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THE WORLD DEVELOPMENT REPORT 2015: PROGRAMMING THE POOR

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World Development Report 2015: Programming the Poor

Abstract

The World Bank has discovered that people are programmable, and some (poor people) are more programmable than others. So the 2015 World Development Report (*Mind, Society and Behavior*) has ditched the 'rational actor' model on which neo-classical economics was built, as an impediment to the purposive transformation of society. It draws on a wide range of disciplines (behavioural economics, cognitive science, psychology, neuroscience) to 'improve the design and implementation of development policies that target human choices and action,' or in other words to turn our own cognitive capacity and sociality against us with the transparent objective of implanting the whole of humanity with the gene of conformity in thought and behaviour to the logic of globally competitive capitalism.

Note: references to the WDR2015 take the form of the page number only, in a square bracket.

> "Much of our thinking is based on what comes to our mind effortlessly, so if I can change what comes to your mind effortlessly I can actually change your behaviour", Karla Hoff, World Bank, live launch, http://live.worldbank.org/wdr-2015-mind-society-behavior, at 29: 18 accessed 6 December 2014.

I – WDR 2015

The international and regional organizations concerned with the governance of the global economy present themselves and act as partners of states set on intensifying competitiveness, transforming the social relations of production, and changing the way their citizens behave. In reflecting and seeking to legitimate and extend the institutional, social and material changes associated with the emergence of a truly global capitalist world economy, they are at the forefront of a global assault on the capacity of individuals to survive outside the world market. And with behavioural economics, neuroscience, cognitive science, and psychology in vogue in policy-making circles, it was predictable that one or another of them would pitch the idea that 'paying attention to how humans think (the processes of mind) and how history and context shape thinking (the influence of society) can improve the design and implementation of development policies and interventions that target human choices and action (behavior)' [2]. In *Mind, Society and Behavior*, that is what the World Bank does.

At one level, the Bank is clear in its intention to 'integrate recent findings on the psychological and social underpinnings of behavior to make them available for more systematic use by both researchers and practitioners in development communities' [2]. At another, it is not so forthright. Its presentational focus is on the 'set of tools and strategies for promoting development and combating poverty' [3], but the underlying logic – always that of coaxing and habituating individuals into forms of thought and behaviour conducive to the rule of capital – is less explicit. In this, *Mind, Society and Behavior* faithfully follows its precursor, *Nudge*, which moved artfully from persuading kids to eat carrots and adult men to aim into rather than alongside urinals to helping workers 'save for tomorrow' by signing up to the steady ratcheting down of year-on-year real take-home pay (Thaler and Sunstein, 2008: 1-4, 122-125). Its approach has contradictory effects. On the one hand, in sharp contrast to most works in the genre, WDR2015 is fun to read, with accounts of homilies on financial prudence embedded in South African soap operas, inspirational videos beamed into randomly selected Ethiopian village homes, and a Colombian mayor (Antanas Mockus, of course) televised in the shower with his wife, explaining ‘how the tap could be turned off during soaping and suggesting taking showers in pairs’ [4, 10]. On the other hand, and for precisely the same reason, it gradually induces an enervating sense of doom, as the exponents of global behavioural management and thought control, sorry, ‘choice architecture’, weave their magic on behalf of the global rule of capital. In short, the report is a *celebration* and an *exploitation* of ‘the cognitive limitations of people in all walks of life’ as much as it is a corrective (in relation to World Bank staff, for example) to this sad condition [4]. Rather than seeking to free us, the Bank wants us to put on new mental chains [11, 13]. *Mind, Society and Behavior*, then, is not to be taken lightly. It represents a stealth war on the poor on behalf of capitalism on a global scale, the third wave in an assault that began with structural adjustment programmes in the 1980s intended to reform states along neoliberal lines, then morphed in the 1990s under the tutelage of Joseph Stiglitz into a programme aimed at proletarianising the poor and making them responsive to the needs of capital (Cammack, 2002). Now, under the guidance of lead author and Stiglitz associate Karla Hoff, another shift is under way, from seeking to change behaviour through incentives (conditional cash transfers, social protection and labour market reforms, and the like), to working directly on the mental processes of the poor. How come? And why now?

