THE CASE FOR EXPERIMENTAL EVOLUTION

IN

DEVELOPMENT PLANNING

by

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B.A., University of British Columbia, 1969
B.Sc., University of British Columbia, 1974

A THESIS SUBMITTED IN PARTIAL FULFILLMENT
OF THE REQUIREMENTS FOR THE DEGREE OF
MASTER OF SCIENCE

in

THE FACULTY OF GRADUATE STUDIES
SCHOOL OF COMMUNITY AND REGIONAL PLANNING

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The University of British Columbia
September, 1976

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Date Sept. 31, 1976
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THESIS ABSTRACT

This thesis reveals some major weaknesses in development strategies based primarily on economic growth and suggests the development record can only be improved significantly by adopting a process of experimental evolution.

The obvious starting point is defining and describing development. Development is defined as neither more nor less than the improvement of individual and social welfare, and the first chapter draws on some of the social sciences' literature in an attempt to describe individual and social development. While this description is far from definitive, several tentative conclusions may be drawn. Individuals have a wide variety of needs, from the basic physiological and psychological to those higher needs for fulfillment. These needs are satisfied in varying degrees by the social system (or the social delivery systems). There is no evidence that one type of social system performs better over all than any other. The components of the social system, the subsystems have a complex (and as yet poorly understood) interdependence and interaction, such that disruption of one subsystem is likely to produce (largely unforeseen) ramifications throughout the rest of the social system. Beyond the few basic physiological needs, economic activity satisfies few of the needs and many economic activities inhibit or even preclude many needs' satisfaction. And finally, any intervention which significantly disrupts the social system is likely to be counter-productive, as the reduced systemic performance generally negates the benefits derived from the intervention.
For these reasons it is suggested there is little justification for social evangelism or mimicry and that disruptive strategies necessarily have anti-developmental consequences. Economic growth is neither costless nor priceless.

The economic evaluations of the last two decades of 'development' efforts bear out this conclusion, that the development record for the Third World has been disappointing and less than adequate, and that the major cause was unanticipated societal repercussions. This appears to have been the case whether the strategies were explicitly disruptive or (as was more generally the case) inadvertently so. There are, however, other reasons for the poor record as well. The traditional 'barriers to development', and numerous external or unalterable factors (comparative advantages, established markets, demand and supply limits, the 'development of under-development') each contribute in varying degrees to circumscribe the economic growth potential of each country. These constraints further weaken the case for economic growth strategies that require easy access to open markets and to limited resources.

It is recognized that a concerted effort is necessary to reduce these external barriers to economic growth, to more equitably distribute the world's resources and income. It is also necessary to develop, at this time, a developmental process that may be applied in any country, within these constraints.

The process must seek to determine the level of social performance within the society, because every society has both strengths and weaknesses--and most have more strengths than weaknesses. It must involve the people in determining the level of performance and in defining their own social goals, because only they can legitimately do it and because the involvement is in itself developmental. The intervention must be designed
to maintain the level of performance in non-target subsystems (minimize disruption) and it must be flexible, suitable for modification as problems arise. These objectives are facilitated by experiments small in scale and scope. Finally the process must include monitoring and evaluation, not only of the target subsystem, but of the whole social performance. This is necessary to permit adjustments to the strategy, to ensure there are no negative impacts in other institutions, and to improve our understanding of social system behavior, a prerequisite for more efficient development strategies.
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>INTRODUCTION</td>
<td>1</td>
</tr>
<tr>
<td><strong>CHAPTER 1</strong></td>
<td></td>
</tr>
<tr>
<td>1.0 Defining the Development Objectives</td>
<td>6</td>
</tr>
<tr>
<td><strong>CHAPTER 2</strong></td>
<td></td>
</tr>
<tr>
<td>2.0 The Record</td>
<td>20</td>
</tr>
<tr>
<td>2.1 The Economic Growth Record</td>
<td>20</td>
</tr>
<tr>
<td>2.2 The Development Record</td>
<td>26</td>
</tr>
<tr>
<td><strong>CHAPTER 3</strong></td>
<td></td>
</tr>
<tr>
<td>3.0 The Reasons for the Poor Record</td>
<td>34</td>
</tr>
<tr>
<td>3.1 Causes of the Poor Growth Record</td>
<td>34</td>
</tr>
<tr>
<td>3.2 Causes of the Poor Development Record</td>
<td>44</td>
</tr>
<tr>
<td><strong>CHAPTER 4</strong></td>
<td></td>
</tr>
<tr>
<td>4.0 Defining the Problem of Planning for Development</td>
<td>53</td>
</tr>
<tr>
<td>4.1 Identifying Performance Deficiencies</td>
<td>53</td>
</tr>
<tr>
<td>4.2 The Problem of Change</td>
<td>54</td>
</tr>
<tr>
<td>4.3 Identifying the Causes of Deficiencies</td>
<td>56</td>
</tr>
<tr>
<td>4.4 Designing Appropriate Strategies</td>
<td>57</td>
</tr>
<tr>
<td><strong>CHAPTER 5</strong></td>
<td></td>
</tr>
<tr>
<td>5.0 Toward a Strategy for Development</td>
<td>59</td>
</tr>
<tr>
<td>5.1 The Role of the International Community</td>
<td>59</td>
</tr>
<tr>
<td>5.2 The Role of the Development Planner</td>
<td>62</td>
</tr>
<tr>
<td><strong>BIBLIOGRAPHY</strong></td>
<td>71</td>
</tr>
</tbody>
</table>
ACKNOWLEDGEMENTS

Several people gave generously of their time and ideas. I would like to acknowledge in particular the assistance and advice of professors C.S. Belshaw, S.D. Butt-Finn, H. Hightower and D. Webster.

Two individuals deserve special mention. I would like to thank Professor Irving K. Fox and my wife, Lillian, for their encouragement and support that went far beyond the scope of this paper.

The deficiencies that remain in this work are entirely my own responsibility.
INTRODUCTION

Planners have been concerned with conditions in the Third World for some time, and considerable effort has been expended to improve what have generally been viewed as unsatisfactory levels of living there. Despite the effort, however, and some change, there has not been comparable improvement. Development planning is now at a critical stage. There is sufficient information available to evaluate, if only grossly, the record over the last two decades. The record has not been good. There are now, in addition to most of the problems that existed prior to the concerted planning interventions, exacerbated problems of increased inequities, of alienation and unemployment, of 'homelessness'. And growing populations add pressure to the present problems. So planners must look critically at past strategies, must find their weaknesses, and must develop new strategies which offer more promise of success. This thesis is a contribution to that task.

I brought to this study several perceptions, which, given the state of my knowledge (and even the state of knowledge in these fields) may be little more than biases. First, is the discrepancy I perceived between the real world and our descriptions of it. The descriptions (by no means the only ones, but the ones upon which policies are generally based) describe the death and disease and wretched poverty of these areas. Social, demographic and economic indicators include figures on death rates, birthrates, health facilities, education, nutrition, housing, transportation and communication services, income, savings, investment, consumption and output. Hardly surprisingly, the description of the Third World societies based on these types of information is dismal indeed in comparison with the more affluent countries. (Interestingly, the U.N. records deaths by various communicable diseases prevalent in the tropics, but not by heart
disease, lung cancer, or car accidents). It is not difficult to speculate that if social indicators could include happiness or security or mental health--perhaps the most important criteria of all--the ranking of societies might be very different. All this thesis manages to do is to show this perception, that there is much of value in most societies, that no one society has demonstrated its superiority, and that apprehensions that much of value in other societies will be lost unless new strategies are found, is shared by others.

My second bias is a strong, a priori suspicion of models and generalizations. The Third World is not an entity. Beyond being the countries other than the industrialized West or East, it defies description. Even per capita incomes are not universally low, particularly since O.P.E.C. has shown its strength. Resources vary, capital varies, population pressures vary. Most importantly, social systems vary. Malasia and Brazil are hardly in the same class as Chad; India is unique again. How can a strategy that involves urbanization apply equally among the Yoruba in Nigeria, with their urban traditions and in parts of East Africa, where even villages were scarce? My initial intent to examine the applicability of various models--the Japanese, the Brazilian, the Asian city-states, the Chinese, the Russian and the Western was short-lived. Dore, (1971) succinctly outlines the limitations of the Japanese experience as a model for other countries. The same would have to be done for each of the other models, each requiring a detailed analysis of the social system and the world situation as it changed in response to identifiable development pressures. But that is only the beginning. For what countries would any such model apply or be inappropriate? If the Brazilian model (were it viewed as worthy of imitation) were applicable to Argentina, would it be to Chile? Models are not inherently dangerous, but they must be based on
adequate empirical knowledge. The simple fact is our knowledge of social system behavior and performance is inadequate to justify their use.

Finally, I harbour the suspicion that many of the basic assumptions behind development efforts are false. It is often assumed we know the course of social evolution—we used to talk of 'primitive' and 'civilized' societies where we now use 'underdeveloped' or 'developing' and 'developed' or 'modern'. If development is defined, as it must be, as the improvement of individual and social welfare, I strongly suspect many other social systems are more developed than are those of the Western, industrialized countries. All we can say about social evolution at this point is that it has been divergent evolution. Development planners ought to seek what each society can learn from others, in terms of its objectives.

We cannot assume economic growth is costless. The changes it causes, sometimes necessarily, have costs and they may be high. Nor can we assume economic growth is priceless, that no cost of social disruption or individual anxiety is too great to counter the benefits to be derived from economic growth. Indications of social malaise in the affluent countries may indicate the costs are prohibitive. Indications of the high costs and generally small and often negligible benefits in the Third World may indicate some resources ought to be re-allocated to more important development efforts with better cost-benefit ratios in social terms.

These views may be little more than biases, but this paper does show that much of the basis for economic growth or development strategies is on no more solid ground.

What, then, does this paper hope to accomplish? Drawing on the social sciences literature, I try to get an understanding of what is involved in individual and societal development. Knowledge in this area is far from complete, but it is possible to gain some insights into human
needs and the ways in which societies accommodate, satisfy, or frustrate these needs. Development strategies must be based on this understanding, and the process must provide for the improvement of that understanding.

In looking at the weaknesses of present strategies several options were open. A case study could have been examined, but, even with the costs of doing the analysis (and a complete one would be impossible), it could but show in this case the strategy failed or was inappropriate. And hundreds and perhaps thousands of such studies have been done. Alternatively, I could have discussed each type of strategy, attempting to expose its underlying assumptions or limitations. But an exhaustive study would have been impossible--the literature is simply too vast. Also, there already exist, in several basic books on 'development' or economic growth, adequate descriptions of enough strategies to give anyone interested in the field a fair understanding of the nature, if not the actual substance, of most sets of strategies.

I felt it was justifiable, therefore, to discuss types of strategies rather than specific projects. It was also expedient to draw on aggregates of experience more than specific project evaluations and this may be justified by the remarkable consensus that emerged. Observations and evaluations of the development experience over the last two decades, by authors from the extreme right to far left, are surprisingly consistent.

Based on these observations, it is evident new approaches to development are necessary. It will be necessary to change the world market and credit systems to allow (let alone encourage) the more equitable distribution of resources and incomes. Of prime concern in this thesis, however, is the necessity to adopt a developmental process that recognizes the inadequacies of our understanding of social performance and behavior, of individual needs and their satisfaction; that can be applied despite
these inadequacies and can improve our understanding; and that can be
adopted to meet the changing social conditions. Such an approach, at this
time must be highly experimental and must have research as a major com-
ponent. It is a process, not a specific, alternative development strategy,
for any explicit strategy at this time would be premature. To paraphrase
Mishan, (1967), if this approach appears weak for lack of quantifiable
evidence, the fault lies more with the state of our knowledge than with the
argument. The time has come to chart a new course in development planning.
This thesis suggests the direction; the course will follow from that.
Development is the improvement of individual and social welfare or the improvement of social system performance. It is subjective. Objective, quantifiable parameters may be examined to help indicate development (or, in static terms, social performance). The U.N. presently records seventy-three such indicators— incomes, nutrition, health (actually diseases), literacy levels, etc.—but these indicators may not correlate significantly with performance or may even correlate negatively. Many components of welfare may be quantified, but many more may not—happiness, security, self-esteem, satisfaction—and these unmeasurable components are perhaps more critical to welfare and hence to any questions of development.

