, social, and political dimensions”, but as a movement of the interactions among all these neglected social groups in the continent. Latin American culture is going through a decisive political time (*ibid.*).

### 6.4 Ecological economics instead of Neoclassical economics

Ecological economics represents a good alternative for an economic system as it resembles in many ways a general indigenous cosmic view. It holds high the importance of the respect on every aspect on the environment, as they are all interconnected and we all depend on each one of them. An example of this are indigenous cosmic views on nature. Edington explain this thoroughly throughout his book (2017).

What LA is going through is not simply an environmental crisis, but a humanitarian one. The new waves of governments in LA has not been a solution until now. The counter-left movement, which are mostly modernists or neo-liberal supporters could be regarded as naïve objectivists (Spash 2014 (1)). People who still believe in the neoliberal system have failed to understand the essential role of conceptualisation in creating understanding. They are lacking a broader perspective and openness to alternatives. Mainstream economics are a good example. Naïve objectivism also tends to make claims for reality being stable, unchanging and context independent (Spash 2014 (1)).

Ecological economics is now emerging as the most potent opponent to neo-classical economics. As Costanza (1991) said, “It is ecological economics which addresses the most profound failure of neoclassical economics, the failure to deal adequately with resource depletion and environmental destruction both locally and globally”. The complexity of the relationship between mainstream economics and the natural and social conditions is undeniable. It is necessary to develop a deep understanding of the interconnectedness between economy, nature and society and how to work best for all (Ingebrigtsen et al. 2012; 86).

The change from economic man to ecological man and from quantitative growth to qualitative development, from top–down management to bottom–up strategies and from competition to cooperation (*ibid.*) are not only staples for ecological economics but for what these new movements in LA are asking for. Furthermore, an important factor both these new governments and ecological economics aim for, as it seems to have a most likely better outcome, is that economic activity should be based on nearness between resources, production, consumption, the reprocessing of waste, basically local networks rather than globalized superstructures (*ibid.;*89).

If foreign aid could use these principles rather than the old neoliberal ones, the approach in solving these issues in LA would be more holistic and localized.

Some of the environmental problems brought to LA by all the development strategies, foreign aid being one of them, have been for example in Latin American farming, many workers on a Fruit Company grapefruit plantation in Honduras, spoke of “nerve problems and sterility, rashes that don’t heal, women carrying ID cards of dead husbands while carrying children with deformities.” A study by the National University of Costa Rica reports that women working at packing plants “suffer double the average rate of leukemia and birth defects” (Roberts Timmons et al. 2003;66). There is a lot of children exploitation, children from ten or eleven work in the banana fields of Ecuador for twelve-hour days whilst handling dangerous fungicides. There are ninety-four pesticides allowed on coffee,
20 percent of male workers are sterile from chemicals (ibid.). It has been shown that it is thirteen times more likely that Latin American farm workers suffer pesticide poisoning than U.S. farm workers (ibid; 68). The current problem with Genetically Modified Organisms (GMOs) in L.A. was part of a development aid strategy, when the US exported this program to Central America. Large plantations producing for export and small farming, have pushed the Central American and the Caribbean lands towards a terrible state of erosion and contamination. In Nicaragua’s Pacific plains, cotton land expanded 400 percent between 1952 and 1967. In Central America circa fifty-eight kilograms average of fertilizer is used per hectare every year (ibid; 69). Latin America has historically worked as a testing and dumping ground for pesticides to the United States (ibid;70).

A way for stopping this disastrous trend has been the growing market for organic agriculture, though a problem within our existing system is that economic incentives for extensive agriculture are more powerful and persuasive than social and ecological motivators for sustainable agriculture, especially in a region with such extreme poverty (ibid: 90-91).

International biodiversity aid has been focused on biological protection or mixed conservation and development projects, which explicitly seek socio-economic development benefits. It was shown by Daniel Miller’s paper (2014) that there has been a predominant emphasis on poverty reduction in international assistance to developing countries rather than focusing actually in biodiversity protection. Despite the increasing amounts of types of biodiversity aid, the total funding for biodiversity conservation has remained well below what was promised at Rio (Miller et al. 2013). Development has been an important factor in the allocation of biodiversity aid (Miller 2014;351). Miller paper’s conclusion (2014;353) has been that the impact of several decades worth of biodiversity aid is not clear and that it is possible that all this aid has produced perverse incentives which have been ineffective in stemming the loss of biodiversity.

There exists a significant amount of literature examining the impact of aid on economic growth and other conditions in developing countries (Arvin et al. 2009). Arvin et al. (2009;297) found in their results that if ecological harm was being defined in terms of CO2 damage, then it would indicate that per capita aid was positively related to infant mortality and primary enrollment rates. “As CO2 damage per capita increases, so does per capita aid”. They found as well that aid has been negatively related to GDP. While looking into the ecological outcome measured by water, they found that water pollution got similar results to the CO2 case; GDP, infant mortality, physicians and democracy were all determinants of aid per capita.