II – A Dollop of Marx, a Dash of Foucault

For Marx and Engels, world history begins with the advent of large-scale industry and is played out from the start not in separate national economies but in the expanding world market. Workers who have been separated from the means of production are subjected to the discipline of the factory, where the application of technology and machinery to the production process brings about a revolution in productivity. As production outruns national markets, capitalists in turn seek markets abroad, setting in motion a process in which all countries must adopt the bourgeois mode of production, on pain of extinction. Workers are ‘more and more enslaved under a power alien to them .. a power which has become more and more enormous and, in the last instance, turns out to be the world market’ (Marx and Engels, 1845-6: 51). At the same time, the ‘industrial capitalist always has the world market before him, compares, and must constantly compare, his own cost prices with the market prices at home, and throughout the world’ (Marx, 1894: 335). Competition driven by constant revolutions in productivity will eventually transform the world, but it will do so unevenly, and over an extensive period of time. It is on this basis that Marx and Engels insist that ‘the “history of humanity” must always be studied and treated in relation to the history of industry and exchange’, while refusing to endorse any linear, uniform or deterministic relationship between changing patterns of production on the one hand, and either social and political structures or national trajectories of change on the other (Marx and Engels, 1845-6: 43; Cammack, 2013).

The new materialist framework derived from this suggests that the drawing of China, India, the former Soviet Union and eastern and central Europe into the world market, along with the coming to an end in conditions of crisis of the brief, atypical and unsustainable period of social democracy and welfare capitalism in the West, places us on the threshold of the ‘completion of the world market’ envisaged by Marx and Engels 170 years ago. However, if the world market is near enough complete in spatial terms, in that practically all the world is drawn into trade or exchange, it is still far from complete in terms of the transformation of the social relations of production: non-capitalist relations of production still prevail in large parts of the world, with most workers still in the informal sector (two thirds of some 3 billion, according to the OECD), and only indirectly or inefficiently exploitable by capital. Reflecting this, the international and regional organizations mostly closely concerned with the governance of global capitalism have converged over the last twenty-five years or so on an agenda which gives priority to reforming labour markets and social protection to make workers *available to* capital, and equipping them with the attributes (such as basic health, education, and adequate nutrition) to make them efficiently *exploitable by* capital. Over the last few years there has been a flurry of activity aimed at hastening the demise of labour informality in the name of 'more and better jobs' (ILO, 2014; OECD, 2014; World Bank, 2012), and intensifying the division of labour on a global scale through the universal promotion of 'global value chains' (AfDB, 2014; ADB, 2014; ECLAC, 2014; IDB 2014; OECD, 2013; WTO, 2011; WTO, 2014: 78-127). All of this adds up to an intense and sustained attempt to extend and deepen the world market, and embed a politics of global competitiveness.

Throughout all this period, the World Bank and other organizations have shown a keen interest in mechanisms that might habituate workers around the world to the disciplines of global capitalist competition, and even secure their willing embrace of them, but with limited success. It is here that WDR2015 comes in, with its appeal to the 'human sciences' – and by the same token, it is here that a dash of Foucault helps to sharpen our critique.

Foucault's invocation of biopolitics was firmly rooted in a thoroughly materialist critique of political economy, and a sharp contrast between absolute monarchy before the rise of capitalism and the industrial revolution, and the changed imperatives of government after it. In terms that are entirely consistent with Marx's argument for a crucial world historical turning point around the time of the industrial revolution, Foucault describes 'a new mechanism of power which had very specific procedures, completely new instruments, and very different equipment,' and was 'absolutely incompatible with relations of sovereignty':

> This new mechanism of power applies primarily to bodies and what they do, rather than to the land and what it produces. It was a mechanism of power that made it possible to extract time and labour, rather than commodities and wealth, from bodies. … This new type of power .. is, I believe, one of bourgeois society's great inventions. It was one of the basic tools for the establishment of industrial capitalism and the corresponding type of society. This non-sovereign power, which is foreign to the form of "sovereignty, is "disciplinary" power (Foucault, 1976: 35-6).