Development, as defined by Webster's and as generally used, has a connotation of 'betterment' or 'improvement'. Development, then, like any value-dependent term, is in the eyes of the beholder. Growth, or any other change, may or may not be developmental. Increased systems complexity may be objective and value-free (Belshaw, 1970, 1972), but insofar as it is, it cannot be used as a definition of development without begging the question of whether increased systems complexity necessarily indicates an improvement in social performance. This unjustified assumption is not uncommon in the social sciences literature (see, for example, Chodak, 1973). Whether the definition is very precise—a level of development is equivalent to a certain per capita income—or simply imposes a set of values which may not be universally acceptable—conditions of Pareto improvement or Pareto optimization—it tries to define for another what his perception of improvement is or ought to be. In some societies, a development objective might conceivably be a more equitable distribution of welfare. The costs of this to some segments of society may decrease their welfare, but there may be, nonetheless, marked societal development.
Societal development is, then, a subjective term, like improvement or betterment. The objectivity of various components of it do not alter its basic subjectivity. Do more cars and fridges mean more development? Or higher incomes but fewer happy marriages? This paper cannot, and will not attempt to, answer that question. In fact, it will argue that only the members of the society may legitimately evaluate their level of social system performance and the degree to which changes in it are developmental. It may be possible, however, to identify some of the underlying individual needs for self-fulfillment.

Individual development, self-fulfillment or self actualization is the process of satisfying one's physiological and psychological needs. Social development is the process of creating an environment conducive to individual development.

Maslow (1968, 1971, and Goble, 1970) identifies basic (or "deficiency") needs—physiological needs for air, water, food, shelter, sleep, and sex, and psychological needs for safety and security, love and "belongingness" and self-esteem and esteem by others. Maslow argues that these needs are hierarchical—that the physiological needs must be met before the individual is able to attempt to satisfy needs for safety and security, which must in turn be satisfied before (or are more basic than) the need for love and belongingness, which must precede esteem gratification. Failure to satisfy these needs, he claims, causes physical or psychological illness; satisfaction of them prevents or cures the illness, and a healthy person, by definition, has satisfied his basic needs. Having satisfied his basic needs, the individual is prepared to grow, to satisfy his growth needs. These needs, for truth, goodness, beauty, aliveness, individuality, perfection, necessity, completion, justice, order, simplicity, richness, playfulness, effortlessness, self sufficiency, and meaningfulness are
non-hierarchical and, in many cases, interrelated. Finally, need satisfaction depends on the external environment, the preconditions for satisfaction being freedom, justice, orderliness and challenge or stimulation.

Maslow's hierarchy of needs should not be considered an exhaustive listing, nor is there necessarily any great merit in his terminology. For example, curiosity and creativity (on which Maslow and others put considerable emphasis) could be viewed as separate needs rather than as expressions of the needs for truth, beauty, individuality, meaningfulness, perfections, completion, and playfulness. The hierarchy itself could be questioned. There are probably innumerable examples of individuals placing higher value on less basic needs—even to the point of forfeiting life itself for higher values—and of individuals (and societies) establishing a hierarchy of the (non-hierarchical) growth-needs.

How universal is the hierarchy presented by Maslow? How universal are these needs themselves? How compatible or complementary are the needs? The implication that individuals suffering from malnutrition or disease or lack of safety are unable to (or unwilling to) satisfy other "higher" needs, like love, self-esteem or truth is at best questionable. Also, individuals or cultures may place greater emphasis on, for example, completion than on, say, playfulness—the Protestant ethic of living to work and the equally widespread ethic of working to live. It can be seen that these needs, reflecting Maslow's view of man and his methodology are all "good" needs. What of the need to dominate, to acquire and possess, to win?

It may be possible to draw a distinction between human needs and goals. Goals may be defined as the manifestation of the need, the objective by which the individual attempts to satisfy his underlying need. Goals are very largely culturally determined, while needs may or may not
be. For example, the 'needs' to dominate, to acquire, or to win may be goals fostered by a culture to satisfy the needs for status or self-esteem. Theologians and philosophers have debated inconclusively for millenia whether man is basically good or evil. Psychologists and other social scientists have to some extent undermined this argument by suggesting he has the capacity for both, subject to the social environment, but social development efforts are still subject to such epithets as 'utopian' or 'naive' if they fail to contain man's 'natural' tendencies toward competition, dominance, power and self-interest. All individuals strive for self-fulfillment in a social context--it is the social context that determines the criteria for esteem and status. So, where individuals are rewarded for achieving success in competitive situations, for attaining and exercising power, and where sanctions are weak against neglect of social responsibilities, behavior directed toward achieving acceptance and status will be markedly different (though neither more nor less 'natural') than behavior directed toward the same needs satisfaction in a society with more socially-oriented, co-operative norms.

Before exploring these societal differences, there is another feature of the set of individual needs that has implications for social organization. Man appears to have conflicting needs. He apparently needs security and orderliness from his society. He also needs challenge or stimulation. Much of the 'development' (economic growth) effort discussed in Chapter 2 was directed toward increasing the level of challenge and stimulation, ostensibly to increase innovation and change. Kenneth Arrow (1963) got the Nobel Prize for showing, mathematically, you can't please everyone all the time. Social systems, however, need not be restricted to such simple choices.

At what point does security and orderliness render the challenge or
stimulation ineffective? How much challenge may exist before insecurity reaches unhealthy levels? Ought we be thinking in such general terms of optimality, or is it possible to provide diverse opportunities, perhaps offering challenge, the stimulation for creativity in one sector (perhaps the economic) while retaining a degree of orderliness, stability and security in another sector (for example, the family or community structure)? Perhaps it is not so much of a dilemma as it first appears. The individual requires a degree of stability from which to grow and to which to return if other stresses become too great, but he also requires the opportunity to expand, to meet challenges and develop his potential.

Nyerere (1974) calls for the necessary change to free people from poverty, ignorance and disease and from exploitation, oppression and subsistence living, yet he recognizes that a degree of stability is necessary to achieve that change.

In addressing this issue of societies' role in individual fulfillment, Benedict developed the concept of societal synergy. Benedict (1970) argues there can be several "ground plans" for societies which can be stable and viable, including highly inequitable ones, so long as there is some recognition of mutual benefit to members of the society. The "ground plans" appear to be less important than the social arrangements within these broader structures. Values and norms are a major component of the social arrangements that can, in effect, make or break a society. Synergistic arrangements are those that advantage the individual and the group by the same action. "From all comparative material the conclusion that emerges is that societies where nonaggression is conspicuous have social orders in which the individual by the same act and at the same time serves his own advantage and that of the group" (Benedict, 1970). Social systems and arrangements where conflict and aggression are high generate
hostility, resentment, and envy and high levels of insecurity (if conflict produces winners, it also produces losers) and hence failure. Insecurity and failure are hardly conducive to self-esteem and other needs satisfaction and individual fulfillment.

The concept of social synergy and the alternative developmental mechanisms of co-operation and competition are obviously closely related and are central, either explicitly or implicitly, to many development oriented decisions. It has been evident for some time not only that different societies have different levels of cooperation and competition but that some societies are basically cooperative and others basically competitive, though none are likely to be exclusively one or the other (Mead, 1937). Enquiries into the relative advantages of cooperation over competition per se as basic social motivations are, as yet, inconclusive, though there are indications "that human potentials are wasted due to the environmental cultivation of competition and aggression as opposed to cooperation and the social side of man's nature. For those who do not win fail to develop the degree of influence or the feelings of worthiness necessary to make contributions in societies where aggression, individualism and competition are sanctioned" (Butt-Finn, 1974). If this is the case, if aggression, individualism and competition contribute to low synergy and low synergy restricts the capacity of a social system to satisfy its members, why do such systems not only exist but appear to flourish and even dominate other, more synergistic systems? Two arguments help explain this difficulty.

Recent psychological game experiments appear to support Mead's concern that cooperative behavior has little to protect it against 'advancing groups with competitive values'. Competitive behavior tends to force cooperative individuals and groups to adopt competitive behavior
for their own survival, even in situations in which cooperative behavior would be more appropriate (Butt-Finn, 1974). The handshake may have a few defences against the sword, and may be forced, for survival, to take up the sword, but that is weak evidence that the sword is ultimately superior in achieving social objectives. Dominances, therefore, may not be an appropriate criterion for evaluating social systems.

It appears from this that low levels of synergy may preclude many or even most members of a society from developing themselves, that social synergy may be a condition of societal development. That being the case, development efforts which have tended to reduce synergy may be inherently anti-developmental. It is therefore imperative that the concept of synergy be applied to the development process, and that the transfer of technology and competitive values be examined more critically. Synergy may be plotted on a development matrix with a measure of the level of technology, or for example, per capita income. Each may be seen as a contributor to the satisfaction of physiological and psychological needs. (As the appropriateness of the technology is more relevant—i.e. a very high level of technology may actually alienate individuals—but harder to assess, per capita income has been used as an alternative indicator.)

On this simplistic matrix, development would be seen as a movement toward the third quadrant. There are numerous other criteria of development which different societies may choose to employ. Individual freedom, for example, as conceived in Western democratic ideology may be a precondition (as Maslow suggests) or it may be perceived differently and valued much less by some other societies. The point being stressed in this thesis, however, is that some of the criteria on which considerable developmental effort is based, may not warrant a high priority. An increase in synergy may be more developmental than an increase in per capita incomes and an
increase in per capita incomes, at the expense of synergy is very likely to be anti-developmental.

To serve as illustrations, though synergy has not been measured and the positions are questionable, a few countries have been plotted on the matrix.

A. **Peoples Republic of China**: per capita income, 1973, $270.; appears to have a high level of synergy, if reports of worker and peasant participation, of equal opportunities to create, innovate and undertake training are true. Further development may (depending on the Chinese perceptions of their needs) require an increase in some other areas—perhaps individual freedom, or material well being—but that cannot be determined objectively.

B. **Ghana**: per capita income, 1973, $300.; like many 'traditional' societies, appears to have a high level of synergy, reflected in such things as stool lands (public holding of land), extended family responsibilities and support. Care must be taken to maintain this synergy as other developmental concerns are addressed.

C. **Haiti**: per capita income, 1973, $130.; per capita incomes are lower and oppression probably worse here, but much of feudal Latin America and at least parts of India belong in this quadrant. It is dangerous to confuse 'C' with 'A' or 'B'.
D. Japan: per capita income, 1973, $3,630.; whether Japanese 'collective competition' or 'synergy within small groups' is more developmental than Western individualism is difficult to determine. I have placed it higher because the individual appears to derive considerable support from his group, though there is also significant pressure to contribute to the group.

E. The United States: per capita income, 1973, $6,200.; probably the epitome of the Protestant Ethic and rugged individualism, though it is following other affluent countries in increasing its concern for public welfare. Its low level of synergy may preclude many individuals from developing themselves, making it, by this criterion, an underdeveloped country.

F. Bulgaria: per capita income, 1973, $1,590.; and


Bulgaria and Greece were carefully chosen to compare levels of social performance between two countries, East and West, with comparable pre-W.W.II history, geography, population, resources, technology and incomes (Apel and Strumpel, 1976). Five hundred individuals were interviewed in each country. Inequality and particularly insecurity in Greece were much higher and contributed to higher levels of apprehension about the future and general dissatisfaction. In Bulgaria where virtually everyone interviewed either worked for the state or was a farmer, there was a much higher level of satisfaction and a high level of confidence in the future. No Bulgarians, but 17 percent of the Greeks felt they were worse off than a decade previously; the Greeks had greater job mobility and higher expectations, but low job satisfaction.

"The strong differences in the sense of well-being between Bulgarians and Greeks point out the importance of interpersonal and intertemporal comparisons. Large differentials of income and wealth, and unsteady employment, prices (inflation), and individual consumption levels (due to sickness and disability), are characteristic of the Greek experience. A move toward equality and continuity in the distribution of rewards may well be appropriate in a development strategy that tries to respect the limits of contemporary man's capacity for coping with social differentiation and change."