On deforestation they found that the poorer countries with lower rates of net forest depletion received higher levels of aid, making them raise the question whether if this was done as a reward? This leads to their conclusion that donors are sending mixed messages through their aid programs. They seem to reward them for forests preservation, but not for CO2 reductions. Furthermore, water pollution does not even figure.

Arvin et al. (2009;298) concluded that “Ecological damage escalates with higher aid.” During a consensus (2017;240) reached at the roundtable “Preparing a Latin American Position Paper” held at the 14th International Society of Ecological Economics (ISEE) in Washington, June 26–29, 2016 it was found that;

“-the Gross Domestic Product (GDP) index was not an appropriate indicator to measure well-being. They claimed that its purpose induced unsustainable economic growth and that it does not promote the equitable distribution of wealth generated in the process.
- The traditional process of economic growth in Latin America is associated with intensive materials and energy use, as well as the continuously increasing pressures on the environment. This neoextractivism is aggravated given that the region is a net exporter of primary commodities.

- Technological innovations are not neutral. They need to be qualified. On one hand, there are technological eco-innovations, generated mainly in the advanced countries, which reduce environmental impact and increase production efficiency.

- Universalize Low-Carbon Agriculture. Agriculture and livestock, a key sector in Latin America, is firmly integrated in the global market. Together with the resulting forest conversion, it is the continent's main source of greenhouse gas emissions.

- Despite modest progress in estimating and compensating for environmental, ecosystem, social and cultural services, public policies generally ignore the rights of local communities and indigenous peoples.

- Natural resources. There is internal and external pressure to appropriate and use natural resources, especially water, and to degrade biomes. Once considered relatively abundant, they now have to be seen as increasingly scarce and critical natural capital. There are few efforts to create protected areas, and indeed in some nations, such areas have been reduced. Therefore, their preservation is urgent.

- Urbanization. This intense process of the second half of the 20th century is giving rise today to several regional megalopolises in the LAC region, by allowing real estate speculation, irregular land occupation and inappropriate housing for low-income populations. These pose public policy challenges to a dignified and sustainable life with strengthened human capacities.

- Indigenous peoples' rights are not respected as defined in Resolution 169 of the International Labour Organization (ILO) and the subsequent United Nations declaration of indigenous peoples' rights, extended to other traditional peoples and local communities.

- The environment is still predominantly seen as an obstacle to production rather than an opportunity to adopt eco-innovations and achieve sustainable production. The anthropocentric prevails over the eco-centric ethic, with a consciousness that ignores the importance of reducing the impact of socio-economic activities on the environment and climate change. The planet cannot support reproducing the consumption patterns of the rich countries' middle and upper classes.

- The concentration of power limits decision-making on human activity becoming consistent with planetary limits and social and environmental challenges. It also constrains the organization of governance at global, national and local levels, leading to the lack of institutions and processes needed for social and environmental change. Decision-making systems are needed at all levels, which translate into the respect for planetary boundaries and the observance of decisions taken.”

The consensus was done by the Brazilian Society of Ecological Economics (ECOECO), the Argentine-Uruguayan Association of Ecological Economics (ASAUEE), the Mesoamerican and Caribbean Society of Ecological Economics (SMEE) and the Andean Society of Ecological Economics (SAEE). LA is calling for a democratic change into a more eco-centric new social reality.

In the following image we can see more precisely the differences embedded in both ideologies, neoclassical economics and ecological and economics, and how they both impact society. This framework was done based on the theory of this thesis processed by the author of the thesis. The framework was based on Peter Söderbaum’s framework in his book *Economics, ideological orientation and democracy for Sustainable Development* (2016;33) and (Söderbaum 2019 (2)) *Toward sustainable development: from neoclassical monopoly to democracy-oriented economics*.

**Neoclassical Economics and Ecological Economics comparison framework:**

<table>
<thead>
<tr>
<th>Economic paradigm</th>
<th>Neoclassical Economics</th>
<th>Ecological Economics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>

