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# The Rise and Fall of the Basic Needs Approach

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Basic needs is both an analytical concept and a strategy of aid and development. It appeared in the early 1970s, reached its apogee with its acceptance in 1976 by the World Employment Conference and in 1977 by the Development Assistance Committee of the OECD, and entered the rhetoric of most aid and development agencies. Yet its adoption by administrators was tentative, and its implementation was slow and uneven. In the late 1970s attention shifted away from basic needs to building the New International Economic Order. By 1980 basic needs as a slogan was absorbed, as a concept it was dismembered and interpreted selectively, and as a strategy it was disarmed. This essay reviews and tries to account for this rise and fall, then speculates about fashion cycles in aid and development concepts.

## I. BASIC NEEDS SUMMARIZED

The most widely accepted summary of basic needs was put forward by the International Labour Office (ILO) in its Declaration of Principles and Programme of Action in 1976. This was adopted by acclamation by the World Employment Conference the

same year. Other summaries and more elaborate definitions have now emerged, but the ILO's formulation has the virtue of legitimization by a major international conference and wide dissemination by the ILO book *Employment, Growth, and Basic Needs* (Geneva, 1976). The essential passages, paraphrased slightly, read as follows (also see Table 1).

Table 1. *Basic needs outlined.*

- 
1. Minimum requirements of a family for consumption of:
    - A. Food
    - B. Shelter
    - C. Clothing
    - D. Household equipment and furniture.
  2. Essential services provided by and for the community:
    - A. Water
    - B. Sanitation
    - C. Public transport
    - D. Facilities for:
      - i. health
      - ii. education
      - iii. culture.
  3. Employment freely chosen.
  4. Participation of the people in making the decisions which affect them through organizations of their own choice.
  5. Dignity of individuals and peoples.
  6. Freedom to chart their destiny without hinderance.
- 

Abstracted from the Declaration of Principles and Programme of Action drafted by the ILO and adopted by acclamation at the World Employment Conference, 1976, by delegates from 121 member states. Also see the ILO's *Employment, Growth, and Basic Needs* (Geneva 1976) for full text and elaboration.

Basic needs include two elements. First, they include certain minimum requirements of a family for private consumption: adequate food, shelter, and clothing, as well as certain household equipment and furniture.

Second, they include essential services provided by and for the community at large, such as safe drinking water, sanitation, public transport, and health, education, and cultural facilities.

In all countries freely chosen employment enters into a basic needs policy both as a means and as an end.

A basic needs policy implies the participation of the people in making the decisions which affect them through organisations of their own choice.

The basic needs policy should be placed within a context of national independence, the dignity of individuals and peoples, and their freedom to chart their destiny without hindrance.

The basic needs approach, then, is the acceptance of the goal of providing all persons with a certain minimum standard of these basic needs as a central priority of development. A basic needs strategy is the deliberate adoption of a set of policies designed to provide, or help people provide for themselves, these basic needs. A large literature has grown up around questions of poverty lines, timing and weighting of priorities, and costs, but this will not be considered here.

## II. THE GROWTH MODEL

As objectives of development, most elements of the above summary of basic needs will strike the reader of today as unexceptionable, even obvious. To appreciate their significance one must go back a decade and examine their relationship to the development theory of that period. In 1970 the growth model was still the prevailing paradigm, as it has been for 20 years since aid had become an established facet of in-

ternational relations. The prevailing policy question was how to stimulate growth by applying instruments such as capital, technology, entrepreneurial skills, export stimulation, and savings. The question of the poor was residual. The benefits of growth, in the form of modern-sector jobs or of transfer payments and services, would spread to the entire economy once the production problem had been solved. In the meanwhile, poverty was an important object of study only insofar as it constituted a bottleneck to growth, a consumption drain on savings, or a source of political disturbance.

The growth model had registered moderate successes in South Korea, Taiwan, Hong Kong, Singapore, Israel, most of Latin America, and to some extent in Egypt, Nigeria, Kenya, Uganda, India and, it seemed in early 1970, Pakistan. In South Asia the advent of the Green Revolution promised to ease the agricultural production bottleneck. Even narrowly averted catastrophes such as the macro-economic stabilization along IMF guidelines of the Indonesian economy by the technocrats in 1966-70 seemed to vindicate the conventional approach. The countries pursuing social equalization and self-reliance politics – China, Vietnam, Burma, Sri Lanka, Tanzania, Cuba – were viewed as aberrant, and it was pointed out that each suffered either low growth rates or civil conflict or both, so hardly constituted attractive alternatives.

### *Challenges to the Growth Model*

Nevertheless a convergence of empirical research findings and conceptual reappraisal began to call the growth model into question. The Latin American successes turned out to harbour festering urban slums, landless agricultural labourers, dispossessed ethnic minorities, downtrodden women, and malnourished children in the interstices of prosperity. Political strife and partition shattered the illusion of Pakistan's industrial growth. And throughout the Third World

economic growth seemed to rely increasingly upon a combination of foreign borrowing and rapid natural resource exploitation, stabilized by political authoritarianism. These situations were interpreted as temporary setbacks by growth theorists. But they were seen as something rather more fundamental by a new school of thought we will call neo-Marxism or dependency theory.

Neo-Marxists drew on a variety of Marxist notions filtered through the writings of Lenin, Trotsky, Rosa Luxemburg, and Paul Baran, many of them incorporating their own studies of United States penetration of Latin American economies, to conclude that the international division of labour was in reality a means of securing the dominance of Western industrial capital over non-Western markets and sources of raw materials. Growth in a Third World country was seen as a statistical illusion whereby a few elites who co-operated with multi-national enterprises enriched themselves at the expense of the welfare of their countrymen and the heritage of their natural resources. Poverty was seen not as a lag or setback but as a fundamental concomitant of the neo-colonial growth pattern, exacerbated by the political action of the elites as they secured access to the spoils of Western plunder of their country's labour power, resources, and markets. Whereas growth theorists believed that more growth would lead to absorption of the masses, leading to consensual politics, the neo-Marxists believed that growth would only sharpen the division between those occupying the foreign-dominated enclaves and those outside, and that authoritarian policies to hold the masses in check would prevail over democracy.