(Apel and Strumpel, 1976)

From this it appears the social organization in Bulgaria contributes more to the individual's well-being than does that in Greece. While
Bulgaria, like China, may lack other developmental criteria, it does appear to have a high level of synergy.

From this it is evident that social evolution has taken several paths. It is equally apparent that no one social system, and particularly the affluent west, has a claim to the right path. This evolutionary argument can be pursued further. One of the most basic assumptions underlying current development efforts is the belief, the misconception, that social evolution can be and has been evaluated.

Historians are no doubt appalled by the frequency with which historical arguments are presented without an historical perspective, much as biologists react to "evolutionary" analogies. The assumption that evolutionary social experiments can be conclusively evaluated in a period of at most a couple of centuries totally ignores the evidence of social history and natural history. Yet this assumption is so prevalent, very few individuals question such epithets as "developed" and "underdeveloped" and ask if there is any more justification for such terms now than at the time of the ancient empires of China, Egypt, or Middle America. It is not pessimism to recognize that other social systems and indeed other species, have flourished and vanished. I am not predicting man's extinction, nor that of his Western socio-economic system. I am echoing Dubos' (1966) concern that our rate of social change may outstrip our capacity to adapt, yet that our ability to adapt may mask chronic and latent problems until the ultimate tolerance point is reached.

Continuing with this evolutionary argument: diversity is a necessity for adaptability and evolutionary success. Our genetic diversity provides a high but nonetheless limited degree of adaptability, being virtually unchanged since Cro-Magnon times (Dubos, 1966). Logically this may be extended to social systems--both inter- and intrasocietal diversity.
Competitive societies tend to feature, among other things a single success scale (Mead, 1937), a feature which, besides discriminating against those without the appropriate aptitude, may limit the societies' adaptive ability. Globally, the central theme of this paper is the rejection of attempts to impose an as yet poorly evaluated social system on other social systems. Part of the rationale for this position is the consequent loss of diversity and alternative approaches. Briefly summarizing to this point, it is suggested there are indications that man has a variety of needs which must be satisfied for his development and fulfillment. These needs may have a hierarchical ordering--satisfaction of "higher" needs may be dependent on the prior satisfaction of more "basic" needs. These needs may be universal, inherent in all men, though obviously frustrated in many (or most). Whether this particular set of needs, or the hierarchy in which Maslow has placed them, are universal however, is not of critical importance. One may prefer to think in more general terms of the universal "need for positive effect (which) is not a product of cultural conditioning but underlies it." (Goldschmidt, 1959). What is critical is the recognition that at least some of these needs are common to all men, that most, if not all these needs can only be satisfied by social arrangements, and that many of these needs appear to have little connection with economic levels beyond the basic necessities for survival.

Different social systems appear to have different levels of synergy--different capacities to satisfy or frustrate these individual needs. It appears that society must not only provide the stimulation or challenge for creativity and development but it must also provide the security and stability upon which all individuals depend to some degree. How much stimulation? How much stability? How does one induce synergy?

Clearly there is too little information available at this time to
design the perfect social system. It is possible such a time will never arrive. There is, however, enough evidence to warrant the serious questioning of attempts to model one society on another, particularly where the intent and/or effect is disruption of the existing social system. Such disruption greatly increases societal stimulation but also virtually destroys stability and the necessary security it provided. In the absence of adequate measurements of individual and social welfare, such attempts are even more suspect.

Logically, it would appear that social systems with low levels of synergy or low levels of welfare might learn from those with high levels of synergy and welfare, rather than those with low levels of technology or per capita (monetary) income attempting to mimic those with higher, if as it is suggested, synergy correlates more closely with welfare than income does. But social systems differ from one another in numerous ways. Individual and societal values may differ, and the physical, capital and human resources upon which society draws differ. Consequently different subsystems have different status and impact in the social system. There is also little evidence one social system is superior to another and even less understanding of how one society might be changed to improve its performance in delivering welfare. These two facts put severe limits on the ability to transport experience between social systems with any degree of reliability without extensive inquiry into subsystem interaction in both societies and leave little justification for social evangelism or mimicry.

To briefly summarize, development is the improvement in a society's performance, an increase in the needs' satisfaction of the members of the society. A priority must presumably be given to the universal satisfaction of the deficiency needs to some minimal level. The level of
social performance (what is more commonly called its level of development) is the extent to which the society provides for the basic needs of all its members and provides an environment conducive to the widespread realization of their growth needs. Where a society cannot provide for this satisfaction nor provide such an environment, either through inadequate resources, organization or technology or through inequitable distribution of these, such that some members of society are satisfied while others are not, that society is underdeveloped. The ability of a society to satisfy its members' deficiency and growth needs depends on several factors. The economic resources and output are important, particularly in meeting deficiency requirements. However, an environment of freedom, justice and orderliness, with a mix of both stimulation and stability, appears to be equally necessary for development, particularly once the deficiency needs are met. Social synergy may, in addition, be a prerequisite to development, for where levels of synergy are low, some members of society satisfy their needs at the expense of other members. Where some members have the opportunity for development blocked in this way, the society cannot be considered developed.

Finally, the satisfaction of the various physical and psychological deficiency needs and the various growth needs depend on the performance of the entire social system. No one subsystem can provide for such diverse need. To remain healthy, therefore, a society must function as an integrated system, and no one subsystem ought to attain a dominant position. In many capitalist countries, for example, the pre-eminence of the economic system has reduced the effectiveness of other institutions, like the family. In other societies the pre-eminence of, for example, religious institutions, may inhibit the effectiveness of the economic system. Development, in short, is a holistic concept, which can only be
assessed by the qualitative evaluation of the various components by the members of each society.

The analysis which follows is an attempt to assess the extent to which the availability of the economic resources has increased and, more importantly, the extent to which they and other social outputs have increased the well-being of the members of societies in the Third World.
CHAPTER 2  THE RECORD

Insofar as most of the development effort has focussed on achieving economic growth on the assumption that either economic growth is developmental or that it provides the wherewithall to satisfy needs and thus achieve development, we will look at that component of the record first.

2.1 The Economic Growth Record

Measuring economic growth, as defined by Lewis (1955) as simply, "growth of output per head of population" presents enough problems in itself, particularly in non-market or non-monetized systems, to limit seriously the value of measures of gross national product. At this point, however, this conventional measurement will be used, not so much to compare the absolute or even relative levels of economic output among societies as to indicate the changes in levels of output. This may be justifiable for three reasons: first, if the record of development is to be assessed, and much of the effort was directed toward increasing economic growth, it is only fitting that the assessment include an analysis of the effect of that effort in terms of its objectives. Second, GNP, despite its limitations and the general acceptance of those limitations by economists, is used as a convenient short-hand (with the inevitable apology) "because it is the best available", by economists, planners and decision-makers. Third, and this may be a weak argument, as most of the development effort has been applied to increase economic growth, one might expect the greatest amount of improvement in that sector. A low level of economic growth, then, may be taken to indicate a low level of development, which is much more difficult to measure than economic growth. It is not impossible, of course, that the strategies designed to promote growth, though failing in that, did produce other developmental changes. The problem of assessing this growth
is even more difficult than measuring it.

An assessment of the growth strategies and efforts requires some measure of the input to that effort. How much has been spent to stimulate Third World economic growth? Foreign aid is easily measured--$48.7 billion from the West in 1973 (U.N., 1974a)--but how efficiently is it used? Who gets it? Magdoff (1969), Frank (1969), and Bauer (1974), among others, argue convincingly that much aid is deliberately anti-developmental, creating indebtedness and economic dependence, inhibiting local development. A further $12 billion of private capital, largely in direct investment, flowed into the Third World from the West in 1973, but its impact on national economic growth is no easier to assess. How much was used to establish subsidiaries to supply parent companies, or to assemble and market essentially finished products, permitting corporations to avoid taxes? How much profit was lost to the parent corporations? To this combined infusion of $20.7 billion (from the West, in 1973), would have to be added similar infusions from the socialist countries and all internal growth and development budgets. The internal monies would include those for agriculture, public corporations, subsidies of various types for local or expatriate enterprises, and portions of budgets for health services and facilities, education, family planning and possibly even part of the military's or ministry of foreign affairs'. The total investment must be considerable (estimated at $170 billion in 1974 (Powers, 1975)). Calculating the figure is difficult enough--using it in a meaningful way to assess the efficiency of growth strategies would be impossible. Any assessment of the effort applied to Third World economic growth must therefore be very general; any pretence of empirical reliability is unjustified in the presence of so many unanswered (and unanswerable) questions. Efficiency cannot be assessed. We are left, then, with effectiveness.
Measuring the effect of this effort is hardly less difficult. Obviously, with the diversity of social systems, there can be no control subjects, so it is impossible to determine the amount of growth or development, the extent of unsolved problems, had no explicit strategies been employed. Burma rejected strategies of economic growth, but it was (and is) one of the few food exporters. (Burma's GNP per capita increased an annual average of 0.7 percent from 1965 to 1973.) It would not be possible, on the basis of the Burmese experience, to estimate where a particular society would be had it not followed particular growth strategies. Evaluating long-term and short-term investment is difficult and generally overlooked by measuring change—children in school, number of telephones or doctors per 1,000 persons, nutrition and disease levels, with GNP per head the major single measure of success. An investment in education or infrastructure, not yet reflected in increased GNP, may nonetheless be significant. On the other hand, how efficient is an investment in education or infrastructure in raising GNP? To suggest economic growth can be fairly appraised with these long-term investments not taken into account is perhaps misleading.

However, in spite of the difficulties of identifying, measuring and weighing the components of economic growth, the development effort for the Third World has been generally evaluated and there appears to be a fairly broad consensus on several important points.

First, the overall rate of economic growth in the Third World has been disappointing. Not only did the First Development Decade (the '60's) fail to produce the "minimum 5 percent growth target set for developing countries," the aggregate rate represented no improvement over the 1954-1964 growth rate and many countries actually experienced negative growth in per capita income (U.N., 1967). More recent figures (World Bank
Atlas, 1975) indicate there has still been no improvement. From 1965 to 1973, of 39 Asian countries, ten, or 26 percent, had a negative average annual growth rate of GNP per capita. This was up from 7 (18 percent) for the 1960 to 1973 period. Almost 50 percent of these countries had per capita GNP growth rates below 2 percent per year from 1965 to 1973. In Africa and South America it was 47 percent and 41 percent of the countries respectively with annual averages below 2 percent, including, in Africa another 8 nations (15 percent of the 53) with negative per capita growth and another one in South America. This too was worse than the 1960 to 1973 period. In contrast, none of the 39 market economies of Europe had a per capita growth rate below 2 percent over either of these periods.

These differences mask the wide differences among Third World countries. Thirteen countries (with populations over one million each) had per capita average annual growth rates above 5 percent from 1965 to 1973: Nigeria, Libyan Arab Republic, Japan, Republic of Korea, Iran, Republic of China, Saudi Arabia, Hong Kong, Israel, Singapore, Dominican Republic, Brazil and Papua New Guinea. Of these, three (Libyan Arab Republic, Japan and Israel) have per capita incomes (1973) above $3,000 and can hardly be considered poor (though of course they may be underdeveloped) and another three (Nigeria, Iran and Saudi Arabia) are major oil producers. There is nothing wrong with producing oil, but it is something of a bonanza which is not particularly related to the success or failure of growth strategies. Indeed, Nigeria, from 1960 to 1965 (prior to producing oil) had an average annual drop in GNP per capita of 4 percent. Even among the remaining seven, however, there were some spectacular increases. Singapore average an annual per capita GNP increase of 9.4 percent from 1965 to 1973; Korea, 8.7 percent; Taiwan, 7.3 percent, and Brazil 6.0 percent.
These successes are even more impressive (and the failures somewhat understandable) given the generally high rate of population increase. The effect of population increase will be explored further in Chapter 3, but it is worth noting here that the average population increase from 1962 to 1972 in the Third World was 2.5 percent. This obviously cuts deeply into any increases in GNP.

