

Review Article

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With the ascendancy of radical right wing ideology in the 1980s, social development suffered serious setbacks. In many countries, social expenditures were cut and the human services curtailed. The Thatcher and Reagan administrations in Britain and the United States were probably the most vigorous proponents of radical right wing ideology. Under their regimes, retrenchments damaged the social services and undermined the welfare state. However, less dramatic but similar developments occurred in several other industrialised countries as well (Glennerster and Midgley, 1991).

Although there were some noticeable exceptions, such as Chile, radical right wing ideology was not embraced with the same enthusiasm in the Third World. However, as a consequence of over-extended borrowing in the 1970s, and economic difficulties caused by recurrent oil shocks, falling commodity prices and other contingencies, many Third World governments were compelled to seek credit from the International Monetary Fund. The Fund had long opposed government intervention in social affairs and advocated a radical free market approach to development. With the imposition of its conditionality policies, state involvement in social development was significantly reduced.

The Welfare Crisis of the 1980s and Prospects for the 1990s

These events have had a severe impact on welfare. In those industrial countries

where radical right wing ideas were embraced, the incidence of homelessness, poverty and deprivation increased. Reversing the trend towards greater social effort and improved levels of living which had characterised the decades following the Second World War, the 1980s saw a decline in levels of living among poor people in many developing countries. Although military conflict, agricultural stagnation and other factors also contributed to the crisis in welfare, the increase in poverty in the Third World can be attributed directly to the imposition of radical policies, and concomitant retrenchments in social programmes.

With the coming of a new decade, and the retirement of both Mr Reagan and Mrs Thatcher from political office, some have asked whether the policy prescriptions of the radical right have run their course. Some have speculated whether the mean, greedy eighties will be replaced by a more caring approach. While President Bush's allusion to the need for kinder, gentler policies engendered premature optimism, there have been other signs of a greater concern in political circles about the pressing social problems that face modern societies.

Particularly encouraging for those concerned with social development was the publication in 1990 of major documents by three international development organisations, all of which focused on social issues. The World Bank's annual report for 1990, which was entitled *Poverty*, was accompanied by a new publication from the United Nations Development Programme called *Human Development Report 1990*. In addition to its regular *State of the World's Children* report, UNICEF was responsible for drafting the *World Declaration on the Survival, Protection and Development of Children* which was endorsed by 71 heads of state and another 88 representatives of national governments at a ceremony at the United Nations headquarters in New York in September, 1990.

These documents were followed by the publication in 1991 of additional reports dealing with similar issues. The World Bank's 1991 report again focused on poverty eradication while the UNDP report was concerned with the financing of human services. UNICEF published another of its *State of the World's Children* reports which paid particular attention to the prospects of implementing the 1990 *World Declaration*.

These documents are significant for the renewed emphasis they place on social development. During the 1980s, the World Bank abandoned its previous commitment to social development, and its publications at this time paid little attention to social questions. Although UNDP has a long history of engagement in social development, it faced serious budgetary constraints during the 1980s, and produced relatively little of significance in the field. The appearance of a major UNDP document on the subject in 1990 was, therefore, something of a welcome

surprise to social development advocates. The *World Declaration* and its associated Plan of Action was also significant for harmonising UNICEF's child welfare prescriptions, and for securing an impressive degree of political patronage for its ideas.

Although these documents are suggestive of a new commitment to social development, it is necessary to consider the way they define social development, the strategies they propose and the projects offered for their implementation. These and other questions are addressed in this review.

Social Development and the International Agencies

The international agencies have played a major role in the promotion of social development in the Third World over the last fifty years. The United Nations led this effort. In the 1950s and 1960s, the organisation popularised the term social development and energetically promoted the expansion of community development, social work, corrections and crime prevention programmes throughout the Third World. In the 1970s, following the adoption of major resolutions by the Economic and Social Council and the General Assembly, an attempt was made to broaden the definition of social development, and to relate social development to wider economic development activities. The notions of social planning and integrated socio-economic development were introduced to foster the harmonisation of social welfare with other forms of social sectorial planning and with economic development planning in general. Social development was now conceived not only as a social sectorial activity, but as a process that combined economic and social objectives to enhance levels of living and raise standards of health, education, housing and nutrition.