The two schools are well entrenched now, each choosing examples to reinforce its own view. For example, South Korea is cited by growth theorists to show that the rural and urban poor alike have benefited from the land reform and full employment that have accompanied industrial growth, and also by dependency theorists to show that dependence on Japanese and American

capital has led predictably to restrictions of civil liberties and eventually to naked military rule. For our purposes it is significant to note that the neo-Marxist challenge to the orthodoxy of growth led to a re-examination of the growth model and a wider acceptance of the importance of redistribution of wealth.

### III. THE REFORMIST SYNTHESIS

It may be the ironic fate of the neo-Marxists to save the liberal capitalist system by pointing out its faults and stimulating established elites to alleviate them in order to preserve its essence – and their own leadership. For in the early 1970s growth theorists and administrators paused, reanalysed their data and assumptions, and re-emphasized the neglected potential of the poor and informal sectors of developing economies. Collaborative research by the World Bank staff and members of the Institute for Development Studies at the University of Sussex issued in the publication in 1974 of *Redistribution with Growth* by Hollis Chenery and others, a seminal book that stimulated younger economists to see the possibility of redistributing gains without necessarily sacrificing growth. This thesis became a major weapon of the basic needs strategists against growth model defenders such as Peter Bauer.

The World Bank project staff, guided by Robert MacNamara's now-famous Nairobi speech and book, *One Hundred Countries, Two Billion People; The Dimensions of Development* (both in 1973), devoted increasing resources to rural development and urban slum improvement, and the Bank declared 'An Assault on Poverty' in 1975. The UNDP, FAO, and WHO oriented their programmes increasingly to benefit rural and poor communities during this period, but the leading exponent of the basic needs approach remained the ILO, which held major conferences in 1969, 1976, and 1979 and issued a major document, *Employment, Growth, and Basic Needs*, in 1976. Furth-

ermore, three major bilateral donors, Great Britain in 1973 and the United States and Germany in 1975, issued major policy papers emphasizing a shift of aid to the rural poor for basic needs, and in July 1977 all 17 DAC members endorsed the basic needs approach as set out by the ILO and ratified by the 1976 conference.

### *A Convergence of Approaches*

A variety of journals, research institutions, and action groups found the basic needs approach to be compatible with their own approach, which included such reformist themes as community development, conscientization, change agents, tax and land reform, primary health care, women's liberation, intermediate technology, and 'another development'. Basic needs thus became a symbolic umbrella sheltering many non-violent alternatives to the high-technology centralized industrial growth model. It also appealed to orthodox charities and emergency relief organizations. The vagueness and generality of its formulation thus allowed it to be embraced by both militant and conservative non-governmental organizations (NGOs).

Common to all these approaches was an emphasis on individuals or local groups rather than governments, self-reliance rather than central control, leveling rather than hierarchy, traditional wisdom rather than Western science, and autonomy rather than dependence. They were appealing in their orientation to people rather than bureaucracies and to immediate visible needs rather than production for abstract systems and distant futures. Exponents of these various approaches found much common ground and drew strength from one another.

Evidence from donor public opinion polls verifies the popular appeal of these local orientations (see Figs. 1, 2 and 3). In Britain in 1969, before basic needs emerged as a concept, 86% of respondents found aid projects for village schools, alleviation of malnutrition, and improved agriculture to be

important. Only 77% of the same respondents found special training, industry, or birth control projects similarly important.<sup>1</sup> In Norway in 1977, 48% of respondents said Norway should give aid 'where the poorest can benefit from it' and another 30% said give aid 'where there is the greatest poverty'. Only 6% said give aid 'in cases that lead to fast economic growth'.<sup>2</sup> In New Zealand in 1979-1980, 81% of respondents felt that village medical, local handicraft, and rural schooling projects were important, compared with only 67% of the same sample who felt that hospitals, industry, and quality education projects were similarly important.<sup>3</sup> Data are lacking on other donor publics, but there is little reason to believe the pattern would be strikingly different elsewhere.

### *The Promise of Action*

The crystalizing of consensus among international agencies, bilateral donors, development scholars, NGOs, donor publics, and even recipients (as indicated by their World Employment Conference endorsement) around the basic needs approach promised decisive action in the late 1970s. It suggested the shift of attention away from government-to-government aid and towards people-to-people and government-to-people aid wherever people were found who fell below certain standards of basic needs. The lifting and sustaining by local institutions of a floor beneath the impoverished seemed an achievable objective, and calculations of costs showed that although high they were finite, and could be financed out of savings realized by disarmament quite easily. One expected an altered pattern of projects chosen by the World Bank, the international agencies, and bilateral donors to favour social, distributional, and participatory criteria. This implied a larger number of smaller, more localized projects, each adapted to the local environment and managed by the beneficiaries, and fewer centralized capital intensive projects.