Even the national averages mask wide differences within countries. Spatial and sectoral differences in per capita income increases differ widely and a study of 43 Third World countries (non-communist) indicates that, with few exceptions, the differences are widest where rates of national economic growth are highest. (Adelman and Morris, 1973.) As economic growth proceeds, "the position of the poorest 40 percent typically worsens in both relative and absolute terms" (my emphasis; Adelman and Morris, 1973 and also Powers, 1975). Excluding Israel and Japan, which both have per capita incomes above $3,000 (1973), only the Republic of Korea, Singapore and Taiwan (of non-communist countries) have managed to combine economic growth with an equitable distribution of increased incomes.

With these few exceptions, then, the record reveals almost 50 percent of the Third World countries barely increasing their average per capita incomes, including almost 20 percent with decreased per capita incomes. And these figures, for 1965 to 1973, are worse, not better than for the previous decade. In addition, the poverty within most countries is increasing, as most of the increased income is restricted to the top 5 or 10 percent of the population and is concentrated in the urban areas (Adelman and Morris, 1973).

On top of this generally poor record, the Third World has accumulated a debt of some 130 billion dollars from the industrialized West.
The effect of this debt, is that, by 1966 "approximately 44 percent of aid flowing from the advanced to the underdeveloped countries was needed to finance past debt." (Magdoff, 1969).

I have not addressed the issue of the widening gap directly, because, as far as economic growth per se is concerned, it is really a false issue. The reason is obvious. If a country has a per capita income of $400 a year (like South Korea) and even manages to increase it by an incredible 10 percent a year, per capita income increases only $40. In comparison, if per capita income is $3,000, a modest 2 percent increase brings $60 more. If each maintains that growth rate for five years, per capita income will have increased in the poorer by $244 and in the richer by $312. Even growing five times faster isn't fast enough.

If the object of economic growth efforts has been to reduce, if not eliminate, poverty in the Third World and to enable all people to enjoy comparable levels of economic well-being, they have not only failed (which, given the magnitude of the task, is certainly understandable) but more importantly, they have lost ground. A fifth of the countries are worse off; half are hardly better off; and the ranks of the poor, both in absolute numbers and proportionately, are growing.

These are sweeping generalizations. There are, as noted, a few exceptions. But there exists, from the far left (Frank, 1969) through the intermediate technologist (Schumacher, 1973; Carr, 1976) to the liberal economists (Myrdal, 1975; Adelman and Morris, 1973) and even to the extreme right (Farmer, 1972), a surprising consensus that the record has not been good enough, that new approaches must be found.

The subject of this thesis, and it is argued the object of development planning, goes beyond economic growth. That Singapore and Brazil have had substantial increases in GNP per capita, while China (at 4.6
percent annually, 1965 to 1973) has had a smaller increase, and Cuba even a decrease (minus 0.7 over that period), says very little about the development in each country. Despite the greater difficulty in measuring and even defining development, it is therefore necessary to attempt to assess the changes in social performance in the Third World to determine the extent of the impact of developmental strategies on overall development criteria.

2.2 The Development Record

Before attempting to evaluate the development record, two points must be emphasized. First, the distinction used here between economic growth and development is not a sharp one. There are developmental concerns outside the scope of economics as it is generally applied, but there is also an area of overlap. Some types of economic growth are likely to be developmental in almost any society. Food production, for example, is at once economic and developmental. That it is introduced here, rather than above, is not to suggest it is an inappropriate concern of economics, but that it is a type of economic output of considerable developmental significance.

Second, it must be re-emphasized that development is subjective. I have attempted to describe the nature of development by indicating some of the factors related to it—the various types of needs people may have and the ways societies satisfy those needs. How the needs are expressed, the relative values attached to them, the ways societies satisfy or frustrate them has not been and likely can not be determined universally. However, that does not mean we know nothing of development. It should be possible to use this very general description of the nature of development to grossly assess development. Malnutrition, mortality rates and
mental illness are probably universal criteria. Literacy may be; levels of self-esteem and satisfaction, being self-assessed, are definitely; something like individual freedom, or privacy may be less so (though they may be widely frustrated, universal needs). This assessment then, is of necessity, gross. Whether increased real wages can compensate for increased mental illness can only be determined subjectively.

So what can be said of the development record over the last two decades? Total food production has increased worldwide, in both the affluent and Third World regions (U.N., 1974). The rate of increase, however, has dropped significantly in all regions except Africa. From 1952 to 1962 all regions but Africa (at 2.2 percent annually) increased food production by over 3 percent annually, and West Asia had a 3.4 percent growth rate. From 1962 to 1972 the rate of increase for all regions was down to 2.7 percent annually, except Latin America and West Asia, where it was down to 3.1 and 3.0 percent respectively. (The 2.7 percent annual increase was an improvement only in Africa.) This rate of increase has, however, been insufficient. Over these two decades, the increase in per capita food production dropped in every region except North America and Africa, and worldwide, the 1962-1972 production increase fell behind the population increase. With the decreased production in 1973, in Africa and West Asia, the world's per capita food production for that year was below the 1961-1965 average. And the FAO (1966) reported that the 1965-1966 per capita production in the Third World was "no better than before W.W.II". In spite of this failure to increase per capita food supply, the world still consumes enough food and protein to satisfy everyone's basic needs! Every region consumes more than enough protein (Africa and the Asian Pacific had the lowest consumption at 141 percent the required amount (1970), which includes a 10 percent allowance for
household wastage). Although the world food energy consumption is just adequate (101 percent), there are regional imbalances. In 1970, only Latin America had an average consumption above the energy requirement (106 percent) in the Third World. The Asian planned economies consumed only 88 percent their energy requirement, while the other poor regions ranged from 93 to 97 percent.

Food production and average consumption are less reliable indicators of development than are levels of malnutrition or undernourishment, for "these figures conceal large inequalities in levels of food consumption among various socio-economic groups as well as within individual families" (U.N., 1974). One-in-eight people, 300 to 500 million, suffer from too little food (undernourishment), while 1-in-2, or 1,600 million suffer from protein deficiency or malnutrition (Dumont and Rosier, 1969). The world situation has improved only slightly in this regard since the Second World War, and that has been due largely to imports from the more affluent countries and a few successes in the Third World, notably Mexico, Taiwan, and the Sudan (Millikan and Hapgood, 1967). It may be argued, as it was with economic growth generally, that just keeping pace with the rising population is something of an achievement. However, with malnutrition the "biggest single contributor to child mortality in developing countries" (U.N. 1974), with lower production increases in most regions, including the major exporting countries, with the increasing scarcity of new lands available for cultivation, and with little promise of a slower population increase, the future looks bleaker, not better. If that projection is to improve, the development record must improve.

Mortality rates have continued to decline in the Third World. Life expectancy has increased to an average 53.9 years (from under 30 just two decades ago), with a regional range from 41.3 years in West
Africa to 64 years in both the Caribbean, and Micronesia and Polynesia. Infant mortality and infectious diseases, both of which are considered largely preventable, remain fairly high, in spite of the dramatic overall improvement.

The increase in real wages is another economic index of developmental concern. The figures for many countries are not particularly reliable and often refer only to manufacturing wages, but a few countries—the Republic of Korea, Hong Kong, Chile, Brazil, Ecuador, Tanzania and Zambia—appear to have had significant improvement, of near or above 5 percent annual averages from 1965 to 1972. "For most other developing countries, the real wage increases have been either modest or absent. It is disturbing that, for about one third of the countries listed (9 of 28), the level of real wages in manufacturing declined over this period" (U.N., 1974). Another disturbing feature is the fluctuations. Ecuador's increase from 1965 to 1968 averaged only 2.4 percent, but jumped to a 12.8 percent average 1968 to 1972. Peru's went from a negative 2.3 percent to a healthy 5.8 percent average. Ghana, however, went the other way, its 6.3 average 1965 to 1968 dropping to a negative 1.0 percent average from 1968 to 1972. The general poor record and the insecurity of even some of the significant increases suggest there is considerable room for improvement in this sector as well.

Literacy rates have continued to improve, with more than three quarters of adults in Latin America literate, more than half in the market economies of Asia and over one quarter in Africa, in 1970. Literacy rates, however, are more an indication of exposure to schooling than to the developmental role of education. There can be little doubt that by increasing the individual's capabilities literacy per se is developmental. However, where education raises unrealistic expectations, where it degrades
the traditional values, occupations and lifestyles, it may not be develop-
mental at all. Literacy rates themselves cannot indicate the extent to
which education has liberated or frustrated individuals within their soci-
ety, but it can indicate the success a society has had in distributing
this at least potentially liberating influence.

Levels of personal satisfaction do not correlate with incomes in
cross-national studies, but they do significantly within societies
(Strumpel, 1976). Inequitable distribution of incomes can, then be seen
as anti-developmental. The record over the last two decades indicates
that economic growth, particularly high growth rates, have contributed to
this problem. Income inequalities, rather than diminishing, have become
exacerbated, and most notably in countries with high growth rates, like
Brazil and Mexico. "Indeed, it has become clear that economic growth
itself...is one of the prime causes of income inequality." (Adelman and
Morris, 1973). In many cases the poor are not only poorer in relative
terms, which inhibits social and psychological development, but are even
poorer in absolute terms, to the point of inhibiting physiological develop-
ment as malnutrition increases (Powers, 1975). Examples like China and
Tanzania indicate the growing inequality is not inevitable, but they
remain the exceptions to the general case.

The assessment of the development record in terms of psychological
development is even less precise. Cross-cultural comparisons of mental
disorders are extremely unreliable, but the U.N. (1974) concludes that
there is definitely an increase in mental disorders in both the rich and
poor countries. Mazrui (1970) argues crime, corruption, nepotism and
self-interest are "polluting" the political systems of Africa. Scholars
apparently no longer debate whether traditional societies will die, but
how (Fox, 1975).
The type of information required to assess the development record adequately is that collected by Mitchell (1972) in Hong Kong and other Southeast Asian cities. By interviewing a cross-sectional sample of four thousand in Hong Kong, and a further two thousand in each of Bangkok, Singapore, and urban Malaysia, and one thousand in Taipei, Mitchell was able to obtain an indication of psychological well-being in these areas. At the time of the study Hong Kong had a per capita GNP growth rate over 7 percent a year, and a growth in real wages almost as high. In addition, there had been no significant immigration for over a decade, though the population was still growing at over 2 percent a year. The study revealed considerable variation between cities, so generalizations are dangerous. As most of the analysis focussed on Hong Kong, it will be used to give an indication of developmental concerns and their state there.

Most people (59 percent) worry a great deal (their own assessment); 33 percent are unhappy; 21 percent have a low or very low self esteem (0 or 1 on a 0 to 4 scale); 44 percent feel they are unhealthy physically; 53 percent of 18 to 24 year olds have a high level of hostility, and even in those over 55, 33 percent have a high level; 36 percent feel they are worse off than their parents (though 31 percent feel they are better off); 39 percent have lower occupational status than their parents; only 16 percent see an opportunity for success in their career (compared with a surprising 71 percent in Bangkok); dissatisfaction with their personal achievement is high, 41 percent; with their living situation, 32 percent; for 30 percent "nothing gives satisfaction" ("children" was second with 24 percent); and finally, 53 percent feel they cannot control the course of their life.

This is not presented as a typical case. It may be, but equally, it may be atypical. The findings from the rest of Mitchell's study indicate
wide variation exists and that levels of performance are not consistent. (Singapore had the highest levels of hostility and low self esteem, but also the highest level of upward, intergenerational mobility and the lowest level of dissatisfaction with the living situation.) The levels of social performance must include a weighing of these factors. For example, in Singapore, do the acceptable living conditions compensate for the low self-esteem? Also, it must be noted that this is a measure of performance, not development (though the measures of perceived mobility suggest that, for many, the situation is not improving).