50
<table>
<thead>
<tr>
<th>Ideological orientation</th>
<th>Business, profit-oriented, efficiency, market ideology</th>
<th>Sustainable Development approach, holistic approach, environmental ideology</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual</td>
<td>Consumer (<em>Homo economicus</em> (Dryzek 2013; 138))</td>
<td>Actor (Political-economic Person “PEP”) (Söderbaum 2000 (1);33).</td>
</tr>
<tr>
<td>Political economic system</td>
<td>Present kind; capitalism.</td>
<td>Alternative paradigm and ideology. Interconnectedness of different paradigms.</td>
</tr>
<tr>
<td>Organization</td>
<td>Profit-maximizing firm</td>
<td>Political economic organization (PEO)</td>
</tr>
<tr>
<td>Market</td>
<td>Supply and demand as mechanistic forces</td>
<td>PEPs and PEOs as responsible, empathic, aware and equal participant actors</td>
</tr>
<tr>
<td>Indicator</td>
<td>GDP, economic growth, profit</td>
<td>Aggregate welfare, natural capital, ecosystem health and human–environment interactions (Lawn 2006) and new indexes such as the Genuine Progress Indicator (GPI), Human Development Index (HDI), Ecological Footprint, Biocapacity, Gini coefficient, Life Satisfaction scores and the Happy Planet Index (HPI) (Kubiszewski et. Al 2013)</td>
</tr>
<tr>
<td>Decision-making</td>
<td>Optimal monetary-based solutions</td>
<td>Optimal well-being-based for all solutions</td>
</tr>
<tr>
<td>Decision-making approaches</td>
<td>Cost-Benefit Analysis</td>
<td>Systemic thinking of wicked problems solutions/ acknowledgement of complexity</td>
</tr>
<tr>
<td>Political economic system</td>
<td>Assumed to be given</td>
<td>Changes all the time, should be challenged continuously, inherent democracy</td>
</tr>
<tr>
<td>Effectiveness</td>
<td>Ineffective so far/ unequal</td>
<td>To be proved</td>
</tr>
<tr>
<td>Social Impact</td>
<td>Inequality, environment degradation and peace conflicts</td>
<td>Improved equality (strives for equality), respect and protection of the environment, clear delimitations, thus more clarity on rights and obligations, which could lead to more peace</td>
</tr>
</tbody>
</table>

### 6.5 The SDG’s paradox

The SDGs paradoxically touch upon the same discussed problems. As introduced before, goals 1, 2, 3, 4, 5, 10 and 16 are closely related to LA biggest issues. No poverty, Reduced Inequality, Health, Education, Gender Equality, Peace and Justice Institutions is what LA has been striving for some time, what all of these new waves of movements are looking out for. Nonetheless, one of the core reasons for the latest revolts and democratic extreme changes in the region has been because of what the goals 8 and 9 appraise. These last goals aim to increase economic growth. This counterposes a new way of dealing with things. The stalling of increased global warming, which leads to our discussion about it.
7. Discussion

Teodoro Binder stated that the term "development aid" had become something fashionable. Groups all over the globe have been seduced by the term (Sevilla-Casas 1977:51). Binder further explains that they key word amid all the “development” fever, has been “progress”, it has brought penicillin, airplanes, refrigerators, all sorts of weapons such as bacteriological warfare and the atomic bomb, threatening pollution and environmental degradation, nationalism, communism and many other "isms", finally turning mankind against another more intensely than ever before (ibid.). One of the most important remarks Binder makes (1977:51) is that it has been thought that the core objective of aid has been achieved “more successfully when the results of the operation show that the recipient people have accepted, either in fact or ostensibly, the values of the donor's civilization, in the process abandoning to a greater or lesser degree the values of their own native culture”. This is a perfect example of the underlying ignition of the new democratic wave in LA. People feel they have lost their roots, they have been driven somewhere where they have had no autonomy or sense of direction. Aid has been part of this appeal for surrender to any non-western ideology.

Post-development researchers are strong advocates in ending all international development as they regard it as a “tool of domination” of the Global North over the Global South (Vila Seoane 2015:50). The most often used tool by post-development advocates is discourse analysis. Discourse analysis creates the possibility of a detached point of view from the development discourse in order to analyse the theoretical and practical context with which it has been associated (Foucault 1986: 3). It helps unveil inherent power relations implied in concepts frequently used, such as Sustainable Development (Vila Seoane 2015:50). One of the issues Söderbaum has found with the Sustainable Development concept is how it can be manipulated for specific different purposes. An example could be the term “sustainable profits”, or “sustainable economic growth”. In these two cases, being sustainable is expressed in a monetary dimension, which would counterpose its use in many other occasions (Söderbaum 2019 (1) :3). Aram Ziai’s explains more of this in his book. Aram analyses the discourse of international development organizations by studying their reports and projects from two Foucauldian perspectives; archaeology and genealogy. In Ziai’s book (2016) he claims that the development discourse, even though refrained from colonialism and with it the open speech on racism, it still carries an inherent claim of superiority. “Development” assumes that the Global North is superior to the Global South, therefore, it is right to impose its own values and models on what society should look like upon underdeveloped countries, which are in need of them (ibid.). As many new governments in LA and other social movements in the region, Ziai (2016) thinks that the concept of development is “Eurocentric, authoritarian and depoliticizing”. He believes that the concept should be abandoned. On an optimistic view, Ziai finds that like with the SDGs, that even though they still carry that push towards economic growth and neo-liberalism, they did recognize more aspects that have been previously disregarded by “development”, a hope for “development” could be a new adaptation created by the Global South elites (ibid.). He claims that to achieve real change, we would have to break down and transform discursive structures and replace “development” with global social change, making every part of the world a participant rather than mere audiences (ibid.).