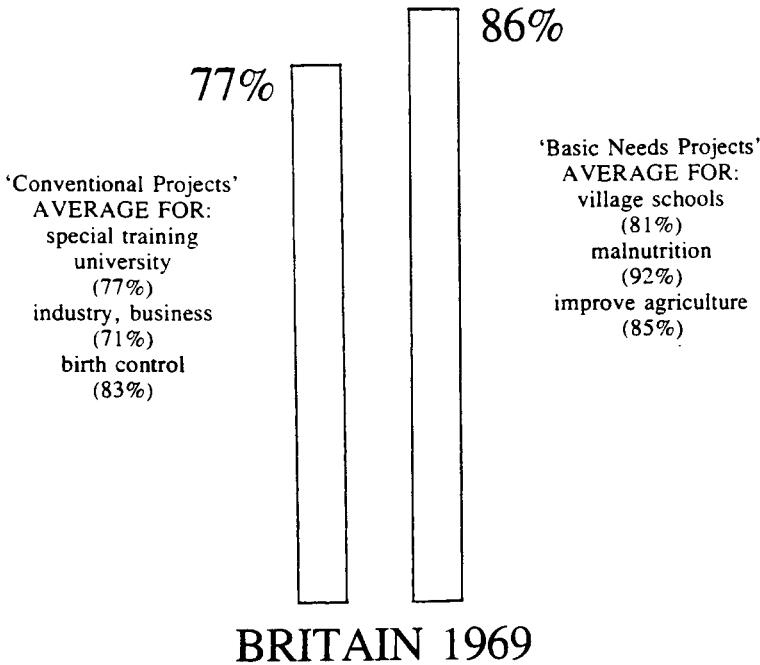


Fig. 1. Percentage of respondents judging this kind of project 'important'.

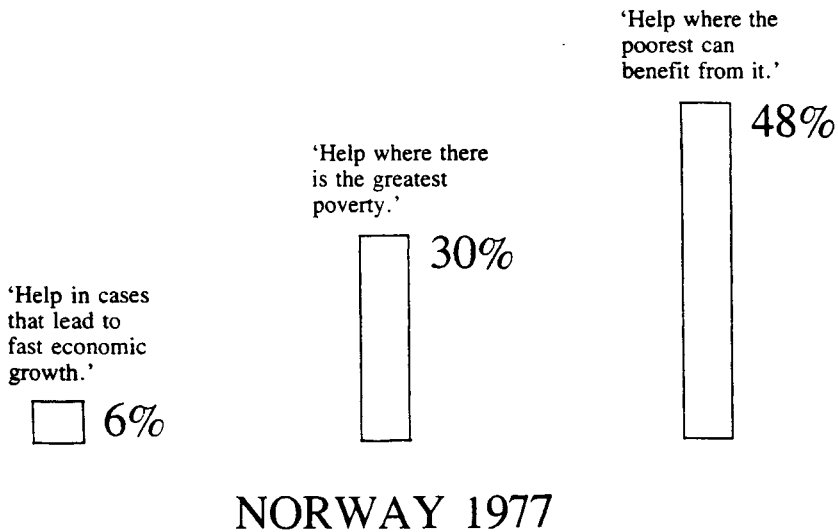
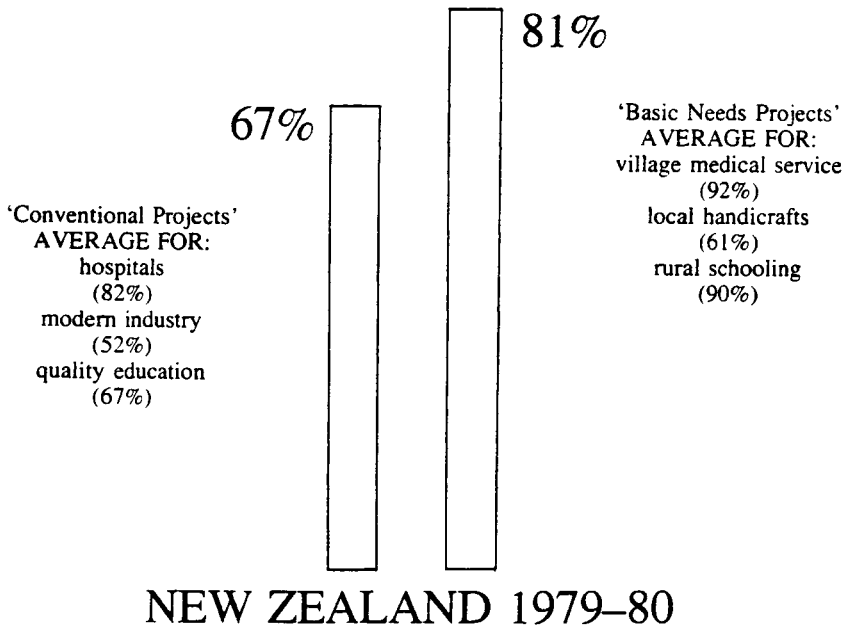


Fig. 2. Percentage of respondents favouring each option. (12% said all three; 4% did not answer).

Fig. 3. *Percentage of respondents judging this kind of project 'important'.*

### *And the Reality*

Except for increased co-financing by governments of projects of the NGOs, by 1980 significant basic needs projects did not materialize to the degree one would have predicted on the basis of the almost universal embrace of the basic needs approach evident in 1977. It may be too early to be conclusive, but the following brief survey of the actions of major donors suggests that the rhetoric of basic needs has been assimilated but the essence neutralized.

First, some donors have given only formal endorsement to the approach but have made no serious attempt to carry out basic needs projects on a significant scale. In this category is Japan, the world's second largest donor in value terms.

