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DEVELOPMENT: A LOSS OF FOCUS?

Draft for Discussion

by

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This meeting presents an opportunity to deliberate upon the relationship between people and development. One starting point is provided by the stated goal of the meeting, i.e., "to discuss how families, as intermediaries between individuals and society, either hinder or facilitate social and economic development."

When we juxtapose families and development, a question that one could ask is what comes first? Do families come first or does development come first? The historical record shows that this is not an empty question despite the fact that development is always intended to be for the benefit of people. "Socialism plus electrification," Indira Gandhi's family planning program, and Nyerere's village collectivization program are all examples in which development came first. All of them had tragic consequences for the families for whom the development was intended.

The formulation of the stated goal of this meeting ("how families ... either hinder or facilitate development") can leave the impression that development has a life of its own, independent of and external to the people involved. The content of development seems defined and the focus is on seeing how families either hinder or facilitate this objective. What happens if the families are deemed to be hindering development? Again, the historical record is sobering. In different times people in the path of development have been found in need of civilization or modernization with or without their consent; have been labelled backward or lazy; and in the worst case have been swept aside into retraining centers or the gulag.

The question of what comes first, people or development, is thus important and worthy of consideration. But suppose we wanted to put people first, where would we start? There are two alternatives. Ideally, we would need to find out what is it that people want. Failing that, we would need to determine at least how development hurts or benefits people.

Surprisingly (or unsurprisingly), there is no real mechanism for finding out what people want in developing countries. Despite the centrality of consumer sovereignty in mainstream economic theory, development has always been conceptualized, shaped, and imposed from above, usually by an elite culturally very separated from the intended recipients. This decision-making elite is handicapped by an almost complete inability to communicate with the majority of the intended beneficiaries of development.

In such a situation where development programs are shaped without the involvement of the intended beneficiaries, it still remains theoretically possible to estimate to some extent the impact on the latter. This is at the heart of traditional cost-benefit analysis. However, even though this is recommended procedure for project selection it is rarely carried out with any seriousness in practice. And when it is carried out as a required

part of project preparation it does not lend itself to disconfirming strongly held a priori notions of beneficial development. In the water sector, for example, benefits can include the value of time saved in fetching water and health impacts not appreciated by the recipients. There is usually enough of a margin in these valuations to justify most projects.

The absence of a strong link between people and development, the fact that development is not a concretization of the aspirations of people from below but something determined from above to be good for them, is at the bottom of the poor record of development planning. This record has led to the discrediting of development economics itself as evidenced in recent writings by Deepak Lal (1985) and others. In a very insightful documentation of development policies related to housing in Pakistan, Arif Hasan (1992) analyzes the failure of forty years of planning in Pakistan and in a review of the latest Asian Development Bank funded Karachi Urban Development Program details the reasons why the project "cannot possibly succeed." The main reason suggested is that "the project planning and implementing team are completely unaware of local social, economic and physical conditions and do not have the orientation required to work with low income communities" (p. 102).

It is important to note that Hasan does not reject the concepts contained in the above development programs. In the context of housing, he mentions new concepts such as sites and services, upgrading, improvement and regularization of squatter settlements that have become common features of urban development plans initiated by international agencies. Rather, he concludes that "while the concepts floated are basically sound, the institutional arrangements and links with the communities that are necessary to implement them, have not been developed" (p. 102). International agencies are of course handicapped because they can only liaise with the communities through intermediaries with whom they share a common language. Unfortunately, these intermediaries have a very poor understanding of the recipients of development. Hasan documents why the informal sector has so much of a better record in providing affordable housing to the poor and explains how the social understanding of the intermediaries involved has led to the success.

A forthcoming internal review by the World Bank of 120 water supply and sanitation projects over 30 years (Buky, 1992) reports a distressingly poor rate of success despite the requirement of economic and financial analyses for all World Bank projects. The report concludes that institutional problems (a euphemism for not understanding the social or economic environment in which the projects were located) as the most consistent and fundamental cause of poor performance.