One of the most challenged ideas from the development discourse is the classification of countries as developed or developing ones. Who gets to decide? And on what framework? Made by whom? This could easily be replaced by a universal understanding of development in order to make things more
equal and fairer. We could regard countries as developing or developed depending on their strengths and weaknesses (Freistein and Mahlert 2015:9).

Some modernists contradict these sorts of discourse analysis. The usual claim is that the analysis is made through fracturing material and taking only what suits best for the claim they are trying to make (Vila Seoane 2015:52). Nonetheless, the failure of development as a discourse in our global politics is not only in written but in our everyday lives' social structures. Poverty, criminality, human-induced climate change, inequality, etc. Our current reality is a stronger claim than any discourse analysis.

One of the main problems with the discourse analysis on development, is the downplayed role of Latin America, or developing countries for that matter, within their affairs. They keep being portrayed as helpless within their own politics and development strategies, and they are merely portrayed as victims. This makes the whole critique again condescending and keeps that power-relation intact. These critiques keep underestimating developing countries and implying their weakness and helplessness that the development discourse in itself does.

An important component in the supposed or felt failure of the development discourse and aid, has been its neoliberal approach. Aid, as seen before, has been until now done through neoclassical economics and through a neoliberalist mindset. We have been trying to get different results using the same methods for almost a whole century. Even neoclassical environmental economics downplays the role of scientific knowledge. This approach that we have had embraces a quite narrow instrumentalism which denies value pluralism and downplays nature’s value (Spash and Aslaksen 2015). Trying to engrain financial profits into nature’s value makes less sense that carrying out normal neoclassical aid. The problem is not simply our economic system but our old stagnant idea of environmentalism. To transform we need to recognise all of our interconnections. Starting by our connection with ourselves, to recognizing we are part of everything and there is no such thing as individualism in ecological and economic problems. This requires reviving and relating to a range of alternative ecologically informed discourses, including an ecofeminism, degrowth, “machinic ecology”, the Zapatistas “ecological self-management” (Nail 2010;179), the Buen Vivir (Good Living) (Carbonnier et al. 2017) movement and many more post-neoliberal movements out there in order to transform our dominant and anthropocentric relationship with Nature.

Part of the “Pink Tide” movement in the nineties in Bolivia, Ecuador and Venezuela which consisted in embracing a form of “socialism” while adopting new policies which emphasised on ethnic diversity. This led to the concept of buen vivir, which prioritises “living in harmony with the community and nature in an era marked by rising ecological and social concerns” (Carbonnier et al. 2017;27).

Though these concepts and new movements have proven to be successful to certain extents, critical theories argue that the moral and political representation of Nature has been part of the problem in environmental degradation. Critiques claim that rational human mind and Nature juridical representation are what have put Nature in a subordinated state. Another claim is that undermining the dualism and the differences between human and Nature would erase what today constitutes as “environmental philosophy” (Nail 2010;180).

In “machinic ecology”, when Deleuze and Guattari speak of “ecosystems” they refer to the triply folded system that Guattari named the “three ecologies”, environmental, social and mental ecologies. Both argued that the only real “form of thought” was the one which break with all traditional understandings (Halsey 2005;33). Their work provides a method for keeping up with the fast acceleration of environmental problems through considering Nature and environmental regulation.
systems as already “produced and contested”. They never mention “solutions” or long-term “sustainability”, in fact they think those terms help prevail environmental problems (ibid.).

Holding the notion that political “systems” which have been founded on subjugation, be this of women, race, material growth, will eventually ruin the entropic limits of the earth is what made Deleuze and Guattari come up with these new eco-political conditions which are philosophically constructive (Nail 2010;180). Machinic thought replaces traditional structures, while holding the importance of “detrerritorialization”, which means that “everybody – whether it be a flower, bird, forest, regulatory institution, or whatever – continually faces, intermingles with, draws energy from, or opens onto other bodies which are themselves multiplicities.” (Halsey 2005;53-55). The “social”, in Deleuze's terms, “is something that never stops slipping away” (ibid;39), which means that the main challenge in the social would be to avoid the constant fleeing of it and being able to incite change (ibid.).

Nail (2010) manages to represent a practical use for Deleuze’s and Guattari’s concept of machinic ecology within the Zapatistas movement in Mexico. They are a socialist rebel group of Lacandona Mayan Indigenous which have opposed to all government forced methods on their land and continue carrying on forms of traditional prehispanic land-treatment.