The paucity of data, however, ought not obscure the validity of the argument. In some areas, particularly death control, there has been substantial progress. In other areas, the improvement is far less general. Several countries have increased their per capita income considerably; a handful have managed to reflect that in improved real wages and in increases for the poor. The national averages, however, hide the prevalent inequities of incomes and food consumption within most Third World countries.

But our concern goes beyond that, to the poorly documented evidence of social disruption and unrest. If it is true that individual development depends on a reasonably secure and predictable social system and that most societies have evolved to provide an at least minimally acceptable level of performance, then it must be argued, on logical grounds if not empirical, that the recognized transition (or death) of many social systems will have pronounced, antidevelopmental repercussions. Until more empirical work is done, the case cannot be made much stronger than this. There is some evidence that development is not occurring or is occurring only very slowly, and that some decreases in performance are also evident. There is substantially less evidence that what economic growth has occurred in the Third World has contributed to development. As the effects of rapid
social change reach the vast rural populations, the problems rather than the successes are likely to become more prevalent.
Neither the record of economic growth nor that of development has been impressive. Both reveal some success but on the whole the situation today is little better than two decades ago. The record of economic growth appears to be worsening, not improving and there are indications, though not as concrete, that this is also the case with development. There is also concern that the problems are increasing, that without a change of course the downward trend will continue and perhaps accelerate. This chapter will attempt to explain the reasons for these failures. Just as we found different societies have different mixes of problems, or similar problems but differing intensities, it will become evident here that even similar problems can have a variety of causes.

3.1 Causes of the Poor Growth Record

Where the economic growth record is assessed in terms of per capita increases, obviously the rate of population growth is important. The average annual rate of population increase in the Third World from 1965 to 1973 was 2.5 percent, up only slightly from the previous five years. Some of the lowest rates were in the West Asian countries with the highest increases in per capita GNP (Singapore averaged 1.8 percent; Korea, 1.9). Taiwan, however, increased at 2.8 percent annually. In none of these cases would an average or even above average rate of increase in population have negated their per capita income gains. This is also true of the oil producers, most of which had population growth rates above 3 percent (though Saudi Arabia’s was only 1.7). Population increases were most critical, in this sense, where increases in GNP were much lower. Most African and Latin American countries had population increases above 2
percent and many above 3 percent a year from 1965 to 1973. But there
doesn't appear to be much correlation between rates of increase of popu-
lation and of GNP, within these areas. Cuba has one of the lowest rates
of population increase (1.8 percent), yet had a per capita loss of
income (minus 0.7 percent annually). Venezuela's population growth
(3.3 percent) cut its per capita GNP increase to a 1.3 percent average,
but Ivory Coast, with the fastest growing population (4.0 percent a year)
maintained a 3.0 percent increase in per capita income. Had it held
population growth at 2 percent or less, it would have joined the few with a
5 percent or better per capita GNP average increase. As there probably
aren't any countries actually short of people, what this means is simply
that a lower population growth rate would make a higher GNP per capita
growth rate that much easier. It may also mean many countries did well to
have even a small per capita income increase. But it is not the only
cause of low GNP per capita increases—many countries would still have
inadequate increases if population increases were controlled at 1.5
percent a year.

There are several external factors which impede economic growth in
the Third World. I have already referred to the burden of debt servicing,
which takes some 44 percent of foreign aid. But the burden is greater
than simply the amount to be repaid. The aid often has strings attached.
Equipment has to be purchased from the donor country, binding the recipient
to a level of technology which may not be appropriate and to a supplier
of parts who demands hard currency. And the debt servicing requires hard
currency. The recipient is then forced to invest in export activities
to obtain this currency, limiting his options of growth strategies.

The limitations on the options may be more than academic. Whether
the "development of underdevelopment" (Frank, 1969) or merely the
preservation of an exploitive systems is the general case, it is evident that most of the Third World is at a serious disadvantage in the world market (de Souza and Porter, 1974). The oil producers are a major exception but Stern and Tims' (1976) analysis suggests the opportunity for producers of other major primary commodities to form similar cartels is very limited. The argument that exports are essential to provide the foreign capital, equipment and ideas necessary for "development" (Cairncross, 1962) is undermined by the worsening terms of trade for most primary producers. Yet this very worsening of terms of trade increases the need for aid to maintain the balance of payments (de Navarrete and Griffin, 1972). The primary producers (again, excluding the oil producers) are then caught in a vicious circle—they must export to repay loans and acquire goods and services, yet they must borrow to offset the decreasing purchasing power of their exports. Magdoff (1969) estimates the per capita external purchasing power of exports in Latin America has been reduced to about one third the 1928 level!

Ridker (1976) finds the higher prices for petroleum and food have exacerbated the problem since 1972. But there are other reasons as well. Primary products, especially agricultural, have been subject to fluctuation in production, to often stiff competition from other Third World countries, and to uncertainty and instability as demand fluctuates or drops with synthetic substitutes. And rarely can they compete, in price, with the imported secondary and tertiary goods and services. Yet to argue for a shift to secondary and tertiary exports is to underestimate the difficulties of breaking into the world market. Many multinational corporations prohibit their subsidiaries or licencees from exporting products to a third country (Magdoff, 1969; Business Week, 1975). Most countries have higher tariffs on processed goods than on unprocessed, reducing the
incentive for poor countries to process products prior to export. Even without these barriers, it is often difficult for a fledgling industry to compete against well-established marketing systems, which have not only the product to sell, but also the means to retain access to the market. If the concept of comparative advantage is applied to this access to markets, it may dampen the optimism seen for even some resource rich Third World countries.

The rate of growth of world market demands may also circumscribe the rate of growth for export-oriented activities. Just how many more countries will be able to sell plastic dolls or cocoa or cars? Much of the growth in Taiwan, Korea and Hong Kong was due to a shift of activity from Japan as Japan moved into products with higher returns. If these countries are able to move up the production scale, other poorer countries may benefit from that shift. If wages increase too much there, other countries may enter the market more competitively. But the point is this--most of these production shifts, due to changes in technology or demand, originate in the industrialized countries, and they are, to the Third World, fortuitous. Much of the growth of individual countries then, is due to a shifting and sharing of existing markets. This limits the potential for global growth and (in the context of the existing world market system) particularly for widespread economic growth in the Third World. This is not to suggest demand is fixed, but that it is not likely to increase fast enough for many countries to have significantly increased output. In the short-term then, much of one's increase must be another's loss.

In the long-term, this sharing within ultimate limits to growth may be more critical. Perhaps the limits to global economic growth have not been definitely determined. It is nonetheless clear that the world does have a limited supply of non-renewable resources and a limited
capacity to produce renewable ones. All the industrialized affluent nations consume a disproportionate share of these resources. The United States, for example, consumes 42 percent of the world's aluminum consumption, 44 percent of its coal, 28 percent of its iron, 63 percent of its natural gas and 31 percent of its petroleum (Meadows, 1972). The U.S., under-populated by industrialized nation standards, even over-consumes oxygen, consuming 40 percent more than it generates. This raises the very basic question of where the natural resources to support the industrial growth of the Third World are to come from.

There appear to be, then, numerous obstacles to significant increases in industrial output for a large number of countries. That a few have been successful may be more of a barrier than model for other countries. Just how impenetrable these barriers are, of course, depends on several factors: the resources required, the demand for the product, the competition for the market, the degree of autonomy in production and marketing. From this it is apparent that at least some of the causes of the poor record are beyond the control of the Third World countries and that, unless the international community takes steps to remove some of these barriers, the record may not be able to improve sufficiently.

There are also the traditional "barriers to development". Economic growth may be expressed as a function of the inputs to production: capital, labour, natural resources, technology and some composite (often denoted 'U') of the social environment including values, organization, legal systems and administration, etc. Any basic text on economic development discusses these; the perceived deficiencies in the Third World are generally referred to as "barriers to development". Different authors reflect their own experience and perceptions by placing more or less emphasis on particular barriers, but each is undoubtedly a culprit in some circumstances,
but is equally unlikely to be so in all circumstances. Capital is in short supply for much of the Third World—in fact most definitions of it are based on capital accumulation—and it is a necessary ingredient for most growth endeavours, but it is certainly not a sufficient input. Indeed, one of the major disappointments of the last few decades has been the poor record in spite of the capital infusions. Capital, in and of itself, will not produce the elusive self-sustaining growth. The Middle East bears witness to that, while some major aid recipients, like Indonesia, apparently have difficulty utilizing all the capital.

Similarly, an illiterate, unskilled, undisciplined, undernourished, or unhealthy labour force may restrict the nature, type and rate of economic activity and growth. Adelman and Morris (1973) attribute much of the success of Korea, Singapore, and Taiwan to their generally higher levels of education. This category may also include other attributes of the human resource—entrepreneurial skills and motivation, and organizational or administrative ability. There is a general consensus that much of the failure of the growth record is directly attributable to deficiencies in this necessary soft-ware, the organizational and administrative capabilities of many societies. (Waterston, 1969; de Navarrete and Griffin, 1972; Adelman and Morris, 1973; and Niehoff, 1969).

Some countries of the Fourth World, the very poorest countries, may have been hampered (and undoubtedly will continue to be hampered) by an inadequate resource base. Chad, Mali and Niger, for example, are not only without marketable minerals, their climate, soil and water supplies are inadequate for even subsistence agriculture without widespread malnutrition and undernourishment. Fortunately few countries have such absolute resource deficiencies, but many others with larger populations, over-tax or tax to the limit, their resource base, leaving little
or no surplus on which to build.

These factors—the population explosion, the external market constraints, the global resource limits, and internal deficiencies of capital, natural resources and human resources—to various degrees in different countries, have frustrated the economic growth effort. While a few countries have overcome these obstacles to a considerable degree, most have not. Indeed, the nature of some of the obstacles, particularly world supply limits and the limited and only slowly growing demand, suggests that most countries will not be able to overcome these constraints and that the success of one country reduces the chances of success of another. But success in terms of economic growth is not an absolute measure. Within these global supply and demand limits there is probably considerable room for increasing economic output. And there is definitely the possibility of improving economic growth in the Third World by reducing some of the present inequities.

Given this potential, within the above constraints, why has the economic growth record been so poor? The strategies employed for the most part were inappropriate. First, the strategies failed to address the major barriers. Second, they were not adapted to local conditions. Third, they failed to consider social system responses.

Very briefly, this set of strategies, taught and proffered until the late '60's and early '70's, was based upon such concepts as leading sectors, export-led growth, vicious circles, thresholds, and cumulative causation, growth poles and growth centres. It is succinctly embodied in Kahl's (1968) declaration:

"For the development (sic) process to occur, a surplus must be made available for capital investment. Factories must be built, mines sunk, farm machinery and fertilizers bought. Cities must be created as centres of industry and as sources of jobs to absorb the excess population from rural areas. Also, highways, railroads, schools, and hospitals have to be constructed."
As will be seen below, however, even some rural development schemes fell into some of these pitfalls.

Where many of the constraints and inhibiting factors are external, investments in export-oriented industrialization may bring small returns. Many fledgling industries even have difficulty competing in their domestic market. Where population growth exceeds the economic growth capacity, disproportionately large investments to increase economic output may be very inefficient. Nor is the argument that population control is outside the scope of development planning or even economic planning, justifiable. An engineer may not be a geologist, but he is responsible for ensuring his bridge will stand. If the bearing capacity is insufficient either a firmer substratum must be found or the design must be altered. Strategies based on industrialization failed at least in part because they did not address the factors which limited the market potential of the product. Capital infusions, without removing the strings or conditions of servicing (particularly in hard currency), may have contributed more to indebtedness and dependence than to growth.

The failure to adapt strategies to the local conditions is of course related, insofar as some of the local conditions may be barriers to growth (though bearing in mind at the same time, they may be agents of development) Adelman (1961) went so far as to argue that, because the society's technology, culture, organization and administration were difficult to measure and their contribution to output was difficult to quantify they could not "even in principle...be placed on a footing equivalent to that of the physical inputs." Even in principle? This approach has proven costly.