The United Nations' initiatives on social development during the 1970s influenced the other development agencies as well. Primarily concerned with large scale infrastructure and economic projects, the World Bank had not previously taken much interest in social development, but as the relationship between poverty and economic stagnation was recognised, its approach was broadened to encompass social issues. Under Robert McNamara's presidency during the 1970s, the Bank identified poverty alleviation as an explicit goal of its lending policies. It commissioned studies of the incidence of poverty and deprivation in the Third World which resulted in the publication of Ahluwalia's (1974, 1976) widely quoted estimates and research methodologies. These have since formed the basis for subsequent studies of the incidence of world poverty. The World Bank's concern with poverty alleviation also stimulated a great deal of discussion about

appropriate social sectoral policies in the fields of health, education, housing, water supply and nutrition, and fostered a formative concern with the issue of inequality which some social scientists argued was closely related to poverty. Indeed, one major World Bank study suggested that the reduction of inequality was a necessary condition for alleviating poverty (Chenery et al, 1974).

During the 1970s, other international development agencies also made an explicit commitment to deal directly with Third World poverty. Increasingly dissatisfied with the inability of conventional development policies to generate wage employment on a sufficient scale to absorb labour from the subsistence sector of the economy, the International Labour Organisation adopted the *basic needs* approach (International Labour Organisation, 1976; Streeten et al, 1981). This approach stressed the need for government social programmes that would enhance levels of living for the population as a whole and not only for those in the formal employment sector.

The World Health Organisation also expressed growing dissatisfaction with the emphasis which had been placed on curative, urban based health programmes in developing countries, and it began to explore alternative policies which would ensure health for all by the end of the century (Djukanovic and Mach, 1975; World Health Organisation/United Nations Children's Fund, 1978; World Health Organisation, 1979). Working closely with the World Health Organisation, UNICEF began to emphasise the importance of community based child and maternal health programmes rather than the remedial child welfare policies which it had previously promoted.

However, as was noted previously, the emphasis placed on social development during the 1970s dissipated as the ideas of the radical right were widely adopted. As the global debt crisis assumed massive proportions, the International Monetary Fund became more influential in determining development strategies than the other agencies. By the mid-1980s, social development appeared to be low on the international agenda.

The Rediscovery of Social Development

While the publication of reports on social questions by the international agencies in the early 1990s suggests that social development may again be a topic of major concern, the way social development has been defined in these reports and proposals for its implementation needs to be carefully considered.

A formal definition of social development is only provided in the UNDP reports where the term *human* rather than *social* development is used. This curious

innovation in nomenclature makes no reference to previous definitions of social development in the literature, and is suggestive of an attempt to repackage what may have become an unattractive expression in development circles. Like *welfare*, the use of the word *social* seems to have acquired a disparaging connotation.

Even more curious is the report's definition of human development as "a process of enlarging people choices." It goes on to suggest that human development gives people greater choice in matters that effect their standard of living, health and education. The introduction of the notion of choice may bemuse sociologists, social planners and social workers who may wonder about the numbers of people who actually choose not to be healthy, educated or to have a good standard of living, but to the political economist its connotation is obvious. Indeed, the report makes its ideological proclivity explicit by criticising social development approaches that emphasise the provision of services or the redistribution of resources. Instead, it argues that social development involves the promotion of opportunities that help people to "ensure their own livelihood" (1991, p. 11).

While the World Bank reports do not offer a formal definition of social development, the individualist themes in these reports are even more explicit than those contained in the UNDP documents. The best prospect for poverty alleviation and social development lies in the adoption of what the World Bank describes as a 'market friendly' development strategy. This involves the creation of a vibrant, entrepreneurial enterprise culture in which the state intervenes reluctantly and only in those areas where the market cannot operate effectively. The state's primary role should be the creation and support of the enterprise culture, the fostering of free trade, and the implementation of appropriate market sustaining macro-economic policies. The World Bank does, however, recognise that the state should assume responsibility for social welfare. It recommends that governments invest in people through creating efficient social services that target and serve the neediest section of the population.