Cases like this one that Nail exposes could be motivation for LA governments for this new democratic wave in the region, which on one side is good, as many of them like this one represented by Nail, have been successful. The “Pink Tide” movement, even though has failed cases such as Venezuela, could be fertile ground for an application of ecological economics. The main challenge here is to avoid the “fleeing” that Deleuze and Guattari referred to in these left turns. The case of Venezuela is a human rights crisis, not a mere failed political system, its inflation rates have skyrocketed, and poverty rates have increased more than ever before (Economic Commission for Latin America and the Caribbean 2014). This, plus the riots in Venezuela lately have been an invitation to right-wing countries to meddle and try to avoid and scare away the rest of the countries of the region to even think about following a left-wing approach. It is important to realize that the case in Venezuela is a dictatorship and not a left-wing party, it is a hegemonic, extremist abuse on its population, unlike the case of the left in Bolivia, Ecuador, Uruguay, Argentina, Chile and others. Left governments have applied massive redistribution programmes which have developed extensive safety nets for the most vulnerable. The Plan de Equidad of Uruguay has reached around 50% of children, in Brazil the Bolsa Familia cash transfer programme benefited 57.8 million individuals and in Argentina, the Universal Child Benefit programme has reached four million households (Bhupatiraju and Sirohi 2017;37).

“Pink tide” governments have initiated a structuralist attack as well on neo-liberalism by reconceptualising development and questioning the “there is no alternative” (TINA) doctrine (ibid.). In 2007, Brazil’s president Luiz Inácio Lula da Silva argued how the seeking of perpetual increasing growth was meaningless. He explained that true development required the distribution to of its fruits to “all without exclusion and without perpetuating historical inequalities be they of gender, race, or any other type” (French and Fortes 2012: 7).

Neoclassical theory and ideology have been core structures in the legitimising of our current political economic system. The simple idea of suggesting alternatives to neoclassical theory is still seen as a threat to the dominance of neoclassical theory (Söderbaum 2019;92). An important principle which is taught in economics is that democracy must be scrutinised since there are many different views of it. Following this same principle, Neoclassical economics should be taught as one more paradigm of economics rather than the “Economic theory” to follow. Söderbaum’s (2019;92) view on this is that we should think about “paradigm coexistence” [Söderbaum, (2000), pp.29–30] rather than simply a “paradigm-shift”. A paradigm shift which would mean disregarding all our current knowledge
regarding neoclassical economics and all its conforming principles would be as reductionist as wanting to carry on simply with a neoclassical theory and ideology. If we would manage to mix all these new paradigms together, we would get closer to achieving a new sort of democracy within our socio-political and economic systems.

7.1 Ecological economics application and possible implications

Despite several advances in reshaping socio-economic development into a more Sustainable Development world-wide, ecosystems all around the Earth are still deteriorating, fossil fuels demands are still growing, and urban areas are continuously expanding with no regard of the surrounding environments. Notwithstanding, all of these reforms have been overtrumped by the ‘business as usual’ ideology (Robinson, 2012:181).

Environmental management systems exist to make Sustainable Development effective but are implemented too thinly and mostly at the margins. Even though they were created to improve our development’s implications, they are too loosely implemented (ibid; 182).

Sustainable Development advocates trust the ideology, nonetheless, its application lack principles. After many years of boosting the Sustainable Development discourse, there has been no unifying behaviour across all sectors. The constant distinctions between environment and development has prevented embracing sustainability as a holistic concept (ibid;184-186). As Robinson claims “many sectors still see environment as antithetical to development, rather than being the foundation for all socio-economic well-being” (ibid;186).

Most countries have kept their ‘business as usual’ practices. Usually because of the preconception that development cannot happen otherwise. It is not enough to abate pollution, as an only fix, while opposing design programs to eliminate waste. Nor accepting aiming for technology to solve our problems, like renewable energy or other boosting environmental technologies while opposing environmental laws and policies which require complete ‘life style’ changes, as would be switching to ecological economics (ibid; 186-188).

Changing our socio-political system to a new ideology such as ecological economics, while maintaining a democratic attitude, allowing all ideologies to complement each other, would most surely create a holistic sustainability ideology Having this would help in eliminating and diminishing waste and would improve our reuse patterns and efficiency (ibid.).

One of the main issues in bringing this change to life is the fact that most governments and almost all institutions are more preoccupied with short-term objectives rather than long-term benefits. Especially if the long-term could mean not seeing the fruit of your labour in your whole life-time.

A major challenge with our current system is the lack of multidimension and democracy within our ideological belief system. Robinson explains in his paper *Beyond sustainability: environmental management for the Anthropocene Epoch* (2012;190):

“Most sustainable development models of UN agencies, the World Bank, and other development agencies still promote the ‘business as usual’ models of flawed sustainable development. Institutionally, they are hardly capable of thinking holistically. Governments need to accept a radical redesign of their systems and move quickly to establish holistic systems”
We have managed to survive and develop as humans through the moral principle of ‘cooperation’. If we manage to keep this principle and boost its meaning we could find an effective way to carry on with a complete regeneration of our socio-political system and believes system as well. The only way to achieve survival in the Anthropocene is through a complete restoration of our system.