Second, a number of donors were sympathetic to the approach but initiated few new projects to implement it, arguing that they had been working along these lines

already. France, Belgium, Australia, and New Zealand claimed that their projects in rural areas served basic needs for the most part, and New Zealand could point to explicit guidelines and particular projects with a basic needs flavour originating with the coming to power of the Labour government in late 1972. Sweden, Norway, and Finland argued that their concentration of aid on their 'programme countries', deliberately chosen because their governments were committed to social equality, fulfilled a basic needs policy indirectly.<sup>4</sup>

Third, the United States, Great Britain, Germany, and Holland have made visible attempts to initiate and carry out a basic needs strategy by adding specialized staff members and designing special projects. As time passed and administrative difficulties and recipient indifference grew, and as new international problems appeared, these donors returned to orthodox projects; they

argued that poverty relief must take place within a framework of general growth, and they argued the need for a 'balanced aid programme' of which basic needs projects were just one component. Memoranda submitted annually by the United States to the DAC show a distinct decline in attention devoted to basic needs and poverty-oriented measures, from 5 pages in 1976 to 2 pages in 1979. In Britain the electoral victory of the Conservative Party in 1979 led to the following statement by the Minister of Overseas Development to the House of Commons on 20 February 1980:

We believe that it is right at the present time to give greater weight in the allocation of our aid to political, industrial, and commercial considerations alongside our basic developmental objectives.

Several major rural development proposals in the pipeline were shelved, and not without relief by senior Overseas Development Administration officers who found the basic needs projects tedious, time consuming, and difficult to keep focussed on the poor. An independent review of new projects approved found that the proportion explicitly justified as poverty relieving rose from 30% to 43% in value from 1974 to 1976, as one would have expected, but then dropped to 28% in 1977, rose to 35% in 1978, and dropped again to 10% (excepting one mammoth project with strong public works emphasis and arguably marginal basic needs qualities).<sup>5</sup> The DAC annual review of 1979 comments with regard to Britain that 'although recent policy has been that bilateral aid should be increasingly concentrated on rural development and the poorest groups, it appears that in 1978 a significant proportion was going toward the industrial, communications, and heavy power sectors.'<sup>6</sup> In Holland and Germany internal debates appear to be taking place, with specialists and advisors advocating continued commitment to basic needs projects, and line administrators tending to favour orthodox projects.

Fourth, one finds a few donors with a continued explicit commitment to basic needs backed up with significant projects. Denmark's Noakali integrated rural development project in Bangla Desh exemplifies a potentially successful application of the approach, though it has not been achieved without effort and hard bargaining between DANIDA officers and the host Ministry of Local Government and Cooperatives. It is also an example of successful employment of a local NGO, the Bangla Desh Rural Advancement Committee.<sup>7</sup> Fifty CIDA projects with basic needs elements have been evaluated favourably by the Canadian Council of Science, suggesting that Canada's commitment is being put into practice.<sup>8</sup>

#### IV. EVIDENCE OF RETREAT

The overall tendency of the bilateral donors is reflected in the proportion of space devoted to the basic needs and related themes in successive annual reviews prepared by the chairman of the DAC. The 1975 review introduced the basic needs approach for the first time by name. In 1976 it was overshadowed by the dramatic drought and starvation in the Sahel, and the growing indebtedness of oil-importing countries. In 1977 the review returned to basic needs and devoted almost 20% of its text to the approach.<sup>9</sup> In 1978 attention peaked, reflecting DAC endorsement of basic needs the preceding year, and basic needs and related approaches occupied almost 30% of the text, including an annex. But the following year attention waned, displaced by a concern to direct aid to the poorest countries, and the impending Third Development Decade. Basic needs got only 4% of the text and was, characterized as 'subsidiary' to building the New International Economic Order. Nor is the 1980 review likely to devote much space to basic needs, for the topic was hardly considered at the DAC High Level Meeting that year (see Fig. 4).

Similarly, the *World Bank Annual Report*



Fig. 4. Development Assistance Committee of the OECD: Percentage of pages of main text of Development Co-operation annual review devoted to basic needs, poverty groups, etc.

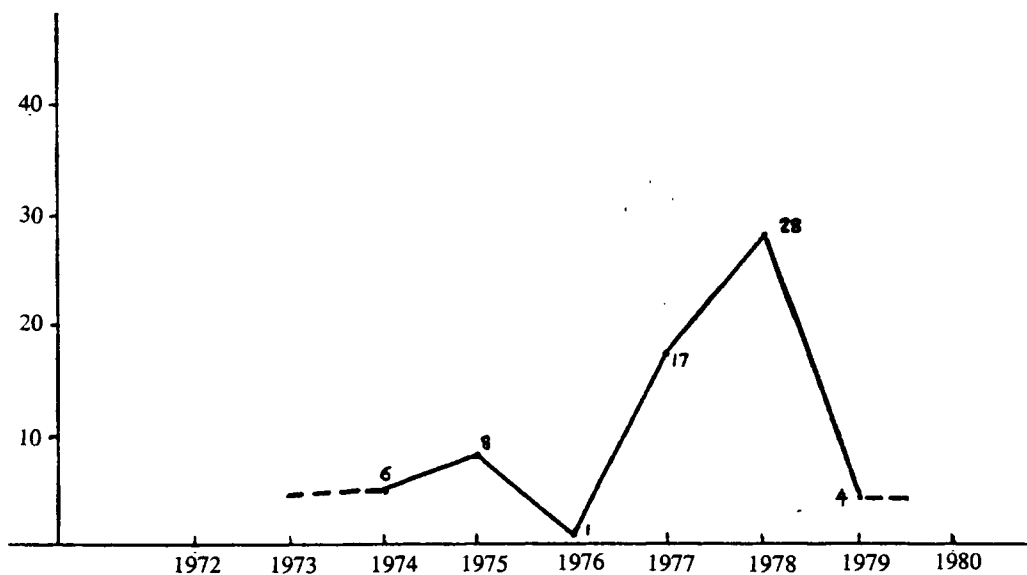
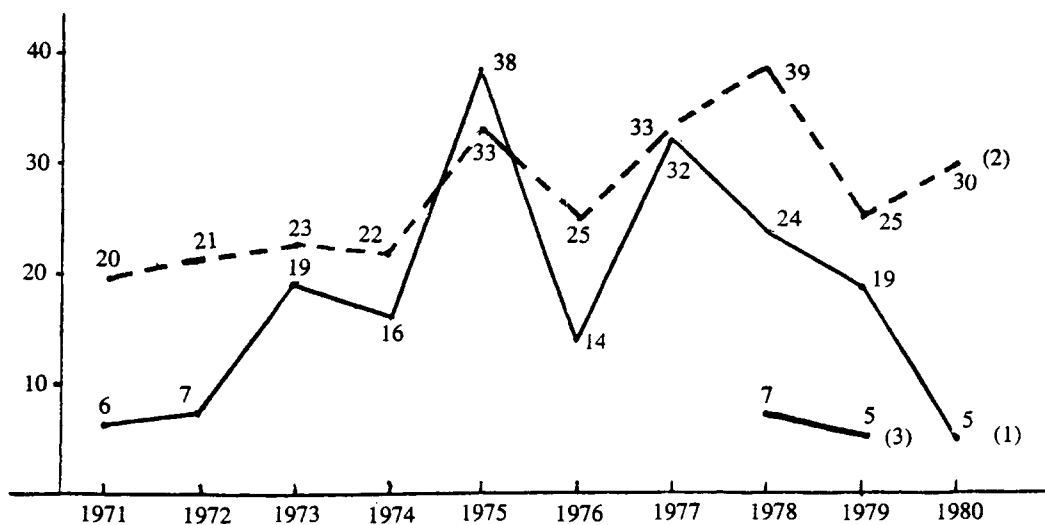