Here, then, Foucault turned from the genesis of the sovereign to the manufacture of subjects, and did so specifically in relation to the new subjects of industrial capitalism. In doing so, he remarked that

> The discourse of disciplines is about a rule: not a juridical rule derived from sovereignty, but a discourse about a natural rule, or in other words a norm. Disciplines will define not a code of law but a code of normalization, and they will necessarily refer to a theoretical horizon that is not the edifice of law, but the field of the human sciences (ibid: 38).

As Vrasti comments, the notion of biopolitics involves a shift of focus 'from questions of natural rights, legitimate rule and territorial security to matters of government, population management and human betterment':

> The *raison d'être* of modern government becomes less a matter of securing the integrity and lawfulness of a territory than about ordering the economic and political relations of the social to improve the welfare, health, and productivity of the population (Vrasti, 2013: 51).

As noted above, this is the programme that the international organizations have been pursuing for a quarter of a century. What is more, in Foucault's analysis, the identification of an essentially disciplinary framework imposed from outside gives way to the idea, developed in the Collège de France lectures of 1979, of self-regulation, or of individuals as 'entrepreneurs of themselves' (Foucault, 1979: 226; translation adapted), with the focus on the need for liberal forms of social regulation and individual self-governance (Lemke, 2011:34). The Bank is now treading the same path.

This 'dash of Foucault' is added to the mix, then, because he was able to draw a connection in the 1970s (being, unlike Marx and Engels, alive at the time) between the immanent logic of capitalism and past and *present* forms of governance. His analysis captures key empirical features of the latter and incidentally confirms at the same time the salience of class politics as the primary arena for the 'production of subjectivity'. As we shall see, his critique of contemporary neoliberalism captures some key elements of contemporary global governance reflected in WDR2015, as the World Bank graduates from developing new forms of social discipline to promoting new 'technologies of the self'.

III – Stealth War on the Poor

WDR2015 takes up with enthusiasm the task of 'understanding and *using* recent findings on human decision making': 'thinking automatically', 'thinking socially,' and 'thinking with mental models' [25, my emphasis]. Its purpose, evidently enough, is not to understand society, but to change it. In consonance with this goal, its approach is didactic and programmatic, aimed at exploiting the potential of these features of human decision-making. So, if much of our thinking is automatic, not deliberative, 'simplifying the choice environment can help people make choices and enact behaviors that benefit them'; if humans 'are not autonomous thinkers or decision makers but deeply social animals, 'recognizing the importance of social preferences and norms in decision making can help policy makers improve program efficacy and develop new tools for achieving development objectives'; and if individuals 'do not respond to objective experience but to mental representations of experience constructed from culturally available mental models', 'showing new ways of thinking can expand the set of mental models they draw on and their capacity to aspire and can thus increase social welfare' [25].

So, drawing on behavioural economics, social psychology, cognitive science, neuroscience and the like [notes, *passim*; and see Jones, Pykett and Whitehead, 2013: 1-22], the report sets out a detailed blueprint for engineering social and behavioural change, which depends on the view that people can be programmed [29-34]. It is argued that such things as default options, simplicity, sequence and timing of choices matter [34-37], and that tweaks, reminders and 'commitment devices' put people back on track [37-8]. 'Sociality can serve as a starting point for new kinds of development interventions' [43]: as social preferences, networks, norms and learning all affect decision-making [43-54], 'interventions may be able to target social identities as a means of changing behavior' [46] and 'achieve their objectives by harnessing some social pressures and diminishing others (50). Since 'economic incentives are not necessarily the best or the only way to motivate individuals', 'social incentives can be used alongside or even instead of economic incentives to elicit desired behaviours;' social norms can be activated, worked around, or changed through legislation or persuasion, in accordance with their utility, and 'norm change may be a necessary component of social change' [51-55].