Another issue with neoclassical economics is how it has systematically legitimized self-interest, counteracting our intuitive cooperation natural state (Söderbaum 2019 (2); 184). As Söderbaum states it, we need a new system which broadens our interests where ethics and responsibility play the major roles (ibid.).

In chapter 5.4 it is explained that a Political-Economic Person (PEP) would be suggested to take place of the Homo Economicus which is based on social psychology with concepts such as role, relationship, trust, network, motive, dissonance, conflict, cognition, learning, etc. This would put first our need for cooperation rather than individualism (Söderbaum 2019 (2);184).

Neoclassical theory can be positivist in terms of theory of science. The problem is that it has been assumed and believed as the only paradigm, therefore as the only “truth”.

If we were to consider the shown framework in the past chapter we can see that changing paradigms would mean giving place to real democracy and the possibility of opening the opportunity for the coexistence of a plethora of paradigms in politics and our social reality. Having these paradigm shift would allow individuals to be more proactive and engaged in society and organizations as well. The shared value framework would be followed as it would imply an undeniable win-win situation for everyone, rather than imposed, and benefiting just a part of society. This shared valued would work for everyone.

Having a holistic approach would be a more sensible way to deal with wicked problems, as these are non-linear trying to be solved with linear thinking.

Another important part of this paradigm shift would be disregarding old indictors. It has been noticed that GDP does not equal well-being. In fact, in many cases a high GDP can be achieved through environmental degradation or in a country with extreme poverty and huge social gaps. Having new indicators such as the GPI, HDI, Gini coefficient, HPI and main indicators could give a clearer picture of the real state of the countries being analysed.

One of the reasons why GDP has been misread is the fact that in our current system our decision-making is done through monetary-based analysis, such as the Cost-Benefit Analysis. This type of thinking (linear) leaves out so many factors. It disregards a whole set of variables such as nature, social well-being, health, etc. A paradigm shift would imply having different forms of analysis. The analysis would have to be made through systemic thinking, such as Positional Analysis, and always considering all variables and acknowledging the complexity of the problems we face.

In this new paradigm shift the political system would not be taken as a given, democracy would not be taken as a given. What this shift would be looking for is to always challenge the established systems, looking for continuous improvements. Democracy would be always taken care of and fight for and not just taken as a given as we do now. As far as we know, our current system has failed in addressing major issues such as poverty, education, health, taking care of our environment, etc. We need a change of paradigm.
8. Conclusion

This chapter deals with answering the research question. This has been made so by imagining a post-development regime of representation while investigating and pursuing alternatives in today's social movements in Latin America. An underlying conclusion from this thesis is that the more natural resources in one country/region, the more conflictive it becomes. It attracts political interests and monetary interests causing social, environmental and even violent conflicts.

The purpose of this thesis was to present a valid and viable way for paradigm shifts, but for accomplishing this, there must be a process of deconstructing and dismantling, which would always be accompanied by the process of reconstructing new ways of seeing, learning, thinking and acting.

As Escobar says, it is needless to say that this reconstruction is “crucial” while discussing development, “because people's survival is at stake” (Escobar 1995:16).

Mohanty (1991) insisted that both processes of deconstruction and reconstruction should be carried out simultaneously, which would lead to a smoother transition within this paradigm shift.

Escobar explains the process of unmaking development, as slow and painful, with no easy solutions or prescriptions. Specially as it has been harder for the Global North to realize that development continues to destroy people and nature (1992; 217)

The point of departure for this paradigm shift in Latin America and everywhere else is to question why is it so hard to accept several ideologies, paradigms as true? Rather than rely and depend just on one? Why are we trying to fix something which was caused by the same paradigm where it lies?

We need to challenge the way we process knowledge, what do we call knowledge? And keep a broader view on all kinds of information and their relevance. For instance, local knowledge is still not seen as a “proper knowledge” as it is not considered a complex cultural construction. These forms of knowledge usually have entirely different modes of operation and relations to social and cultural fields (Deleuze and Guattari 1988). This does not mean they should not be regarded as equally valid and important as academic knowledge or western knowledge. We need to challenge our democracy within academia. Open our minds to be able to respect, analyse and take the best out of all ideologies, knowledge and paradigms.

For land ownership and control of land for local communities, it is required a semiotic conquest of local knowledges, to the extent that all of our safeguarding relies on the validation of local knowledges on land management and sustaining nature. The problem today is that this knowledge is regarded as “something that exists in the “minds” of individual persons, about external “objects” without being able to transmit their economic utility to the modern experts” (Escobar 1992; 204).

8.1 Practical application: Ecological Economics within foreign aid in Latin America
In this chapter we will see the practical application of ecological economics in foreign aid applied in Latin America.

