

Review: Adjustment with a Human Face: Economics or Sentimentality?

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In 1984 A. R. Jolly and A. Cornia drew together studies demonstrating the disproportionately and often unbearably severe impact of the recession on poor people.¹ *Adjustment with a Human Face*² by Cornia, Jolly and Frances Stewart demonstrates that in the majority of cases stabilisation has neither halted the decline in the human condition of poor people nor even made doing so a priority.

The authors argue that redesigning stabilisation and adjustment programmes to do that would be possible, good normatively and humanly and good economics. Is this a broader, longer term economic logic or sentimentality? Is there an alternative to 'first get ye the prices right and then enter into the kingdom of prosperity'? (Of course, the volume's studies suggest that 'then' may be a very long time — rapid turnabouts to high, stable growth are, in practice, rare.)

The evidence is that there are such alternatives. The difference in programme concern with basic consumptions and public service protection varied sharply; if anything the correlation is positive between such concern and macroeconomic success, not the reverse. For sub-Saharan Africa, *Within Human Reach*³ had already cited examples and sketched scenarios to show that poor people could be protected and could be more productive — without creating new resource gaps. The present volume carries that argument further and in a more articulated way.

¹ *The Impact of World Recession on Children*. Pergamon, Oxford, 1984.

² Oxford University Press, Oxford, 1987.

³ UNICEF, New York, 1985.

The malnourished cannot work long, hard or productively. Given access to complementary resources, the poor can produce more — and projects to enable that can be cost efficient. Investment in children is investment in the future. Not only future but present productivity is heavily dependent on broadening access to basic education and health services and to nearby pure water sources. Within social services resource allocations are inefficient. The dominant causes of Africa's higher than northern mortality (most notably in the 0-5 age group) are a handful of contagious diseases, malnutrition, diseases resulting from impure and/or inadequate water and untreated injuries within the scope of first aid. Extended immunisation, health education, supplementary feeding of infants and children, basic drug supply to and first aid capacity at primary health posts — these are proven cost efficient ways to attack these basic causes of excess mortality. But they receive 10 to 15 per cent of typical African health budgets. Residential hospital care can be only marginal to the higher mortality rates (at least at total costs Africa can fund). But its share in budgets is usually 60-80 per cent.

These are typical of the main lines of argument of *Adjustment with a Human Face*. It does rest on a normative premise — the welfare (including first the survival) of poor human beings is the ultimate justification (or damnation) of applied economic policy. But while that may be a sentiment, the volume is not sentimental. Its case is a hard headed economic one which holds together conceptually and has objective correlatives in cases of success. The authors establish what they set out to show. There is an alternative and it can work.