Fig. 5. WORLD BANK (1) Percentage of space in introduction of Annual Report devoted to basic needs, poverty, redistribution, rural development. (2) Percentage of loan commitments in agricultural and rural development sector. (3) Percentage of pages in World Development Report on poverty, etc.



devoted nearly 40% of its introduction to basic needs, rural development, and poverty alleviation in 1975, about 30% in 1977, and decreasing percentages to a low of 5% in 1980. The Bank's *World Development Report* devoted 7% of its space to these themes in 1978 and 5% in 1979, echoing declining interest. Bank figures for percentage of loans to the agricultural and rural development sector reported in World Bank Annual Report have shown a tendency to grow from around 20% at the beginning of the decade to a peak of 40% in 1978, from which they decended to 25% in 1979 and rose slightly to 30% in 1980. This sector is a mixed one, and does not exhaust the possibilities of poverty-oriented lending by any means, but its rise and decline parallel to that of the other indicators discussed above may be significant (see Fig. 5).

## V. RETURN TO ORTHODOXY

In the late 1970s donors turned back to familiar types of projects. Sometimes the basic needs approach survived in a label and in a sympathetic gesture, for example in an aggregate of contiguous public works projects including a school and a clinic building located in a depressed area and called an integrated rural development scheme. Many donors have accepted the desirability of giving aid to the poorest countries but have dodged the difficult question of whether that guarantees that aid is getting to the poorest people.<sup>10</sup> Donors are turning also to special-purpose aid for energy exploration and development and scientific and industrial co-operation on the grounds that this is what developed countries know most about, rather than tropical agriculture or rural social systems. Furthermore, new efforts are being made to encourage private credit and capital flows to poor countries in parallel with aid. Donor governments have created schemes for guaranteeing export credit and equity investment, financing host country joint-venture partners and backing the enterprise up with infrastructural projects and

specialized training for host nationals, and participating directly in partnership with their country's private enterprises. SWED-FUND, for example, has put up about one quarter of the Swedish share of the capital, and a dozen major Swedish firms three quarters, for a \$100 million investment in a pulp and papermill complex in Vietnam, with the Vietnamese government putting up the balance of the total investment of \$350 million.<sup>11</sup>

The result of this trend is a steady growth of 'Other Official Flows' (OOF) (government loans at commercial rates) and private resource flows, while Official Development Assistance, (ODA) or aid strictly defined, stagnates. In 1978 the DAC members in aggregate gave .35% of their GNPs as ODA and .91% in OOF and private flows.<sup>12</sup> This tendency is welcomed by recipient governments as is evidenced by their demands at the 1975 UNIDO conference at Lima and at UNCTAD IV and V. There has never been any hesitation by most 'Group of 77' governments that they want both aid and investment, with a few and temporary exceptions.

In a broader perspective, insofar as aid is being overshadowed by private resource flows, and basic needs projects by scientific and industrial co-operation, capital transfers, and trade-stimulating loans, and insofar as these emphases are justified as means whereby the world's poor countries can produce and trade their way out of destitution, it appears we have come nearly full circle, back to the views and practices of the 1950s and 1960s, save for marginal alterations resulting from the basic needs declarations of the 1970s.

## VI. WHY?

By 1980, then, donors appear to have turned away from the basic needs approach. This conclusion must be qualified by acknowledging first, that some donors continue explicitly to espouse it and second, that many donors still include basic needs ele-

ments in their project mix, even if small ones. To say that the basic needs approach has been abandoned is to exaggerate. Nevertheless it has suffered a sharp decline in the priorities and practices of donors. There are a number of reasons why this has occurred, some of them hinted at earlier. The following paragraphs suggest three reasons.

The first reason or set of reasons lies in donor agency perceptions. Donor desk officers tackling projects were quickly reminded of their ignorance of the intricate rural socio-economic, political, and cultural systems in which they were expected to plan and monitor projects. They found also insufficient expertise or even ordinary manpower in their agencies to cope with the new and numerous types of projects suggested by the specialized international agencies or implied by the multiple facets of village poverty. Donor treasury officials were disinclined to tolerate disbursement shortfalls while aid officials learned the new skills and coaxed their annual allocation down capillary channels to a myriad of tiny projects in distant lands. Field officers reported that the new comprehensive and multi-sectoral view made coordination of project elements difficult and multiplied misunderstandings with host officials and beneficiaries with consequent failures to keep to schedule. And the concentration of inputs to provide one kind of basic need (water supply, for example) sometimes entailed reducing another (local participation, or self-reliance) just to get the job done. Finally, donor researchers found that many poverty-oriented projects benefited local entrepreneurs, small farmers, and petty officials rather than the poorest strata of subsistence farmers or landless labourers. These practical frustrations were felt even by administrators sympathetic to the general approach, and the accumulating frustration was communicated back up the line to agency directors and eventually foreign ministers.