Finally, mental models ('broad ideas about how the world works and one's place in it') may be limited, obsolete, dysfunctional or plain false, with destructive effects [62]; or they may create beliefs that inhibit cooperation, trust and belief in the possibility of positive change. Individuals draw on multiple such models, depending on context and triggering, so that the salience of one or another can be manipulated [66-9]. Those 'that are not serving individuals well' (default assumptions) can persist because they influence what we 'perceive, pay attention to, and recall from memory'; because they are not tested by events on a sufficient social scale; because they predispose us against precisely those actions that would prove the model false (belief traps); or because they lead us to ignore, suppress or forget observations that might undermine our beliefs (ideology or confirmation bias) [69-70]. This being the case, carefully calculated interventions can 'improve the match of mental models with a decision context' [70], through such strategies as political affirmative action, embedding key messages in entertainment media (entertainment education, combined with randomized controlled trials or RCTs, 76-7). In sum, 'a focus on mental models both gives policy makers new tools for promoting development and provides new understandings for why policies based on standard economic assumptions can fail' [72].

IV – Programming the Poor for Capital

In a set of articles published a decade or more ago, I argued that since 1990 the Bank had been systematically promoting the proletarianization of the world's poor (their equipping for, incorporation into and subjection to competitive labour markets), along with the creation of an institutional framework within which global capitalist accumulation could be sustained and legitimated through policies of controlled participation and pro-poor propaganda. Its objective was the systematic transformation of social relations and institutions in the developing world, in order to generalise and facilitate proletarianisation and capitalist accumulation on a global scale, and build specifically capitalist hegemony through the promotion of legitimizing schemes of community participation and country ownership (Cammack, 2001, 2002, 2003, 2004). It still is, with the added twist that the Bank now draws upon advances in the behavioural sciences to supplement its strategies of country ownership and community engagement. Having found that 'people are malleable and emotional actors' [3], it is set upon exploiting this discovery to beneficial effect.

Erroneous notions about a narrow commitment to the 'Washington Agenda' of privatisation, deregulation and liberalisation notwithstanding, its objective remains what it has been from 1990 onwards, and as I summarised it in 2002:

> What would a systematic programme for the establishment and consolidation of capitalism on a global scale look like? For a start, it would set about the conversion of the world's poor into proletarians, stripped of alternative means of survival, and obliged to offer themselves to capitalists for work. It would then enlarge the scope for the private production of goods through the extension of markets, and the provision of an institutional matrix in which capitalist exchange could flourish. To secure the project's long-term viability, it would seek to ensure the preservation of the environment within which capitalism operates, not least by limiting the tendency for the forces of capitalist competition themselves to destroy it. Over time, it would orchestrate the delivery of appropriate numbers of people with sufficient health and education to be exploitable as workers. It would provide the infrastructure necessary for capitalist production, but not actually produced by capitalists themselves. Alongside these macro-structural elements, it would create institutional frameworks to ensure that workers behaved in such a way as to strengthen rather than to undermine the capitalist regime; that capitalists were nurtured, but at the same time compelled to compete against each other; and that states acted to support and expand domestic and international capitalism. Once these were in position, the programme would seek to promote a general acceptance of the global regime by manipulating information in order

> to favour pro-market solutions to the problems of further development, while mounting an ideological offensive to persuade the world's population that there was no alternative. With all this in place, it would claim that the globalized free-market system offered the only solution to the problem of world poverty (Cammack, 2002: 127).

Credit where it is due – the World Bank has stuck with this project through three global crises of increasing severity, and constantly sought to improve it. Its move to supplement its structural and institutional strategies with psychological and behavioural techniques long familiar in the murky worlds of brain-washing, marketing and black propaganda, and embraced by behavioural economists and certified by a mass of experiments on the poor, is just another brick in the wall.

So the six substantive issues with which the Report deals after setting out its machinery of mind management and behavioural correction – poverty, early childhood development, household finance, productivity, health, and climate change – are perfectly familiar. What is new is the way in which the findings and techniques set out in the opening chapters are deployed to address them. The whole approach constitutes a medicalization of development, in which the mind-sets of the poor and other obstacles to healthy growth are seen as pathologies, for which development practitioners offer both a scientifically informed diagnosis and an appropriate intervention (the latter tested through randomized controlled trials before being marketed as a certified cure). Symptomatically, the series of chapters on psychological and social perspectives on policy opens with the invocation of the poor father who 'chooses not to enrol his son in secondary school,' on which the report comments that:

> The assumptions policy makers think underlie this decision will likely affect the *remedies* they design to address low investment in education and other behaviors associated with poverty [80, emphasis mine].