Another reason given for the poor performance of water supply projects is that they have been completely supply-oriented and have

ignored demand-side considerations (World Bank, 1987). This is another way of saying that the planners were so convinced of the merits of their policies that they did not consider it necessary to factor in the aspirations or opinions of the recipients. A major advance in rectifying this situation has been made by a recently concluded research project on the demand for water in rural areas the results of which are summarized in a forthcoming paper in the World Bank Research Observer (World Bank Water Demand Research Team, 1992).

Although this is an advance in correcting the imbalance in the relationship between people and development, it should be noted that we are still not at the stage where we are determining what it is that the people want. We are merely presenting one development project to them, pre-determined as part of a development program or lending package, and asking them to place a value on it. Ideally, such a procedure would at least reveal what it is that people do not want.

The aim of the above discussion has been to make the point that before we can get to the stage of discussing the role of families in development, we have to understand the relationship of people and development or what it is that people want from development. In reaching that understanding the family may well prove to be a helpful unit of analysis though it must be admitted that there is no compelling theoretical or empirical argument for that as yet.

This brings us to the another of the questions outlined for this meeting, viz., "how research uses the family as a unit of analysis in understanding needs, aspirations, and patterns of resource use." Neo-classical economics, with methodological individualism as its foundation, has used the individual as the unit of analysis. As is well known it has also treated the household (and the firm) as just another individual decision-maker. Leibenstein (1976) had correctly pointed out the limitations of this perspective with his plea for "micro-micro" analysis to look inside households and firms. The new household economics (Becker, 1981) and the new institutional economics (Williamson, 1985) are movements in this direction. Sen (1983) has also commented on the inadequacy of economic theory regarding the family and has suggested directions for research different from those of Becker.

It should be noted that survey-based empirical research has mostly used the household (which may contain the extended or the nuclear family depending upon location) as the unit of enumeration. Theoretical research has also been based on the household as the unit of analysis although the treatment has often been simplistic. Project design, on the other hand, has rarely placed the focus on the household, the implicit unit of analysis being much larger. Water supply projects, for example, have a city or village focus while family planning projects, despite the name, have a national

or regional focus.

Whatever the unit of analysis the fact remains that in trying to determine what people want economic theory has been of little help. The theory of revealed preference, which lies at the core of the neo-classical economic method, asserts that people's preference orderings are revealed by their actions. In a very persuasive paper, Kuran (1990) argues that the theory of revealed preference "produces either useless tautologies or serious errors of interpretation." What leads the theory astray, Kuran claims, is that "people are often rewarded or punished for holding one preference over another."

When development concerns itself with socially sensitive issues like family planning or institutionally complex sectors like rural water supply which inevitably involve both formal and informal institutions as well as directly involving beneficiaries in a variety of ways, considerations of social acceptability become very important, driving a wedge between an individual's private and publicly expressed preferences. What is one to make of the complete failure of the family planning program in Pakistan despite the investment of millions of dollars over more than forty years? Is there no demand for family planning on the part of the Pakistani woman? Is it a demonstration of male fiat? Is it a mutually agreed family decision? Or is it the statement the woman makes when seen walking to a family planning center that is responsible for her action? We really do not know? And, if private and public preferences diverge, we are not likely to find out through standard household surveys either.

Even where pressures to falsify public preferences might be absent, the responses to survey questions may be ambiguous. The direct elicitation of willingness to pay, which is now becoming part of water supply projects, provides an incomplete guide in many circumstances where the beneficiaries may be subsisting at or below the poverty line. As Sen points out (1987), the revealed action of not eating may signify either an act of fasting or starvation. A low willingness to pay may reflect either a real lack of interest in a project or a cash constraint so severe that it drives a wedge between willingness to pay and ability to pay. The response still needs to be interpreted based on an understanding of the socio-economic context. Fass (1988) is right to suggest that there is really no substitute to finding out how people go about the business of ensuring their survival in concrete terms through their interaction with persons and things within the limits imposed by their internal motivations and external constraints.

Arif Hasan (1992, p. 20) also offers similar advice based on his work on housing in Pakistan. "The required social research to facilitate the translation of these policies into action has not taken place. Even the institutions for undertaking this research independently do not exist. In the absence of such research and

direct contact with the target group, a wide gulf exists between government policy concepts and the reality of the urban poor."