Frankel (1975) found the technologies employed in water supply and treatment were often inappropriate, making costs higher than necessary and
increasing the incidence and duration of maintenance problems. Schumacher (1973) argues convincingly that the inappropriateness of much of our technology goes far beyond water supply systems. Waterston (1969) and others, as mentioned above, found the strategies inappropriate for the type (and perhaps even level) of organizational structure and organizational and administrative capabilities. They argue that the single major cause of the poor record was the inability to implement the strategies. While I would caution against such a generalization, and draw attention to the other factors which, in some circumstances, might have been as critical, it is nonetheless clear this was a major problem. Niehoff (1969) and Weiner (1972) find substantially the same reasons for failure in various types of rural development. Very simply, if the culture or the technological, organizational or administrative capabilities could not or would not adapt to the strategies, and the strategies were not adapted to them, implementation would be fraught with problems and failures would not be uncommon.

Finally, in failing to consider the impacts of economic growth on the system, some high and unproductive costs were incurred. Many have argued quite explicitly for social disruption:

"By disrupting the status quo, they give peoples and economies a chance to spurt ahead under new management by a fresh elite of ambitious social climbers." (Erasmus);

"Where conflict is absent, we can be certain that development does not occur." (Friedman, 1969);

and urbanization is essential to development" because

"in the relatively impersonal and fragmented setting of urban life the all-embracing bonds of traditional community systems are difficult to maintain" (Adelman and Morris, 1973).

Others simply extrapolate from the assumption that to "develop" (and we are still talking in terms of economic growth), other poorer societies must become "exactly like the rich,
"exactly like the rich, economically and culturally...(requiring) the total modernization and industrialization of the economy. In the process, the local culture dissolves" (Farmer, 1972; Also Foster, 1973; and Inkeles and Smith, 1974).

The developmental costs of the resultant disruption may be exhorbitant, but even the economic costs can be prohibitive. El-Shakhs (1974) and Julius Nyerere (1974) find the costs of maintaining order and stability and providing the bare minimum of utilities and social services in urban areas very high, and at the expense of national growth and development and at the expense of the rural poor. As social disruption worsens (as more individuals leave their communities, as changing values and habits weaken social institutions which provide "economic" social functions like care of the sick, aged, or unemployed) the costs to the public sector will increase proportionately. Yet even now the services offered by the public sector are inadequate and "any meaningful improvement...would involve an allocation of resources which goes beyond the capacity of the economy of most countries" (U.N., 1974).

Growth strategies designed to raise the level of the poor to that of the rich are probably futile--the global limits to growth must preclude them. The growth record was poor, however, even though those more or less fixed limits have not been reached. This was due in large part to an inappropriate allocation of the limited resources available. There were various direct causes of the poor record:--the established position of the affluent countries in the world market; the inequitable distribution of resources among and within countries; the population explosion; and numerous social and environmental differences which give different societies different potentials for and obstacles to growth. Had proportionately more resources been allocated to rectifying these causes as they applied in each situation, the record may have been significantly better.
But economic growth must be placed in the context of social development. For many societies, probably for most, some economic growth will be an important component of development. (It is quite possible development in some of the more affluent countries may require negative economic growth.) There are probably no societies in which development will be exclusively (and perhaps not even largely) through economic growth. The following section indicates some types of economic activity have decreased, rather than increased social performance.

3.2 Causes of the Poor Development Record

There are four basic reasons for the poor development record. First, there are natural stresses which may strain the social system and reduce its performance. Second, the social systems have been the target or victim of various external influences which have similarly strained them and reduced performance. Third, many societies have expended resources for which they have received little in return and have failed to, or been unable to, expend adequate resources to enhance development. Finally, some societies may have internal weaknesses that have rendered them incapable of making the necessary adaptations in response to the various stresses. For each area in which performance has not improved, each society is likely to have a different mix of reasons or the relative importance of the causes will vary.

Just as population increase was a major factor in limiting per capita GNP growth, it outstripped the increased food production, so that per capita food production increased in most poor regions by only 0.2 percent annually from 1962 to 1972. Population increases have also strained land tenure systems, particularly in the over-populated areas of south Asia. This pressure on the land has likely been an important factor in encouraging
migration to urban centres, which in turn has had impacts on the social system. The differences in rates of population growth discussed above, and the differences in available resources mean the seriousness of population growth as an inhibitor of development varies considerably. In parts of West Africa and Latin America the resources are capable of sustaining a much larger population. This is not the case in India nor Bangladesh, nor in the resource poor countries of the Fourth World. It would probably be a safe generalization, though, that in any Third World country a lower rate of population increase would increase the chances of and rate of development.

Important as that point is, however, it ought not be allowed to overshadow some of the other causes of underdevelopment. Despite the negligible increases in per capita food production, we have seen that production has not been the major culprit in failing to reduce malnutrition. "It is paradoxical that protein-calorie malnutrition is widespread in a world that apparently produces more than enough protein for each of its inhabitants" (U.N., 1974). Not only the world, but each region produces more than enough protein. "Maldistribution is the central fact in underdevelopment" (de Souza and Porter, 1974). China, with a quarter of all mankind, appears to have eliminated starvation and malnutrition. Other countries have had comparable increases in production, but the more equitable distribution within China is probably the major factor in its success. The unequal distribution between different socio-economic classes accounts for the malnutrition throughout the Third World, in the face of adequate supplies (UN, 1974).

Unequal access to resources affects more than diet. Strumpel (1976) has found dissatisfaction with one's income and position in life correlates more closely with relative poverty than with absolute poverty. Historically
the levels of inequity have dropped somewhat after the pronounced initial increases. In the more affluent countries, the level appears to have stabilized, at a level well below that of many Third World countries, and particularly those experiencing the most rapid growth (Powers, 1975). Whether the inequities will decrease in those countries as well is a moot point. The planner must ask to what extent this trend is necessary or desirable. The comparison of Bulgaria and Greece (Apel and Strumpel, 1976) suggests it is neither necessary nor desirable, and the successes of China and Cuba appear to support that. Inequitable distribution of resources is the cause of much of the political unrest in the Third World, though other causes are also important (El-Shakhs and Obudho, 1974; Mazrui, 1970; de Souza and Porter, 1974).

The distinction between cause and effect, in what can amount to vicious circles, is difficult and perhaps meaningless. The political unrest and instability has hampered development efforts (Rosser, 1972), and is also the result of inadequate development, particularly in urban areas. The problems associated with the rapid urbanization in the Third World, the high degree of primacy of urban centres and the inadequacies of infrastructural support are well-known and well documented (Breese, 1969; Rosser, 1972; El-Shakhs and Obudho, 1974, and others). The economic burden this places on the country has already been discussed. There is some evidence it also limits development in other areas.

Even in the largely urbanized countries there appear to be high psychological costs to urban life styles and, conversely, many developmental attributes of the village community like the stability, order, and security it provides and the sense of belonging and involvement it affords (Almond, 1971; Butt-Finn, 1971 and Berger, Berger and Kellner, 1973). Where the culture has not had time to adapt to this major shift of
community, the individual is in a quandary torn between two conflicting sets of values which demand incompatible behavioral responses (Grindal, 1972; Gutkind, 1970; Mazrui, 1970). While many welcome this change and accept the conflict as inevitable (Erasmus, 1961; Foster, 1973; Gutkind, 1970; Ullrich, 1975), others are more sensitive (Mair, 1969, and 1972; Grindal, 1972) or more pragmatic (Nyerere, 1969; U.N. 1974; World Bank, 1975). The welcoming of this social conflict, in the absence of any evidence that it is necessary, and in the presence of reduced social performance, can only be based on an unjustifiable ethnocentric bias.

The increased incidence of mental disorders is attributable to "the conflicts and contradictions inherent in rapid social change, urbanization and the difficulties in adapting to the urban style of life, crowding, the increased pace and stress of life, changing social structures and a growing proportion of old persons" (U.N., 1974). The rate of this social change in most of the Third World is unprecedented in the history of social evolution.

If this rapid rate of change (of which urbanization is but a part, including the emergence of new elites, new values and new social arrangements which extend well beyond the urban centres) does have significant disruptive and anti-developmental impacts, two questions must be asked in this analysis of the reasons for the poor development record. First, to what extent are these agents of change inevitable and second, to what extent are they autonomous, or are they the result of other factors? Causation is extremely difficult to prove in any dynamic system. Given the diversity of social systems and the environments they are in, it is doubtful that the causative factors would be universal. In spite of that, it ought to be possible to identify and discuss some of the causes, recognizing that they may vary in importance in different societies.
Population growth is perhaps the one inevitable factor. (It too was the result of deliberate actions, but insofar as few would challenge the moral necessity of retaining and improving programmes to reduce mortality rates, for practical purposes, it will remain a given until or unless birth rates drop comparably.) Population growth has in turn put pressure on other resources besides food, which has contributed to pressures encouraging migration to urban centres.

Other factors have contributed to the rapid rate of urbanization. The colonial, export oriented, primary cities have continued to serve this administrative and commercial role, continuing to grow and exploit at the expense of national development (de Souza and Porter, 1974). This view may be a little extreme. Several countries do have intermediate cities, like Ghana, Nigeria and India and some have even established new national administrative centres: India, Brazil, Nigeria. For the most part, though, strategies of industrialization, of health care through hospitals, of higher education, or of expanding administration, have all contributed to the rapid urbanization. Associated with this concentration of activity is the domination of the information flow.

The values transferred through the media, whether local or foreign, are largely urban. The lifestyles portrayed, the activities described (and proffered), have an urban character which is found highly attractive, although the realities may be markedly different (Grindal, 1972). Value-laden educational programmes that turn out (unemployed) clerks, that teach Greek and Latin and Romantic English literature instead of the local language, agriculture and techniques of problem analysis direct people away from their communities, where they could contribute, to urban areas where they join the unemployed or under-employed. This value transfer is greatly facilitated by the "myth of underdevelopment". The contention of
this thesis is that much of the "underdevelopment" of the Third World is an ethnocentric bias. That this bias, this perception of superiority and inferiority, has been more or less successfully transposed to many in the Third World does not make the myth a reality. The effect of this myth has been the widespread acceptance and emulation of Western values and lifestyles, without an adequate assessment of the costs involved in such a holistic change.

Another possible set of causes for the poor development record is the inherent inability of the existing social system to adapt and to adapt to the various causes of stress. There are three conditions which could be responsible for this. First, as Dubos (1966) suggests, the rate of change may be beyond human adaptive capacities. If this is true in the industrialized world, where technological change is so rapid, it is hardly likely to be less true in societies in which the rate of social change is unprecedented. Perhaps no society could handle the amount of stress imposed by the various factors.

The social system may include significant anti-developmental components. These may be cultural attributes such as a caste-system or an elite with considerable interest in the status quo. Brecher (1971) suggests India has such an elite, and it is probable that much of feudal Latin America and southern Africa does as well. Where the elite has sufficient power to block development efforts, and uses that power to maintain its privileged position, development is unlikely to occur.

However, even where the rate of change is not beyond man's adaptive capacity and where the social system is not held back by anti-development components, it may still be unable to marshal its resources to respond positively to stress. Our knowledge of social system behavior and our ability to engineer social systems is quite limited—we do not understand
the social learning process. This fact, combined with the common deficiencies in soft-ware discussed above, can greatly limit the capacity of a social system to respond to change and to develop.

Finally, it is suggested a major cause of the poor development record has been the paucity of resources that have been allocated to development efforts. No society has unlimited resources and much of the Third World has severe resource constraints. Where these resources have been allocated to industrial growth or to attempting to rectify some of the problems arising from "exploding cities in non-exploding economies" (de Souza and Porter, 1974), there have been inadequate resources available to develop, initiate and support development programmes. Of the more affluent countries, only four spent less than 10 percent of the GNP on social security in 1970; Japan (5.7 percent), Australia (8.2 percent), Iceland (9.0 percent) and the United States (9.7 percent). Most allocated 15 to 20 percent to social security. Of the few countries from the Third World listed, Israel spent 9.7 percent of its GNP on social security but the rest were all below 5 percent, most spending about 3 percent. This small investment and the lack of adequate administrative infrastructure make "the early provision of cash benefits to the rural population for contingencies such as disability, old age, or the death of the breadwinner unlikely" (U.N., 1974). The absence of adequate social security for such contingencies was the major focus of concern and apprehension in Greece and largely accounted for the different levels of satisfaction between Greece and Bulgaria (where adequate provision does exist) (Apel and Strumpel, 1976).