Dr Kim to the rescue! The serious point, of course, is that insofar as policy makers see themselves effortlessly in this way, they remove policy making entirely from the context of purposive action on behalf of a particular set of interests, and both experience it in terms of altruistic commitment to bring unquestionably good things to the poor – a powerful 'mental model' to which I return in the conclusion.

I now turn to the first four substantive topic areas discussed in the report, avoiding what would be a repetitive account of how each one illustrates thinking automatically, socially and with mental maps in favour of a more selective focus on the underlying analysis and its implications. As those on health and climate change have relatively little additional content relevant to this critique, I do not consider them further.

Poverty

At lot is at stake in the 'narratives of poverty' with which policy makers work, and two such are immediately questioned:

> If policy makers assume that poverty results from poor people's deviant values or character failings .. or that poor people simply do not understand the benefits of important investments like education, they might pursue a strategy of *persuasion* to assist someone like this father [the one who chooses not to enrol his son in secondary school]. Or if they assume that the decision to keep a child out of school results solely from a political and economic system that is inherently stacked against poor people, they might advocate quotas or a *large-scale redistribution of resources.*
>
> Both these narratives of poverty offer an incomplete picture of decision making and choice. The first places little emphasis on constraints beyond the control of the decision maker—such as the fees associated with attending school or the absence of enforceable compulsory education laws, which could coerce parents to send their child to school. The second narrative does not address the cognitive resources required to make a decision, especially when material resources

> are in short supply and when people's willingness to act upon their desires may be constrained [80].

The logic is clear: to revert to Foucault, while disciplinary measures are necessary, ways must also be found to encourage individuals to become entrepreneurs of themselves. The large scale redistribution of resources is ruled out (by virtue of a 'deeply embedded and shared belief' or mental model on the part of policy-makers perhaps), and persuasion will only work if the structure of incentives that the poor face is appropriately manipulated. The field is open for randomized controlled trials and other related technologies of power to be deployed on behalf of the goal of changing the mindsets and hence the behaviour of the poor, in response to the fact that poverty itself 'can blunt the capacity to aspire and to take advantage of the opportunities that do present themselves' [85]. The extent of willingness to experiment on the poor without their knowledge or consent is itself a notable feature of the analysis.

In what follows, for each of the specific themes addressed, the focus is relentlessly on shaping the neoliberal subject. As regards poverty itself, the Bank notes that 'poor households often benefit from forms of social insurance, tapping resources from friends, neighbours, family, and social groups such as burial societies, or rotating pools of credit' [85]. A jolly good thing too, you might think. Not necessarily, as 'norms that may require investments in social capital to the detriment of private opportunities' must be eliminated. So when budding entrepreneurs of themselves in Kenya were found in a laboratory experiment to be 'willing to pay a price to keep their earnings from a game hidden', this was seized upon to suggest that they might 'benefit from financial products that allow them to insulate their income from social demands'. And so it proved, in another field experiment in Kenya:

> using a simple metal box with a padlock and designating savings for a particular purpose can help increase savings for people who must assist others in their social network [86].

And so on, for each topic area considered. In each case, an unreflective and uncritical account is given of micro-level case studies, primarily of RCTs, that zero in on one or another aspect of the ideal neoliberal citizen. In this case, if the poor cannot be made economically rational, they can at least be selfish, which is a start.