Second, recipient officials, too, felt

doubts which experience seemed to confirm.<sup>13</sup> At the administrative level the accelerated demand for counterpart services, expertise, and efficiency demanded by small, isolated, poverty-oriented projects was simply not available in a poor country whose bureaucracy was as underdeveloped as its economy. The time required to negotiate with each donor on an increasing variety of projects, each potentially entailing a review of the social situation in each village involved, proved enormous. At the political level recipient officials were apprehensive that the basic needs strategy would become a substitute for more substantial international structural reforms, or would be another excuse for dumping obsolete machines, or would deflect agricultural countries from ever industrializing, or would excite rural masses to challenge the prevailing political system. Some felt it was insulting for donors to draw attention to their poverty, presumptuous to assume responsibility for abolishing it (especially in view of pockets of poverty in many Western countries), and intrusive to hint at going around governments to mobilize the poor directly.

In this last point lurked an immobilizing contradiction: all aid is directed to people ultimately, but all aid projects require the co-operation of governments. The bulk of conventional aid is government-to-government aid. The great popular appeal of the basic needs approach lay in the possibilities of reaching the needy directly and helping them help themselves, sometimes in spite of corrupt and heavy-handed governments. This is exactly what those governments objected to. And it is exactly what official donor agencies could not do as long as they were governed by their parliaments and ministers of foreign affairs and therefore by the fundamental conventions of the sovereign nation-state system. The partial exception was the growing willingness of governments to channel official funds through their NGOs, which in turn channel the funds to host organizations, usually at the grass-roots.

But the volume of aid that can squeeze through these passages has hardly exceeded 5% of total aid budgets, and these passages remain open at the sufferance of the government authorities of the countries concerned.

A third set of reasons lies in changing conditions and moods in the international system. The early 1970s were marked by relaxation of inter-state tensions, symbolized by *détente* and the end of the Vietnam War. During this period there was optimism, a mood of hopefulness that humanitarian concerns deferred or manipulated by the Cold War could now be addressed. The Helsinki Declaration and the Carter administration's policy on human rights internationally were emblematic, both reflecting and inspiring the new mood. The full impact of rising oil prices had not yet been appreciated. This atmosphere favoured innovation and gave rise to movements devoted to the environment, conservation, women, and of course humanitarian aid. But by the end of the decade world trade stagnated, Western economies slowed, energy shortages loomed, oil prices drove importing countries in the Third World to the edge of bankruptcy, and *détente* was forgotten. The hardening mood, reinforced by the frustrations of aid and development administrators engaged in basic needs projects, prevailed over internationalist humanitarianism. Basic needs aid gave way to 'balanced' aid taking the national interest and traditional foreign policy goals of the donor explicitly into account.

Taken together, these three sets of reasons along with the three suggested at the beginning of the essay – dissatisfaction with consequences of the growth model, the challenge of the Neo-Marxists, and the popularity of a reformist synthesis – go a long way to accounting for the rise and decline of the basic needs approach. If one grants that these reasons are exhaustive and satisfying, the essay could end here. Yet the author in his discussions with aid officials and research agency staff has encountered

allusions to another, less tangible explanation, one widely entertained but hard to pin down. It is complementary to the six reasons sketched above, and it adds a new dimension, suggesting possibilities for further research. The reader is warned that the subsequent discussion is speculative, then invited to consider the following question.

Is there a dynamic in international aid relations that periodically gives rise to new approaches to aid and development, popularizes them, then discards them for a new approach?<sup>14</sup> Basic needs was preceded by such approaches as capital transfer, technical assistance, institution building, Green Revolution, and employment creation, some elements of which it absorbed. Then it in turn was overshadowed by energy research, structural adjustment loans, attention to the LLDCs, and the New International Economic Order. Recall also the following strategies, each promising a breakthrough in its day: leading sector, big push, take-off, one percent aid, community development, and reform, integrated rural development, intermediate technology, indigenization, and delinking. I am not scoffing at the valuable insights into development problems each offered, or at the sincerity of the proponents of each. Rather I am calling attention to the number and variety of such strategies, the enthusiasm with which each was greeted, and their vulnerability to being inflated into attractive but empty slogans, then disregarded. And I question that each was promoted *solely* because it filled an objectively measurable development need voiced by a real recipient, or faded *solely* because it proved difficult to administer.

I suggest that one may gain insight into this phenomenon by comparing it to the fashion cycle in the design and marketing of consumer goods. Briefly, fashions come and go rapidly when the following conditions exist: (1) consumers generally seek novelty; (2) entrepreneurs can profit by devising innovations; (3) the product in question is in constant demand but capable of

Table 2. Comparison of major actors in the fashion cycle and the aid and development approach cycle (roughly in order of appearance).