The strategies for social development contained in the World Bank and UNDP reports will be readily recognised by those who are familiar with the history of social policy. Although presented as highly innovative, these strategies amount to little more than a revival of the residualist approach which dominated social policy before the advent of the welfare state. In this approach, governments are relegated to a subsidiary role in which they cater for the neediest sections of the population, seeking either to facilitate their integration into the capitalist economy or to maintain those who are permanently dependent and unable to fend for themselves.

The concept of 'targeting' characterises the residualist conception of social welfare and revives the old debate about universal versus selective social services which Titmuss (1968) had so eloquently articulated in the 1960s. In their enthusiasm for targeting, the international agencies have not only failed to refer to the extensive literature on the subject but have overlooked the serious drawbacks of selectivity as a social policy option.

Accompanying the emphasis placed on residualism and selectivity, the UNDP and the World Bank are eager proponents of measures that reduce government social spending. User charges, community participation, the involvement of non-governmental organisations and privatisation are all advocated as integral elements of the new strategy for social development. Problems associated with privatisation are ignored. Despite overwhelming evidence of the failures of private medical health insurance in the United States, the World Bank applauds those developing countries that are "experimenting with private health insurance plans as a way to meet future demands for health care..." (1991, p 67).

UNICEF's report *State of the world's Children 1991* adopts a very different tone from those of UNDP and the World Bank. It focuses on the desperate problems of poverty and deprivation which characterise the lives of hundreds of millions of children in the Third World. It offers various policy proposals for reducing infant mortality, expanding education, enhancing nutrition and eradication of controllable diseases such as polio and neo-natal tetanus. It also reviews proposals contained in the Plan of Action for implementing the World Declaration. Although it does not examine the role of the state in implementing its proposals, it implicitly assumes that governments will take responsibility for this task. However, it is difficult to see how these policies would be implemented in a systematic fashion in the anti-statist climate that currently pervades development thinking.

The definition and strategies for social development contained in the UNDP and World Bank reports are very different from those that governed development thinking in the years before the ascendancy of the radical right. These approaches emphasised the role of the state in the provision of services, fostering collective action for social development and redistributing resources progressively. The use of redistributive policies is specifically rejected by the World Bank on the grounds that they have negative consequences for economic growth. Although the organisation notes that countries with the most successful record of social development are also highly egalitarian, it claims that this is a natural consequence of a well functioning market economy. Contrary to a substantive body of research, the 1991 report contends: "When markets work well, greater

equity often comes naturally" (p 138).

It is surprising that the lessons of history have been ignored in these reports. The dominance of residualist conceptions of social policy in the European countries for most of the 19th and 20th centuries was not accompanied by massive improvements in levels of living for the poor but by perpetual misery and deprivation which was only significantly alleviated with the adoption of comprehensive welfare state social policies. Unlike communist Eastern Europe, the creation of the welfare state was not a doctrinaire ideological act but a pragmatic response to the failure of free market capitalism to meet social needs. The curtailment of the welfare state in the 1980s has not resulted in greater prosperity but in a return to the conspicuous conditions of deprivation that characterised European countries in the 19th century. The rediscovery of social development by the international agencies is a rediscovery not of progressive social policies but of a previously discredited Victorian conception of social welfare which did little to promote the welfare of ordinary people.

While it is likely that the strategies for social development formulated by UNDP and the World Bank will be implemented in many developing countries, it is unlikely that they will be accompanied by significant increases in levels of living for the poor of the Third World. On the other hand, the adoption of economic policies governed by radical right wing ideology will ensure that those who are already prosperous will prosper further. It is difficult to envisage how the strategies advocated by these agencies can possibly promote social development for all.

Reviewed by James Midgley, Dean, School of Social Work, Louisiana State, USA.

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