Early childhood development

The children of the poor, as we know, are already lagging badly in cognitive and other skills before they get to school. Poverty in infancy and early childhood 'can impede early brain development,' to the extent that a US study found that by their second birthdays, 'there was a six-month gap between children from higher and lower SES families in processing skills known to be critical to language development' [101]. This prompts proposals for 'designing interventions that focus on and improve parental competence' [104]. The analysis moves from stating the bleeding obvious ('having a predictable and stable source of income reduces parents' mental stress', 'maternal depression can interfere with mothers' capacity to provide support and responsive care') to asserting that direct interventions may be needed because 'alleviating poverty alone does not automatically improve parenting practices' [105]. But the problems are obvious. A key piece of research on Jamaica (Gertler et al, 2014) found that 'weekly visits from community health workers over a 2-year period [1986-7] that taught parenting skills and encouraged mothers and children to interact in ways that develop cognitive and socioemotional skills led to a 25 per cent increase in earnings in later life. The study details the extent of the intervention (two years of weekly one-hour play sessions at home with trained community health aides, with each session adjusted to the child), and also reports that the aides had completed training in nutrition and primary health care, and received an additional eight weeks' training in child development, teaching techniques and toy-making prior to the study. Nothing is said about other costs, or about scaling up – but the article does estimate that more than 200 million children under the age of 5 might be similarly disadvantaged. It makes nothing, either, of the obvious point that if similar opportunities were given to all the poor children in the world (which would of course be good), the overall effect would be to make the global workforce as a whole more productive, with benefits for employers (and society as a whole), while the ability of a very small target group to achieve a *relative* improvement in earnings would be lost.[1] There is a clear implication from this. The World Bank has the resources to experiment on the poor, but not to alleviate their poverty.

Household finance

Poor people do not manage their finances well. Assuming, as the Bank does, that increased engagement with financial institutions would help, it proposes that these should be 'made more responsive to the behavioural factors driving people's financial decisions' [112]. The presumption, then, is that the poor should make more use of financial products, but that they are an impatient, procrastinating, feckless lot, short on willpower, easily swayed by impulse and discouraged in the face of too much small print. Given the obvious brute fact that the poor do not have enough money to make ends meet, the Bank is more or less reduced here to parroting *Nudge*, default options, nudges and reminders, commitment devices, Save for Tomorrow, and all. At the same time, nothing in the wretched lives of the poor is sacred. The soap opera, once pure escapism, in which the whole point was that there was someone worse off than yourself, has become a surreptitious tool for the promotion of thrift, sobriety, and willingness to take any job rather than sponge of the state:

> Overall, our findings suggest an important role for entertainment media as an accessible and important tool for policymakers to deliver carefully designed educational messages that resonate with the audience and can potentially influence financial knowledge and behavior. Further, our findings suggest that emotional connections and familiarity with media personalities certainly play a role in motivating knowledge and behavior change among viewers, and that harnessing such potential can be an important channel for achieving development impact (ibid).

In the South African soap featured (it sounds unmissable), the main character 'depicted poor financial behaviour before changing her habits' (Berg and Zia, 2013: 5). From the summary provided, the plot sounds every bit as dire as that might lead you to expect, so (spoiler alert) I will fast forward you to the happy ending:

> Maletsatsi gets Daniel to help her structure a simple savings plan. She is going to put a part of her salary into a special bank account from which she cannot draw and which will give her good interest on her savings (ibid: 49).

A 21st century medium, but a 19th century message. There is now a name for interventions of this type – 'social marketing soap operas', and a record of endeavour going back twenty years, not always with success: in Kazakhstan, *Seeking Happiness*, 'a six-episode soap opera funded by USAID, was used to explain capitalism, especially privatization and rule of law, to the former soviet country' (ibid: 8), but sadly to no avail. Our American cousins can learn from the UK Ministry of Defence. If you were to google 'How Soap Operas Bring About Change' (I'm not saying you should, mind, unless you need to know its contents in the course of your official duties) you would learn from the Defence Science and Technology Laboratory, Porton Down, about 'New Home, New Life', the highly successful 'Afghan

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[1] In any case, the study showed a markedly increased tendency to migrate for work among the recipients of the intervention over the control group, suggesting that the funding and host country of such a scheme would not necessarily receive the benefits.

Archers' (the Archers being a long-running radio soap that has been purveying handy tips about farming to a devoted UK audience since 1951, not a traditional Afghan fighting unit), first broadcast in 1994. Neurological warfare, it seems, is the new biological warfare.