Fashion cycle actors	Aid and development approach cycle actors
Designer	International agency research staff and professional consultants
Entrepreneur	Agency line staff, division heads
Fashion leaders	Agency board; DAC secretariat; donor research and advisory staff; consultants
Style show	International conference
Press	Development research institutes; scholar-consultants; journals
Advertising	Agency publications, mail-outs
Leading consumers	Donor agency bureaucrats; parliamentarians; NGOs; lecturers; Western-oriented LDC scholars in research agencies at home
Mass consumers	Donor public, university students; LDC NGOs and some officials and some beneficiaries
Profitable sales	Widespread acceptance, renewed funding
Consumer protection agency	Radical scholars (AKUT); some foundations (Dag Hammarskjöld); some international agencies (UNRISD, FFHC/AD)
Competitors	Rival international agencies

marginal differentiation; (4) there is little cost or risk in shifting from an old to a newly styled product. A fashion cycle also presupposes a set of actors, some of which may be identified in Table 2. The two lists constitute an analogy whereby one may gain insights into the rise and fall of aid slogans by comparing aid actors with fashion actors. Consider the fashion cycle actors first, say, in women's dresses. A new dress is devised by a designer. An entrepreneur promotes it at a style show to which the press and selected fashion leaders are invited. On the strength of their approval the entrepreneur advertises and markets the dress in high quality lines for leading consumers, then mass produces cheaper versions as the cycle advances. At some point critics point out its deficiencies and a consumer protection agency may find it insufficiently durable or flame-resistant, particularly the mass produced models. Soon the dress is both vulgarised and criticised, so the fashion leaders search for something fresh to wear. This will be provided by a competitor, or by the

original entrepreneur if its designers are alert, and a new cycle begins.

By analogy, and with acknowledgement that no analogy is perfect, the ILO may be seen as a fairly successful entrepreneur whose research staff have been alert. The ILO seized the initiative in 1969 with the World Employment Programme, only to be upstaged by the World Bank in 1973. The ILO broadened its approach and offered it as the basic needs strategy at the 1976 conference, where it won wide approval. DAC members adopted it formally in 1977. The ILO tried again in 1979, but by this time donor agencies found that the product did not fit their mood or their functional needs. Radical scholars found it bland and recipient governments found it too demanding. The rival agency FAO tried to take the concept a step further in their World Conference on Agrarian Reform and Rural Development in 1979 but delegates took home only the brochures to be polite. WHO's version, 'Health for the People' fared similarly; grassroots development was

Table 3. *Selected new aspects of project work adopted by the World Bank.*

Innovation Year of introduction	Explanation
Agricultural research (late 1960s)	In fiscal 1974, 18 out of 51 agriculture projects had research components; in fiscal 1976, 33 out of 64.
Sensitivity and risk analysis (late 1960s)	The sensitivity of the rate of return to different assumptions about uncertain costs and benefits is regularly examined.
Project-related training (1970)	Between fiscal 1972 and fiscal 1976, the number of projects with a training component more than doubled; the amount of Bank financing for this purpose more than quadrupled.
Environment (1970)	Every projects is now routinely examined for its environmental implications (including health), and any protective measures, identified as necessary, are incorporated into its design and execution.
Income distribution (early 1970s)	Distribution of benefits and the impact of the project on different income groups are examined and taken into account wherever possible.
Cost recovery (early 1970s)	Increasing attention is given to cost recovery arrangements, which balance the needs for efficient use of services provided against financial, fiscal, and income distribution considerations.
Development of local contractors, consultants, and other local capabilities (early 1970s)	Increased efforts in this area have been under way for some years, in particular, to provide technical and limited financial assistance to develop local contracting industries through projects.
Technology transfers and appropriate technology (early 1970s)	The range of options, the standards, the low-cost solutions appropriate to developing countries, and especially to the poverty target groups, are being more critically examined and given more attention in project design.
Employment generation (early 1970s)	Increasing attention is being given to designing projects to have a positive impact on employment, for example, through labor-intensive construction methods and the encouragement of small scale enterprises.
Sector context (early 1970s)	Project selection and design have been increasingly based on a broad analysis of sector problems and priorities.
Monitoring and evaluation (since 1972)	Built-in monitoring and evaluation of their progress and impact have gradually become a regular feature of most projects.
Use of remote sensing (1973)	These techniques were applied to project and sector work in 11 countries in fiscal 1977.

Utility tariff structure and policy (water – 1972, power – 1974)	The Bank has always been concerned with the financial adequacy of utility tariffs, but has only recently focused on tariff structure and its impact on income distribution. Review of the equity and economic aspects of tariff structure and policy is now an element of virtually every power and water project.
Sociological and anthropological aspects (since 1973)	This element is critical in many newer-style projects and is beginning to be introduced as a regular part of project work.
Health (1975)	In the first 18 months after introduction of health components, staff provided advice on 122 projects and provided direct operational support to 33 of these.
Nutrition and population components (1976)	In addition to projects in these sectors, increasing attention is being given to including nutrition and population components in projects in other sectors, particularly rural and urban development.
Social rate of return (1976)	Return calculations taking into account the distributional impact of projects are still in the experimental stage.
Role of women in development (1976)	A new advisory position was created and filled in 1977. Involvement of women is now being explicitly considered in projects, especially in education and rural development.
Small-scale enterprises (1976)	Lending to development finance companies and industrial estates is increasingly oriented toward small scale enterprises which generate employment.
Urban poverty orientation in non-sites and serviced projects (1976)	Traditional water and power projects in urban areas are being redesigned to incorporate distribution elements to service poorest segments of the community.

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Source: *World Bank Annual Report 1977*, p. 9.

already yesterday's fashion.

Rather, it was a familiar concept with a new use that seemed likely to dominate the market in the 1980s, as suggested by its reception by the UNIDO conference in 1975, UNCTAD IV and V, and the Brandt

Commission. This concept embraced the return to country-to-country aid efforts, had favourable connotations for reviving international trade, legitimized the international initiatives of private bankers, manufacturers, and exporters, and underpinned im-

licity many of the elements of the New International Economic Order. The concept was interdependence.

