

ADJUSTMENT WITH A HUMAN FACE - There Is An Alternative (A Review Article)

Mwai Kibaki, Kenya's Vice President recently observed:

But let us not be told about the long term because in the long term we will all be dead. Indeed the 1985 UNICEF poster which poses the question to an African girl 'What do you want to be when you grow up?' and is answered 'Alive' captures an even bitterer reality: many of us, our relatives, our workers, our peasants, our children, are dead in the short run.

Richard Jolly and Andrea Cornea of UNICEF documented the ways in which recession had underlined that bitter reality - especially but not only in the South - in The Impact of World Recession on Children \* in 1984. In Adjustment with a Human Face \*\* they - joined by Frances Stewart - return to the fray to demonstrate that standard stabilisation and adjustment policies have not reversed the downward trend in the human condition of the poor - especially of poor women and children. If one believes nutrition and child malnutrition, life expectancy and infant mortality, access to education and to pure water are as crucial indicators as export growth and inflation, agricultural expansion and GDP growth, government borrowing and credit creation, then the vast majority of stabilisation and adjustment programmes are failing - many of them disastrously.

The standard answer has been that production, productivity, price correcting (or untying) and liberalisation must come first. Production and poor people's incomes, economic balance and human investment, food output and food security for poor people are treated as alternatives in the short run with the poverty alleviation possible only after the balance is restored and growth resumed. In its Child Development Survival Revolution, UNICEF has demonstrated that - at least for Infant Mortality and, indeed, primary health care more widely - this is a false dichotomy. Restructuring health expenditure could save far more lives even out of present budgets. In Within Human Reach \*\*\* it argued - with operational examples - that there was an alternative, production by and services for and with the poor could be part of the answer to economic crises

in Sub-Saharan Africa and that ignoring or under-funding them was part of the problem, not of the answer.

Adjustment with a Human Face carries this argument further analytically and in case studies (to appear at full length in Volume 2). Its argument as Richard Jolly summarised it, "is not just a humanitarian argument. It is an economic argument. To protect the poor and children growing up is a good economic objective as well as a humanistic objective". The evidence from the case studies is that basic services can be protected within adjustment, if the present and future ability of poor people to be productive is seen as an integral part of adjustment and development. The argument is not primarily about subsidies or welfare in the colloquial sense - it is about production by the poor to reduce their poverty and productivity in health, education, water and other basic services to 'produce' more health, knowledge and ability to work from the resources allocated to human investment.

While verbally this stance has triumphed - the International Monetary Fund, the World Bank, the British Overseas Development Administration and all endorse it - in practice the picture remains problematic. No structural adjustment of stabilisation and adjustment strategies has to date taken place - a few programmes for human investment or raising incomes for the poor have been added like Christmas tree ornaments. There is an alternative, but it still needs to be programmed and backed by significant alterations in resource allocations if the ahuman face of too many classic adjustment programmes is to give way to a human one.

- Reginald Herbold Green

- Pergamon Press, Oxford, 1984
- Oxford University Press, Oxford, 1987
- UNICEF, New York, 1985