Productivity

In Ghana, small-scale entrepreneurs who are given cash loans use them in part to finance household needs or help relatives. In Kenya, bicycle taxi drivers do just enough work to meet their daily needs, rather than maximising their income, and shop keepers waste time wandering about in search of small change instead of coming to work with a float. In India, fishermen fish less as the value of their catches increases, opting for days off instead of going out to sea. The Bank takes these illustrative cases from the nearly 60 per cent of the world's labour force who are self-employed as evidence that 'divides between intentions and actions and the neglect of potential opportunities may loom even larger [for the self-employed] .. because they do not have contracts with an employer interested in their level of effort or explicit work arrangements that dictate what is expected of them' [135]. In other words, the Bank assumes that the self-employed should exert themselves to the maximum, and it is stressed when they do not. At the same time the sources on which it draws suggests that the benefits from extended effort are relatively small – from 5 to 8 per cent additional income, for example, in the case of Kenyan bicycle taxi drivers (Dupas and Robinson, 2014).

The manner in which the issue is addressed reveals the ideological character of the World Bank's approach. As the reference to 'neglect of potential opportunities' shows, the Bank simply assumes that maximising income is the right choice to make, rather than one option at the extreme – so it talks too about difficulties in turning intentions into action, or failure to notice an opportunity, and reports on interventions 'to improve things' [135]. This is simply a consequence of the mental model with which it works. From a critical perspective, the fact that these individuals make the choices they do reflects their ability to *resist* the logic of capital – the failures and difficulties are not those of the individuals concerned, but of capital.

But there is a more substantial issue here, and it concerns the supposed relationship between micro-entrepreneurship and productivity. The Bank has promoted micro-entrepreneurship over the years, as a key part of its legitimizing ideology as well as its approach to growth. But it seems to be the case that micro-enterprises (typically of the kind promoted by micro-finance schemes) almost never grow to become significant businesses (Banerjee and Duflo, 2011: Ch. 9). They start tiny, and the lucky ones end up small. Most, as Banerjee and Duflo note, are simply a means by which some individual buys himself or herself a job – and not just any job, but a low-productivity, dead-end job. In other words, they are a means not of escaping from poverty, but of perpetuating it at the cost of extreme self-exploitation. *Poor Economics*, at the same time, has been rightly criticized for its focus on small questions at the expense of big ones (Reddy, 2012: 62-4), and precisely the same problem occurs here. Productivity (*the* issue as far as the World Bank itself and other international organizations are concerned) is reduced in this chapter, because it is addressed in relation to low-productivity jobs and micro-businesses, to such questions as whether giving cash rewards or gold stars to the hairdressers who sell female condoms is a better way of promoting them, or whether new recruits to Indian software companies should be given sweatshirts and badges with their names on during their training. This follows from the decision to focus in this chapter only on ways of making better use of existing factors of production, rather than augmenting them [128]. In making this choice, the Bank forgets its emphasis elsewhere on the need for better jobs (more productive, and linked to the world market), and hence for the need for some jobs to disappear, while new ones are created (World Bank, 2012: 75). As a result, it pays no attention to global value chains, trade, foreign investment, or creative destruction in the domestic economy – all issues central to the question of productivity. Paradoxically, maybe because of its ideological preferences, maybe because the RCT methodology and the broader behavioural framework cannot address the more crucial aspects of productivity mentioned above, the chapter on 'productivity' does not touch at all on the principal elements of the Bank's concerns with productivity! Instead, it dwells in a grotesquely contradictory fashion on precisely those forms of activity that are scheduled by the Bank, rightly or wrongly, for elimination. As the next section suggests, this is not the only area in which the bigger picture is missing.

V - The Bigger Picture: Happiness on Tap?

Given that the report deals with micro-level illustrations of proposed techniques and successful interventions, without exploring their connections to the broader political economy of neoliberal reform, further investigation is needed in order to reveal these links. Take, as an example, the case of a scheme intended to encourage poor residents of Tangiers to buy connections to water and sanitation networks on credit, on which the following is reported:

> The program … made it easier for households to obtain a connection for piped water; this improvement reduced the time residents spent fetching water by more than 80 percent. Beneficiaries were more likely to perceive that their life had improved in the previous year and reported higher life satisfaction—despite a 500 percent increase in their water expenditures and an absence of any improvements to their health [89].