The inadequate organizational, administrative and problem solving capacity of some of these societies has been blamed for much of the failure of the economic growth record. It has also likely been a
contributor to the poor development record. The improvement of this capacity will depend to a considerable degree on investment in appropriate educational programmes. Yet the market economies of the Third World spent only 3.2 percent of their GNP on education in 1970, increasing an average of about 3 percent a year since 1960. In comparison, the more affluent countries spent 5.4 percent of their GNP on education and had increased it an average of almost 5 percent a year since 1960 (U.N., 1974). Rural development and birth control need more attention and more resources, but the heavy investments in other sectors, particularly economic growth (though the military takes substantial proportions in some countries), and the preoccupation with economic growth as an instrument of social development, have relegated these fundamental developmental concerns to a secondary and inadequate priority. In the last 5 or 6 years rural development has received increasing attention and support. If development is to occur, comparable attention and support must be given to programmes identifying and rectifying these other problems, deficiencies or sources of stress.

It is evident, and extremely important to recognize, that this listing of causes is largely speculative and that there are some notable exceptions to this general description. China is the most outstanding example of a Third World country that has managed to overcome most of these barriers. Whether a social revolution is as necessary in other countries is questionable, though in some, like Haiti or southern Africa, it may well be. In any case, China has significantly reduced its birth rate, virtually excluded exogenous influences, removed an anti-developmental elite and, perhaps most importantly, expended considerable resources in education and organization. It appears this more balanced approach to development has not detracted from the economic growth, but made it possible.
I am not suggesting, however, that the Chinese experience is to be emulated. It would probably be inappropriate in many societies. The point being made is this: the investment and expenditure in programmes of industrialization and urban improvement, at the expense of investment in development has produced neither much economic growth nor much development. The planners and the decision-makers must analyse the development record of their society, determining the contribution of the various factors discussed here in the context of that society. The case of China simply underlines the fact that few of the causes, except perhaps the natural resource limitations, are unalterable and that an appropriate strategy, focussing on the major deficiencies and its causes, may be cause for optimism. So what is involved in finding an appropriate set of strategies?
For a variety of reasons, then, development strategies predicated on economic growth have failed to produce either satisfactory economic growth or development—indeed, in many circumstances the strategies appear to have contributed to a decrease in social performance. If these strategies have been found wanting, and if there remain developmental problems, it is clear new strategies must be found. This search for new strategies must focus on three basic problems.

4.1 Identifying Performance Deficiencies

Social performance and development are subjective. They are, and must be culturally relative and culturally defined. The analysis of the development record in the previous chapter is based on a gross description of the nature of development, using the types of criteria that are likely to be universally relevant but which may be weighed differently by different cultures. The first step in the search for a strategy must be the identification of the problems in terms of the needs and aspirations of the members of the society.

High infant mortality rates, the prevalence of preventable diseases and malnutrition, either present or anticipated in the face of growing populations are serious problems facing much of the Third World. However, differences between countries are great on each of these and there are other candidates for attention. Incomes are generally low, with 650 million people in "absolute poverty", earning less than $50 per year; adult literacy rates are also low. Political unrest or factionalism or crime may be significant barriers to development which the development planner and the decision-maker must be prepared to address. These are but examples to which numerous other indicators of social performance could
conceivably be added. They are introduced here merely to indicate the
range of developmental problems, to suggest perceptions of one culture may
not apply in another and that perceptions based on an aggregated world
view may be unrealistic in any particular situation.

Where physical deficiency needs are not being met some priority must
presumably be given to these. But even that is not a simple case. At
what point is undernourishment less of a problem than, for example, infant
mortality from other causes? There are, in addition, the psychological
deficiency needs. Where self-esteem and status are low, for example, in
some minority groups (or even oppressed majorities), is this less of a
developmental problem than some undernourishment? How important is the
need for "positive effect"? These questions can only be answered by the
members of the society in question. To develop strategies without their
perceptions in mind is to run the serious risk of misallocating the limited
resources for development, one of the factors contributing to the poor
development record to date.

4.2 The Problem of Change

The identification of problems discussed above dealt with performance
in a static state. Social systems, however, are dynamic systems. Change,
though not development, is inevitable, though the rate and direction of
change may vary considerably between societies and over time. It may be
argued, therefore, that even in the absence of serious performance
deficiencies, the development planner has an onerous task in identifying
the developmental problems. The development planners role in this
capacity is to regulate, as far as possible both the rate of change that
individuals and their social system may react and adapt without loss of
performance, and the direction of change, that it is consistent with the
societal objectives and is, in fact, developmental. I suggest, though only the performance evaluation recommended above could prove, that the development of some societies may fit more easily in this 'problem avoiding' category than in the 'problem solving', though it must be stressed no society is likely to fit wholly in one or the other. Ghana (and some of the other well-endowed West African countries), Cuba, China and very likely several other countries may have more cause to worry about change than about present problems. Social performance, as we have seen, is a very complex aggregate which depends on the equally complex interactions of the social system that have evolved over long periods. It is probable, therefore, that just as the vast majority of mutations in organisms tend to be harmful, most societal change is likely to have initial negative effects. Not all change is undesirable, and in any case, it is inevitable, but the rate and direction may not be beyond some degree of control.

The types of problems one might anticipate are deficiencies similar to those discussed above. Clearly, even where malnutrition is not presently a problem, it may, in the face of growing populations, become a problem. Population pressures may also create land tenure and land use conflicts. There may be grounds for concern about a weakening sense of familial responsibility and its attendant problems. A shift from or altered status of traditional occupations and lifestyles may not be universally welcomed. In short, we cannot assume that being different from us is a problem, or that becoming more Westernized is not a problem.

The identification of developmental problems must include both the identification of existing performance deficiencies and the assessment of the impact of anticipated change on social performance. Each society is likely to have a mix of these deficiencies and anticipated problems, yet have limited resources with which to address them. The priorities, like
the evaluation of performance, can only be established by the members of each society.

4.3 **Identifying the Causes of Deficiencies**

Having identified or anticipated the performance deficiencies of concern, the causes must be identified. Again, this is self-evident, yet too frequently a problem is simply assumed to have a particular cause. Malnutrition is a case in point. For countries with poor soil, poor climate or a population exceeding the land's carrying capacity, like Chad or Hong Kong, more food is needed. This can only come from outside sources. This problem is different from the more general case of a country which is underutilizing its resources, which is capable of producing more food. Most Third World countries fit this category. In addition, however, we have found that most malnutrition, in every region, is not the result of inadequate supply but of unequal distribution. And even where supply is short, is the problem one of production, processing or storage? Is the poor distribution due to spoilage, transportation and marketing problems or to social class inequalities? Is population growing faster than production and distribution systems can provide for? Do these systems fall behind because of poor crops, poor techniques, poor equipment—inadequate hardware, or because of organizational, administrative or cultural factors—the software necessary for problem solving and implementation?

Where domestic resources cannot satisfy the societal needs, what restricts access to world supplies? World markets that require hard currency, that can only be earned through unfavorable trading barriers, have not been conducive to Third World development. Or has the society been unable to take advantage of marketable resources? The world market
system may be largely outside the control of any one society; the exploitation of available resources is largely within its control, as is (presumably) population control which may be the cause of various problems. Other influences may be harder to categorize. The stresses caused by the introduction of alien values, life styles or occupations may undermine the existing system. But where, ultimately, do these influences come from, how are they introduced into the society? Some may be spin-offs of specific developmental strategies: by-products of a value-laden educational programme or of an industrial enterprise, for example. Others may be media borne--images in magazines, newspapers, film or on radio can have considerable impact. Elites mimicing other cultures may themselves be mimicked.

The problems are numerous and varied, the causes are certainly no less so.

4.4 Designing Appropriate Strategies

The strategy, to be successful, must be appropriate to both the problem and the cause (or causes) of the problem. Chad and Mali will probably have to look to the international community for assistance in the provision of food. Countries depending on exports may have to look to the international community for improved terms of trade. Intensification may involve high yield crops, irrigation and fertilizers; processing, storage, and distribution may have to improve. Where a growing population is putting an excessive demand on the production and distribution systems, an appropriate strategy might include considerable investment in population control. It may be found an indirect cause may affect several areas. Problem solving techniques and organization may be a weakness which frustrates attempts to increase production, expedite distribution and address other areas of social performance. Educational programmes
designed to develop such abilities may prove a valuable investment.

Where stresses to the system originate externally, it may be necessary to screen them more carefully. This may be feasible particularly for specific development projects or private enterprises. Where the stresses enter more diffusely, such as through the media, it may be more appropriate to utilize resources to counter such influences. Obviously where domestic programmes are found to produce such stresses, they ought to be reviewed critically. The mass media has considerable socializing potential, a fact exploited more for private gain than public good in most countries. Where social performance is deficient in satisfying psychological needs, or where the system is under stress from conflicting values, public use of the mass media may be a valuable, efficient, and necessary strategy.

With the range of problems and the causes of these problems it should be apparent that the combinations for which strategies must be designed are considerable. But it is not even possible to claim a single problem with a single cause has a single, optimal solution. The strategy itself must be seen in the context of the social system.

If there is one point to stress, which has too frequently been ignored, it is that the strategies, the solutions, are themselves agents of change, causes of stress. Their appropriateness, then, depends on their efficiency in solving the target problems (their applicability to the problems and their causes) and, as importantly, their tendency to promote development, or at least minimize negative change.
The task, therefore, is to establish a developmental process in accord with the points that have been raised above:

i) It must strive to enhance individual welfare and social performance though at present our knowledge of the universality of human needs and our measures of social performance are grossly inadequate.

ii) It must begin with and work with the local environment—the natural and especially the human, for any undue disruption is costly and anti-developmental.

iii) The process itself ought to be developmental. People ought to feel involved in shaping their future and their future ought to take shape at a pace at which they and their societies can adapt.

iv) It must include endeavours to eliminate the exogenous impediments to development.

Such a process must involve research, evaluation, policy formation and implementation on two fronts.

5.1 The Role of the International Community

While there may be some merit in many countries increasing their level of self-sufficiency, it is probably desirable and, in any case, necessary, to recognize the interdependence of nations. Many countries simply do not have the resources to support their population. Most countries require the resources or markets of others to maintain or increase their economic output, and for much of the Third World, an increase in economic output could probably be an important contributor to development. A single country might be able to undertake the research
to determine how, why and to what extent various external factors impede its development, or the amount of assistance it would require for its development. But it could not, unilaterally, formulate and implement policies derived from that. As much of the success of the development effort will depend on such policies, it is imperative that the international community address these issues. Just as it would be presumptuous to declare, a priori, what a particular society ought to do to develop, precisely what the international community ought to do must be based on sufficient research to identify more clearly the nature of the various problems and the ways the problems can be redressed. However, particular attention must be focussed on the following issues:

i) Providing resources for the Fourth World. There appears to be little these extremely poor and resource deficient countries can do to markedly improve their own situation (Ridker, et. al., 1976), yet their situation of poverty, malnutrition and impending starvation for many, is a global concern and responsibility.

ii) Redistributing resources, markets and economic activity to the Third World. This will probably involve decreasing consumption in the affluent countries, "freeing" aid recipients and licencees, encouraging, rather than discouraging the production, processing and marketing of Third World commodities, with terms of trade designed to augment the redistribution. The "freeing" of aid recipients may require a shift to "no-strings" multi-lateral aid, repayable in any currency. As "soft" currencies accumulate in the more affluent countries, products of the Third World may become more attractive, in turn stimulating growth there.
iii) Withdrawal of support for tyrannies or elites blocking development. Only the members of the society can determine whether the elite prevents development, but an entrenched elite, with external support in particular may be very difficult to dislodge.

iv) Refraining from the imposition of views, values, and strategies. The international community, and especially those involved in development efforts, must strive to increase our understanding of the value and legitimacy of diverse social systems and must encourage societies to define and pursue their own objectives.

v) Providing assistance, where possible and where needed, to help the members of society achieve the objectives they have defined.