## VII. CONCLUSION

The fashion cycle analogy does not imply that new concepts do not have beneficial consequences or that those who devise and promote them are not sincere. Aid and development are vast multi-faceted enterprises still relatively experimental in international relations. New concepts should be welcomed with an open mind, tested on their merits, and modified or discarded on the grounds of their applicability. Many of them have already contributed to improved policies (see Table 3). New concepts are also useful in capturing the attention of conservative finance ministers, sceptical parliamentarians, and parochial taxpayers, thus winning funds to sustain the aid and development effort.

Nor does the analogy conflict with an inventory of sound reasons why a concept may arise, achieve prominence, then go into eclipse, as the basic needs case study has shown. It does, however, suggest that there is an additional dimension of periodic innovation, enthusiasm, imitation, criticism, and desertion of aid concepts that arises from the existence of a superstructure of specialist international agencies, research institutes, lobby groups, and scholar-consultants all competing for funds and prominence (albeit for worthy motives) that cannot fully be explained by the sober process of administrative trial and error. Picking up where conventional analysis leaves off, then, the aid fashion cycle analogy, if not exaggerated into a fashionable cliché itself, may offer insight into this intangible dimension of aid and development thinking.

## NOTES

<sup>1</sup> Averages calculated from item responses reported by I. Rauta, *Aid and Overseas Development*, HMSO, London 1971. The 1976 poll did not repeat these items, unfortunately.

<sup>2</sup> Reported in *Attitudes to Norwegian Development Assistance 1977*, Statistisk Sentralbyrå, Oslo 1978.

<sup>3</sup> Calculated from item responses to a poll conducted by the author. Preliminary results were reported in 'Public View of Aid', *Development* (N.Z. Ministry of Foreign Affairs), Vol. 2 (December 1979), pp. 12, 13. Final figures available from the author upon request.

<sup>4</sup> Ian R. Barnes describes how Sweden's policy began with a stress on raising poor people's standard of living and evolved towards more sweeping goals of social justice and equality, with priority being given to recipient governments sharing these views. One is left feeling that the impulse for change came from within Social Democratic Party circles, not from either Swedish public opinion or experience and events in the developing countries. See 'The Changing Nature of Swedish Aid', *Cooperation and Conflict*, Vol. 15 (1980), pp. 141-150.

<sup>5</sup> Unpublished report by Paul Mosley, a summary version of which will appear in *Journal of Development Studies* in early 1981.

<sup>6</sup> John P. Lewis, *Development Co-operation: Efforts and Policies of the Members of the Development Assistance Committee, 1979 Review*, OECD, Paris 1979, p. 131.

<sup>7</sup> Personal communication with officers of DANIDA. See also *Denmark's Development Assistance: Annual Report 1979*, DANIDA, Copenhagen 1979.

<sup>8</sup> Suteera Thomson, *Food for the Poor: The Role of CIDA in Agriculture, Fisheries, and Rural Development*, Science Council of Canada, Ottawa 1980.

<sup>9</sup> DAC and World Bank report page percentages estimated by the author. Alternative classification of certain topics may yield different percentages, but the overall picture of increasing, then decreasing, magnitudes as the decade advances is not likely to be altered.

<sup>10</sup> Steven Cohn and Robert Wood found that programmes in the poorest countries were less successful in reaching the poorest strata than programmes in less poor countries: 'Basic Human Needs Programming: Analysis of Peace Corps Data', *Development and Change* (April 1980), p. 328. There is evidence that Sweden's aid to Ethiopia, India, and Bangla Desh have helped governments and elites more than the poor. See Barnes, cited in footnote 4 above; *SIDA in India*, National Audit Bureau of Sweden, Stockholm 1976; Lars Bondestam, Staffan Lindberg, and Stefan de Vylder, 'Good Goals -



Bad Aid', *Report from SIDA 1980* (Special issue), pp. 4-9; and Daniel Asplund, *The Public Works Programmes in Bangladesh and Swedish Aid Objectives*, SIDA Policy Division, Stockholm 1979.

<sup>11</sup> Hans Blix, 'Sweden's Aid Policy: A Sobering Up or A Disillusionment?' *Report from SIDA 1979* (Special issue), pp. 3-6. Also Björn Beckman, 'Aid and Foreign Investments: The Swedish Case', *Cooperation and Conflict*, Vol. 14 (1979), pp. 133-148.

<sup>12</sup> Lewis, *Development Co-operation ... 1979 Review*, cited in Note 6 above, Statistical Annex.

<sup>13</sup> For inventories see *ibid.*, p. 53; Mosley cited in Note 5; and Sweden's Memorandum: Aid Review 1978/79 to the DAC (unpublished), p. 40.

<sup>14</sup> Hints that a fashion cycle or something like it exists in aid and development thinking are offered by the following. Göran Ohlin, *Foreign Aid Policies Reconsidered*, OECD, Paris 1966, p. 56, wrote: 'The content analysis [by Dieter Danckwortt in Germany 1950-1957] revealed practically no argument for aid that was not

contradicted by another, and the ambivalence and confusion seemed to give rise to the frequent calls for a "new conception" of foreign aid'. John White in *The Politics of Foreign Aid* (London, 1972) identified full employment as the latest emphasis and predicted it will be more enduring than its predecessors. Stephen McCarthy, in 1976 principal economist in Botswana's Ministry of Finance and Development Planning, comment, 'The existence of aid fashions in donor circles is a further headache ... the current interest in aid for the poorest is, in a sense, just another twist to the fashion ... unfortunately most donors pick up the current fashion at about the same time ... so a pretence is made that every project is a priority need conforming to the latest development fashion.' 'The Administration of Capital Aid', *Development Dialogue*, No. 1 (1978), pp. 90-95, quoted passages from 92, 93. And Cohn and Wood, cited in Note 10 above, p. 314, wrote, 'Foreign aid programmes have had a history of new concepts promising bold new departures yet delivering little real change.'