On the face of it, a win-win situation, as recounted in the source (charmingly entitled "Happiness on Tap") – more business and profit for the private supplier (Amendis, a wholly-owned subsidiary of Veolia Environnement), more free time for the beneficiaries (devoted at the time of the study to leisure) and happiness all round. First, though, it turns out that the Franco-American team who carried out the study, with support from MIT's ubiquitous Poverty Action Lab [89, and Devoto et al, 2012] were not only funded by Veolia Environnement, but themselves conducted the 'door-to-door awareness and facilitation campaign in early 2008 among 434 households, randomly chosen from the 845 that were eligible for a connection on credit' (ibid: 69), in accordance with what they describe as an 'encouragement design'. In other words, they were effectively employed by the company. Second, they report that two years on, only 44 per cent of households were up to date with loan repayments, with more than a quarter 20 per cent or more in default (ibid: 92). At this point, they add, no disconnections had occurred. However, the defaulters were clearly at risk, and presumably under pressure to exchange enhanced leisure time for productive work to meet their obligations. They had already been drawn into a privatised supply system (in which they were getting exactly the same water they had previously fetched from public taps, the only difference being that they now paid to have it piped into their homes).

The next development (not reported in the case study cited) was that Veolia announced its intention to sell Amendis to the British equity fund Actis, giving rise to a protracted conflict that was seemingly resolved only in December 2014, when Veolia (signatory to a 25-year contract which local authorities declined to break) abandoned the proposed sale. Actis (whose strapline is 'the positive power of capital^{TM}'), was created in 2004 'after spinning out from CDC [Commonwealth Development Corporation], the UK's development arm, founded in 1948 [as the Colonial Development Corporation] to invest in the Commonwealth' (http://www.act.is/content/OurHistory, accessed 18 December 2014). This in turn was the culmination of a process that began in 1997 when UK Prime Minister Tony Blair chose the CDC for conversion to a public-private partnership, leading to the sell-off of long-term, labour-intensive agricultural projects in Africa, and prompting even the staunchly liberal Economist to demur, in a report headed 'Two Fingers to the Poor' (*Economist*, 14 January 2001: http://www.economist.com/node/656299, accessed 19 December 2014). There is a bigger picture, then, than *Mind, Society and Behavior* acknowledges. The residents of Tangiers were able to resist this fate, but others have not. Viewed in this context rather than out of it, the randomized controlled trials that the report celebrates are drawing the poor into the most advanced global circuits of financial capital and subjecting them to its logic.

VI - Conclusion: Mental Models

The final sections of the report address some of the inappropriate biases, mental shortcuts, and social and cultural influences to which development professionals may be subject [180]. Some – but not all. A few days before the launch of the Report the World Bank put up a discussion board inviting comments in advance of its publication. The first to be posted, from a contributor adopting the pseudonym 'Big Brother', simply said, 'Thought control – the next frontier'. At the launch the Bank's Chief Economist Kaushik Basu noted the comment, and asked the panelists to respond. Karla Hoff contributed the thought that as everyone's thought was controlled, it might as well be controlled by the World Bank, which struck me as morally insouciant. And after President Kim commented on good things primarily in the health arena, Kaushik Basu himself added:

> The one little risk is that of course everyone will read it, people whose intentions are not good, they will also learn some techniques from this. But that is the risk with all science and all advance of knowledge that it is knowledge once it's available widely people can misuse it. But I feel given that this is widely being used, widely being used in fact in people's self interest the fact that we are today bringing it into an arena where there are these good ends that we are trying to get where we are bringing in this, this is a very welcome venture (Launch, at 1:15:45).

Full disclosure at this point – the pseudonym and the comment were mine, and I must say that I was surprised and pleased to see it posted and discussed. The moral? The Bank questions everything, except its own innate goodness – and hence, its right to programme the poor.

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