The next framework explains the practical application of ecological economics within foreign aid while taking into account Latin America’s political current affairs, their tendencies, social and environmental crisis:

Table 3. Practical steps towards a shift of paradigm

<table>
<thead>
<tr>
<th>Economic paradigm</th>
<th>Practical steps towards the transition</th>
</tr>
</thead>
</table>
| Ideological orientation | • plethora of paradigms and ideologies having place at the same time  
                         • create complex, holistic views on issues.  
                         • De-commodification of nature.                                                                                                                                               |
| Individual              | • shift from the “Homo economicus” to a “PEP” (Söderbaum 2000 (1);33).  
                         • educating all audiences, creating channels of free communication, preferable subsidized by citizen’s taxes to keep many unbiased sources to compare from. Education, awareness and a sense of community will lead to the creation of PEPs.  
                         • pluralism in academia, education and institutions.                                                                                                                            |
| Political economic      | • Qualitative data should be taken into consideration, not only quantitative.  
                         • Regulations, laws and policies should be made by local communities, through bottom-up approaches rather than top-down.  
                         • challenge every ideology and question them, while accepting and taking the best of each for each particular situation.  
                         • De-centralize decision-making processes  
                         • Hold workshops for local/indigenous communities for empowerment, facilitate information, share learning techniques and experiences and policy-making.  |
| NGOs                    | • Organizations would be PEOs (Söderbaum 2000 (1);33). The main interest of organizations should remain people and the protection, conservation and proper management of natural resources, rather than “development” through economic growth or profit through economic growth.  
                         • Economic freedom from supporting partners to be able to apply the best solutions and decisions in situ.  
                         • De-centralize organizations, loose hierarchies. Emphasize cooperation over competition.  
                         • Required consensus of win-win negotiations with all constituents for all projects beforehand.                                                                 |
| Market                  | PEPs and PEOs would be in charge of the market, so ethical frameworks would rule the market rather than simply supply and demand (Söderbaum 2000 (1);33).                                                                                       |
| Indicator               | • The indicators to look upon should be more on the social and natural well-being side, not economic or monetary value indicators.  
                         • Keep monitoring and evaluating systems at every local, regional, national and international level which interrelate and are based on the same equal standards for all countries |
### Decision-making

- Well-being, ethical, value-oriented solutions
- win-win resolutions for everyone.

### Decision-making approaches

- Replacement of cost-benefit for other methods like positional analysis
- Holistic decision-making while regarding every direct/indirect actor involved.

### Political economic system

- Democracy has to come back to the main focus of attention.
- In foreign aid project keeping democracy at the front of things would lead to considering first and foremost the local needs, rather than imposing other worldviews

### Social Impact

- Ecological economics would make sure to bring more equality, respect and protection of the environment, clear delimitations, thus more clarity on rights and obligations, which could lead to more peace

This table represents merely general ideas of possible future applications to conceive a paradigm shift in foreign aid as known today. This study recommends further studies into this specific topic. It recommends looking further into practical, feasible, coherent and specific activities to achieve this paradigm shift in a near future and its implications. These general ideas could be analysed and see how feasible they are, create a structure on the order of how best applied them and the time they would all require.

### 8.2 Strengths, limitations and benefits of a paradigm shift

This paradigm shift, as all, with come with its own strengths, limitations and possible benefits, which would be further explained in the table below:

<table>
<thead>
<tr>
<th>Ecological Economics</th>
<th>Strengths</th>
<th>Limitations</th>
<th>Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ideological orientation</td>
<td>More democratic an equal paradigm. Accepting of coexistence with other paradigms.</td>
<td>Could take a long time to regenerate the damage done</td>
<td>Equality and more freedom More natural conservation, protection and appreciation (awareness). Less socio-political conflicts. Bring back old, “killed” indigenous/local world views on how to manage natural resources.</td>
</tr>
<tr>
<td>Individual</td>
<td>Better understanding of current events and issues. More community and support, which has always been the base of human development.</td>
<td>A process of the construction of an ethical and value framework would be extremely long and complex.</td>
<td>More equality, democracy and security. General well-being guidelines for social well-being and natural protection and regeneration.</td>
</tr>
<tr>
<td>Political economic system</td>
<td>More freedom, better way of finding solutions within a holistic and complex system.</td>
<td>Consensus might take a long time to be reached.</td>
<td>Respectful communities and democratic decisions. More accountability, which would come from more awareness, people would be responsible for their own choices, while knowing the consequences (because there would be more information available).</td>
</tr>
<tr>
<td>--------------------------</td>
<td>---------------------------------------------------------------------------------</td>
<td>-------------------------------------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Organization</td>
<td>More awareness, general well-being on the front of decision-making processes.</td>
<td>Business corporations have proved to counteract change</td>
<td>General well-being socially and environmentally.</td>
</tr>
<tr>
<td>Market</td>
<td>Environmental protection, general environmental and social awareness and a more empathic society.</td>
<td>Establishing the same values and ethical views, or at least general guidelines for it might take a while.</td>
<td>Environmental and social awareness which would lead to improved livelihoods.</td>
</tr>
<tr>
<td>Indicator</td>
<td>Indicators while applying this paradigm in foreign aid should be based on ecosystem’s health, human’s health, well-being, equality, life quality, happiness, etc. They should not be based on monetary terms or efficiency. Indicators would be solely to prove how much lives and ecosystems have been improved.</td>
<td>There would be the need to create a few which can embed most of these factors to avoid using 10 different indicators or more. It is hard to unify a measuring system.</td>
<td>Monitoring and evaluating is an essential part of any project, so indicators are essential. In this case it would be even better as they would actually measure qualitative data on how much people and natural resources are improving.</td>
</tr>
<tr>
<td>Decision-making</td>
<td>Well-being, ethical, value-oriented solutions.</td>
<td>It would take time to standardized methods and prove them until we could regenerate more information and education for future projects.</td>
<td>Win-win resolutions for everyone.</td>
</tr>
<tr>
<td>Decision-making approaches</td>
<td>Positional analysis, system thinking, consensus and more of these methods would be stronger as they would be more accepted by everyone, therefore more powerful and strictly applied without so much monitoring. If people simply agree in general, they will apply these approaches on themselves.</td>
<td>Development of new holistic methods</td>
<td>General agreement and democracy</td>
</tr>
<tr>
<td>Social Impact</td>
<td>Improved equality (strives for equality), respect and protection of the environment, clear delimitations, thus more clarity on rights and</td>
<td>More focus than before on natural resources. Humans would be out of the spotlight in these projects.</td>
<td>The same as in strengths.</td>
</tr>
</tbody>
</table>
As seen above, this paradigm shift would have more possible positive outcomes than negative or limitations. It seems to be fairly feasible in theory, which is why this study recommends further analysis on the feasibility of these theoretical applications.

Nature’s contributions to people have been so far distributed unequally among different segments of society, mainly because of the nature of our current socio-economic system. Knowing that both nature and nature’s contributions to humanity are vital for human existence and human well-being, we need to put these analogue concepts at the centre of our new system (IPBES 2019; 2).

Human behaviour which constitutes our habits, therefore our everyday lives, our system, have threatened more species with global extinction now than ever before (ibid; 9). Thus, the global environment can still be safeguarded through new forms of international cooperation, we need more incentives and capacity-building; emphasize cross-sectoral cooperation, not political manipulation, better ways for decision-making and better and new ways for implementation (Ibid; 9).

As all changes, this paradigm shift can expect a strong opposition from those with interests vested in the status quo, as the IPBES report (2019) says, “such opposition can be overcome for the broader public good”. The most important factor is to make sure everyone truly understands how we are all interrelated and how we all rely on this change for our own survival.
9. Epilogue

As stated by the Swedish economist Gunnar Myrdal “disinterested research there has never been and can never be” (Myrdal, 1978; 778-79). This thesis has been driven a lot by my personal values, experiences and passions. The value framework reflected in this study is deeply rooted in my personal experiences which are the foundation of my ideology.

Having worked in many NGOs in Latin America, as well as having the privilege of growing up in such a diverse, magical and conflicted country such as Mexico, while coming from a European family, really shaped up and gave birth to my interest in the psychological and anthropological bases for its socio-political and economic system and social imaginary. In my own personal experience many of Latin America’s problems stem from the period of the conquest and post-conquest and the left-overs of the mentality and psychological damage from it.

On my personal experience NGOs are not a problem but they have to be redirected within another system to be truly efficient. Working under the same system and by the same rules will most likely give us the same results.

I would also like to take this space to thank my supervisor Professor Peter Söderbaum. I am very grateful I got to have such an eminence in the field of economics and specifically in the field of ecological economics as my supervisor for this thesis. From all his literature to his inputs while working together, were indispensable for this work to come alive. I can truly say that it has been a pleasure to know someone so knowledgeable, kind and dedicated. I am truly grateful for his patience, dedication and support throughout this whole process. I am so grateful for the confidence he built-up in me and the inspiration he gave me to continue with this quite unusual thesis.

I am so grateful to my subject reviewer Cecilia Mark-Herbert as well. All her inputs, time, dedication and comments helped me so much in shaping up such a diverse and complicated topic.

I know my personal view might be reflected on this work more than it should have been perhaps, but I am truly passionate about this topic. I truly believe we have enough proof that our current system has failed us, and we need change, and we need it immediately. There is no time to plan or stall anymore. We need to change our mindsets, defy everything we have been told, do different, do better and we need to do it now.

I am extremely grateful to my family for always being so supportive. For teaching me the importance of freedom, respect and kindness and for teaching me through example that we should always be empathic and kind to every being in need. My love for nature and my care for humanity, it is all on them.
10. References


**Internet**


