

Volume 28 Issue 1 *March*

Article 17

March 2001

Poverty and Social Assistance in Transition Countries. Jeanine Braithwaite, Christiaan Grootaert and Branko Milanovic.

Follow this and additional works at: https://scholarworks.wmich.edu/jssw

Part of the Social Work Commons

Recommended Citation

(2001) "*Poverty and Social Assistance in Transition Countries.* Jeanine Braithwaite, Christiaan Grootaert and Branko Milanovic.," *The Journal of Sociology & Social Welfare*: Vol. 28: Iss. 1, Article 17. DOI: https://doi.org/10.15453/0191-5096.2716 Available at: https://scholarworks.wmich.edu/jssw/vol28/iss1/17

This Book Note is brought to you by the Western Michigan University School of Social Work. For more information, please contact wmuscholarworks@wmich.edu.



today. It makes extensive use of theory, and offers interesting normative directions for future development. The book not only informs readers about trends in Canada but offers interesting insights into the dilemmas of social welfare in many other countries facing similar challenges.

Jeanine Braithwaite, Christiaan Grootaert and Branko Milanovic, Poverty and Social Assistance in Transition Countries. New York: St. Martin's Press, 1999. \$45.00 hardcover.

The dramatic political changes which took place in Eastern Europe in the early 1990s have been accompanied by equally dramatic economic changes. Although the collapse of the communist regimes of Eastern Europe and the Soviet Union was a direct result of the refusal of ordinary people to accept totalitarianism, economic stagnation and the failures of centralized planning also fueled popular discontent. However, as is widely recognized, the advent of so-called free market economic reforms have not brought prosperity. Indeed, poverty in the region is higher than before and income inequality has become far more marked. Also, as the authors reveal, attempts to deal with the problem through social assistance have not been very successful.

This book is the result of a major study of poverty and social assistance programs in three former communist Eastern European nations and three former Soviet Republics undertaken by World Bank staff. In addition to assessing the incidence of poverty in the region, the study sought to examine the role of social assistance in addressing the problem. Noting that the World Bank has become increasingly interested in 'targeting' income benefits, the authors sought to determine whether targeting is an effective anti-poverty strategy.

The authors report that poverty rates increased dramatically in the Eastern European and former Soviet regions in the early 1990s. Poverty had already begun to rise as a result of economic difficulties but after the closure of state owned enterprises, increased administrative disorganization and the advent of rapid inflation, poverty rates accelerated. In the Eastern European countries, poverty was primarily a function of unemployment resulting from the closure of public enterprises, but in the former Soviet Union, and particularly in Russia, it was more widespread.

Book Notes

Although the situation has improved, poverty rates in the region remain high.

The study found that social assistance did play a role in poverty alleviation but that it was costly and wasteful. The authors found a high incidence of 'leakage' in which families who were not in poverty received social assistance. They also found many cases of discrimination against poor people and the denial of benefits to those living in particular regions. It is unfortunate that while the authors found that social assistance was not the most effective way of responding to the crisis, they did not discuss the potential role of alternative social policy instruments in reducing poverty. Nevertheless, this book provides valuable information about poverty and social policy in Eastern Europe and the former Soviet Union, and it offers useful lessons for other parts of the world facing economic difficulties.

David Wagner, What's Love Got to Do with It?: A Critical Look at American Charity. New York: The New Press, 2000. \$25.00 hardcover.

Americans have long emphasized the role of philanthropy in meeting social needs. Political and business notables, church leaders and ordinary citizens all agree that charitable giving is a noble endeavor that helps the less fortunate, fosters desirable moral values, and creates a more caring society. The non-profit sector is widely believed to be preferable to public provisions, and its expansion has been systematically promoted. Through public subsidies, contracts with government agencies and generous tax incentives, it has grown enormously, and is today a major provider of social services. Many Americans believe, with justification, that their country has the best developed and most vibrant system of philanthropy in the world.

Given its importance and the widespread support it enjoys, it is perhaps surprising that a social work educator should subject American charities to such vigorous criticism. But David Wagner's account of the 'dark side' of philanthropy merits serious consideration. From colonial times to the present, he contends, organized philanthropy has projected a symbolic but fallacious image of institutionalized altruism which fails to deal with the nation's most pressing social problems, promotes self-serving