I am not suggesting the world's wealth could be (nor should be) redistributed overnight. The optimal degree of redistribution and rate of redistribution may never be determined. The point is, a shift is probably necessary to enable many societies to develop. Similarly, it would be naive to expect ubiquitous values could be contained. However, it should be possible, and it may be necessary, to again effect a shift rather than a total change. Dropping such terms as modernization, developed and un- (or under-) developed as they are currently being used would be but a start. Encouraging and supporting the search for local objectives would facilitate this shift. Whether these issues are the most critical or not is not the important point; whether the types of remedies I have alluded to are relevant or workable matters less. The important point is that development of the Third World depends upon the response of the international community. The most appropriate response
will require a greater understanding than I can bring to the subject. It will also require an unprecedented level of international determination and co-operation.

5.2 The Role of the Development Planner

The second front on which underdevelopment must be fought is the domestic front. This section might as appropriately be labelled 'The role of internal strategies'. Chapter 4 outlines the tasks that development planning must undertake. It must first identify the performance deficiencies. As I have stressed throughout this paper, the evaluation of social performance and the identification of its deficiencies can only be done legitimately by the members of the society. The planner's role in this is to ensure diverse interests within the society have the opportunity to contribute to the evaluation and the formulation of social objectives.

In anticipating the effects of change, the planner can draw on his understanding of social system performance and on experiences elsewhere. At present, this capacity is very limited: it is hoped, as this developmental process proceeds and our understanding of social systems and their responses to change improves, the planners' capacity to contribute will increase correspondingly. However, it must again be left to the members of the society to judge whether the anticipated change is developmental or not.

The analysis of the problems, present and anticipated, is largely the planners' responsibility. On the basis of this analysis of the problems and their causes, alternative strategies must be designed. These may have to be innovative or they may be derived from experiences elsewhere. It is important that the planner present alternatives, for these too must
be evaluated and selected on the basis of local perceptions and objectives.

This process has three important implications. First, there must be substantial investment in research. Research is needed to evaluate social performance, identify strengths and weaknesses, and establish societal objectives. Equally specific research is required to develop appropriate strategies, strategies that may require technological or social innovation. And more general research is necessary to improve our understanding of social system behavior, the interactions of subsystems and their responses to stress and change.

Second, as both an objective and a necessary feature of the development process, the leadership must be internal. Participation in the process is in itself developmental. If the process involves them as subjects, not in the social sciences sense of the 'observed', but in Freire's (1968) sense, the 'actors', it engenders confidence, self-esteem and creativity, increasing the individual's capacity for 'positive effect'. But internal leadership is also necessary to legitimize the process and to ensure its responsiveness to local needs. To improve the quality and expand the base of the leadership, likely prerequisites for 'self-sustaining development', an early development objective might be the development of the human resource, particularly its organizational and problem-solving capabilities. The problem of leadership also raises the difficult question of how tyrannies or leadership which frustrates development efforts can be handled. A brief digression to explore the planning implications of this is justifiable.

It must first be emphasized that oppression must be perceived by members of the society. An outsider may consider an elite oppressive but the members of the society may tolerate it, accept it or they may not even perceive the oppression at all. The Western view of many communist
countries may fit this description. However, where the members of the society find the elite oppressive, and their development thwarted by it, as in South Africa, it becomes a development concern of major proportions. Unfortunately, the scope for development planning in such circumstances is limited. If nothing short of revolution will remove the elite, it is the only solution. Yet revolutions are really beyond planning. The Algerian revolution may be more aptly called a rebellion, for it did little but exchange a local elite for a foreign one. The Russian produced a greater transformation, but it is not clear it has fulfilled its revolutionary objectives. China appears to have come closer to its goal than either Algeria or the Soviet Union, but even there great uncertainties remain. So much of a revolution depends on a few personalities and historical accident, it is doubtful that the uncertainties can be significantly reduced. A planner, qua planner, can probably do little (though he may choose to act as an individual). The only course open may be to remove as much support as possible from the leadership, as recommended above under the role of the international community. The dilemma of planning for development in an anti-development environment will not be solved easily.

Finally, to return to the development process, the process must be experimental—it must be explicitly recognized that any development strategy is an experiment. In the first chapter it was suggested that the industrialization of the West, with its urbanization and nuclear families, is a social experiment (indeed a poorly assessed one at that): planned strategies for the Third World are no less so. That being the case, it would seem reasonable to design the strategies as experiments. Experimentation implies the end result is unknown or at least in some doubt. And experience in development has indicated unforeseen problems
do inevitably arise (Hirshman, 1963). No more than it would be wise to jump (or push another) into unknown water, it is not reasonable to undertake large scale experiments. If the course is unclear and problems are certain, the experiment ought to be designed to minimize disruption and maximize flexibility. This may be approached in two ways.

The scale of the experiment is important. Introduction of a new crop, requiring new techniques, with which the producer, distributor, and consumer are unfamiliar is likely to have more problems than introducing improved techniques for a familiar crop. The ability to monitor and assess the progress of the experiment is also easier if the scale is small and this in turn facilitates flexibility—the fine tuning that may be necessary. There may be problems with the new crop, with the new equipment or materials, with the necessary skills or within the marketing system. Where several difficulties arise it is difficult to identify and correct the critical ones, and perhaps as important, it is difficult to maintain support for the programme. Where only the technology changes, adaptations can be made in it as problems arise. The scale may also be restricted spatially, introducing the change in one locale, adapting and improving it there before applying it to other areas. Again the ability to assess the programme, and its impacts is facilitated and the costs of the programme, the evaluation, and the adaptations are lower—as is the cost of failure, if the scale is small.

Not unrelated to the question of scale, but distinct from it, is the scope of the change and its relation to the social system. Economic development need not necessarily produce social change. If the introduced change is compatible with the existing system, if it is development within the system, there do not appear to be the repercussions throughout the social system, that accompany disruptive changes (Epstein, 1971). Based
on the research into social performance, experimental changes may be introduced into those subsystems most in need of improvement, with care being taken to minimize the effects on other subsystems. Until now, without this necessary information, the scope of the change has not been restricted—indeed, as was indicated above, it was often argued that the greater the change, the greater the spillover effect, the greater the disruption, the better. As our understanding of social system behaviour improves, as our ability to predict changes in other subsystems and their interactions improves, it may be possible to undertake more complex social experiments. At present, it would be foolish or callous to take such action in most cases, where the problems of social performance are not systemic.

Architects appear to be learning to design in harmony with the natural setting, to change as little as possible. It is time planners adopted this approach as well. Once razed, the social system, like the ecological system is almost impossible to resurrect. And man's creations have yet to match the product of millennia of evolution.

Having thus designed an experiment, as small in scale and scope as possible (given the nature and urgency of the problem) and directed as closely as possible to the specific performance deficiency, the implementation and outcome must be monitored, evaluated and modified. It cannot be expected that the preliminary studies will permit the design of the perfect experiment, nor that it could be implemented without problems. Monitoring and evaluation therefore is essential to allow modifications of the strategy, to improve performance. Due to the interaction of subsystems, it is imperative that the monitoring and evaluation be as broad in scope as the initial research, for it cannot be assumed that an improved performance in the target sector indicates a successful experiment.
Unforeseen complications may reduce performance in other sectors.

This follow-up research has another important function, besides improving the strategy and its performance. Over time this research into social system behavior, observing system response to limited interventions, ought to markedly improve our understanding of social system behavior. The cumulative effect of such understanding will be an increased predictive capacity, facilitating the design of future experiments.

In the absence of this research (which is effectively impaired by the nature of the strategies presently employed), very little is learned from our failures. Strategy design remains therefore little more than either mimicry or trial-and-error, neither of which has proved particularly successful and neither of which has provided a base for future success.

The development process, then, must be a learning process as well, for our present knowledge is inadequate to justify anything else.

Several criticisms of this approach are anticipated. While the text ought to contain the rebuttal, I will try to address these arguments directly.

I have emphasized the limitations to our understanding and the consequent need for research. It may be argued that this developmental process may move too slowly to meet the urgency of the problems or that the quest for understanding may produce a paralysis of indecision. That ought not be the case. The trade-off between research and action is always a difficult one and the right mix depends on three factors:

i) the severity and urgency of the problem;

ii) the anticipated risks associated with the course of action; and

iii) the costs of increasing our understanding, of research.
Where the problem is very serious and urgent—for example a natural
catastrophe like an earthquake or severe drought—the risk of disruption
is relatively less significant—higher risks can be justified. Similarly,
where the proposed intervention appears to have little attendant risk, it
may be justifiable to trade-off the costs of additional research to reduce
the already low risk for the benefits of earlier action. Where the costs
of research are high, and perhaps the prospects of its benefits low or very
distant, it may be preferable to undertake the small scale experimentation.
The amount of prior research will vary in each circumstance.

I would suggest, however, that the degree of urgency in much of
the Third World is not nearly so great as many of the economic indicators
suggest. Over-all, many such societies have fairly high levels of social
performance. It would therefore be unjustifiable to take the high risk of
poorly researched action in such cases. Mishan (1967) draws an apt
analogy of the social system as a car. Being an economist, of course the
engine is the economic system, with economists being primarily concerned
with the engine's performance and the ways to diagnose and tune it. An
engine that will drive a car at 100 mph., however, ought not be the plan­
ners' major concern. One hundred mph in the wrong direction is hardly
progress! First and foremost, the development process ought to ensure the
car is on the right road, heading in the direction the occupants want to
go.

In the early '60's, Hirschman (1963) was optimistic about the
prospects for development. While problems would inevitably arise, the
"Hiding Hand" (some deus ex machina composite of man's technology,
inventiveness and adaptability) would just as inevitably save the
situation. Caution, we were told, was not to be stressed--action was
required, the problems would be solved as they arose. Well, the problems
arose, but the Hand too often has remained hiding. The planner may need faith and hope, but his success will depend more on his substantive attributes. To reiterate, unforeseen problems will inevitably arise. Initial research can serve to reduce such surprises, follow-up research can serve to identify those problems before they become serious, and the small-scale experiments both reduce the complexity and magnitude of the problems, and facilitate adjustments to reduce them.

Finally, it may be argued that this process of development through experimental evolution is social engineering as much as any other strategy and further, it does not produce the growth which the people of the Third World want. Planners, of course, are always open to charges of playing god. The extent to which it is valid, however, depends on the extent to which the planner sees the people as objects rather than as subjects. Where they are the subjects, the actors, and the planner provides his skills to satisfy their needs, he is neither engineering their society nor playing god. His social engineering could only be justified if in fact he knew the answer—could say which social system were better. That is not possible; given that performance is a subjective evaluation, it is logically impossible. To the extent the people are involved in the development process, then, they, not the planner, are engineering their society.

To argue that the choice has been made, that with a few exceptions like Nyere, the Third World leaders have opted for economic growth is to make two dubious assumptions. First, it is to assume an explicit decision has been made. It is hardly more necessary that it has been made in the Third World than that it was made in Britain two centuries ago. It has happened. The inertia of the world economic system has caught up the new countries, as much as the old. Admittedly, many leaders have explicitly endorsed strategies of rapid industrialization and even of social disruption.
Much of the elite is there precisely because it has adopted such strategies. But the second assumption is more clearly false and more central to this thesis.

That is the assumption that the Third World has adopted strategies of industrialization and economic growth in a perfect, rational manner (just as consumers are rational, utility maximizers). This is not to suggest the adoption was irrational, but rather non-rational, in the sense that it could not weigh the costs against the benefits, when only the benefits were on display. We are all part of Galbraith's "seduced public", buying goods we don't need or want with money we don't have. Part of the planners' task is to reveal the hidden costs. If the costs are as high as they appear to be, and the benefits as low, it should not be unreasonable to expect a shift away from strategies of industrialization, urbanization, export and disruption.

I suggest (and hope) this process of development through research and experimental evolution will provide a sound base for societal development and individual fulfillment.


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