Such a program of social research has emerged indigenously from within the Orangi Pilot Project in Karachi, Pakistan, and has now been institutionalized in its Research and Training Institute. The Orangi Pilot Project's low cost sanitation program has already achieved world-wide acclaim (World Bank, 1992). Dr. Akhter Hameed Khan (1991) documents how such research has also led to progress in such difficult areas as family planning and income generating projects for women.

The experience of the family planning program is instructive. The failure of the national program in Pakistan has been mentioned earlier. After years of focusing on women it was surmised, in the face of this failure, that the focus was misplaced because males were the real decision-makers in Pakistan's patriarchal society. Therefore the focus of contraceptive advice and education ought to be shifted to the men. This shift resulted in no perceptible difference in the effectiveness of the family planning program. The Orangi Pilot project's approach was to begin with a study of the intended recipients. Based on such a study it was determined that "answers were required to two urgent questions: first how to gain access and secondly how to create trust? A third question arises in the case of programs which, in addition to advice and instruction, also include supply and services. That question is how to build an efficient and convenient system of delivery for this strange clientele: the segregated house wives?" (p. 23). The program was constructed around the answers to these questions. As for the men, in Dr. Khan's inimitable words: "[A]s in our country discretion is the better part of valour we did not tangle with our male chauvinists, but left them to be tackled by their wives" (p. 24).

How would the focus on families help in increasing the likelihood of success of development projects? It should be noted that focus on the family can result from differing objectives. Thus to the extent that the family (extended or otherwise) is the unit of decision-making it is the appropriate unit for those interested in issues of household resource allocation. For example, Sen (1984) has studied the intra-household allocation of food resources to explain differentials in male and female mortality in India. Research on migration has noted how families split residences geographically in order to diversify income streams (Lucas, 1983; Stark, 1989). Where social networks are important for economic mobility or survival, marriage decisions are also appropriately located within the context of family decision-making. To the extent that successful project design needs such research a lot of it is already available and ongoing.

Needless to say, since the family is culturally defined, one needs to be sensitive to the fact that sampling and data collection techniques are not always independent of the culture or society to

which they are applied. As an example, McBurney (1987) has documented the problems in applying the Kish Grid (in which the interviewer chooses the interviewee from amongst the household members in order to ensure a representative sample) outside the North American middle class society where it was developed. It fails in Shona society where households like to deploy a spokesperson who would best represent their interests in interacting with the outside world.

But what does it mean to focus on the family in the design of projects? If a determination of what people want is essential to successful development as has been argued above, how would a focus on the family facilitate this objective? One could turn the question around and ask what else can the focus be on given that families are the decision-making units in society? It could be argued that one objective might be to enhance the acceptability of development projects by minimizing potential conflicts within the family. Such conflicts of utility are assumed to be well known. For example, males in many developing countries are considered to oppose projects that imply the liberation of women. The objective of the focus on women in development was often to defy such men (whose disutility did not count as a cost in cost-benefit analysis) without regard to the conflict that might be generated within the family.

However, it still remains the case that minimizing potential conflicts requires a prior understanding of those conflicts or more broadly of how people live, survive and order their lives. The focus on the family should not distract us from the fact that such first-hand understanding is sadly lacking and a mere change of theoretical focus is not going to do much to remedy the situation.

This is the danger of focusing too much on the focus of analysis. A seasoned analyst of the water supply sector (Briscoe, 1992) has commented that past and current approaches to institutional design in the sector "can most accurately be described as theology. Ten years ago it was the government which would do all (which failed terribly); more recently it was "community participation" which was the magic bullet (with only slightly greater evidence of success); now "the private sector" is the perceived answer." All the time the need remains to "move the debate from theology to conceptually sound, empirically based assessments of what works and what doesn't." There is the possibility that the shifting focus in development from growth to "redistribution with growth" to "basic needs" to "women in development" to "families in development" (which remains of great sociological interest) would similarly obscure the real need to understand how people live, what they desire, and how to decipher what they are trying to say.

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