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Toward a Developmental Model of Social Policy: Relevance of the Third World Experience

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Growing dissatisfaction with conventional social policy approaches, as embodied in the residual and institutional models, has fostered a search for new ideas. The developmental social policy model offers a viable alternative but it is relatively unknown in the industrial nations. Drawing on the experience of Third World countries, this paper describes the developmental model and examines its implications for social policy in the West.

Since the 1950s, social policy debates have been dominated by comparisons between the so-called residual and institutional models of social welfare. Articulated by Wilensky and Lebeaux (1965) and Titmuss (1974), these constructs have formed a normative basis for social policy interventions in many industrial countries.

As is well known, the residual model connotes interventions that perform a secondary, safety-net function and target public resources on the most needy sections of the population. In contrast, the institutional model characterizes interventions that play a ‘front-line’ role, treating social provisions as a normal, integral part of society. While the residual model favors limited state intervention, a high degree of personal responsibility, the extensive involvement of non-profit organizations and the full utilization of the market, the institutional model favors large scale state intervention, collective involvement, universality of coverage and long term provision. In addition to characterizing particular interventions, the residual-institutional dichotomy has been used to compare the social welfare orientations of different societies and it has also formed a basis for taxonomies of welfare states.

However, both models are ideal-types and only approximate real world social policies and programs. They are also highly normative and have been criticized by Pinker (1979) for ideological
bias and for having limited analytical significance. Nevertheless, they have been widely used and play an important role in clarifying the fundamental value orientations which underly social policy provision.

Despite the ubiquity and persistence of the two models, events over the last decade have undermined their usefulness. The electoral successes of the Radical Right and the subsequent diffusion of its ideology has dramatically altered the terms of the debate (Glennerster and Midgley, 1991). While it appears that the Radical Right favors the residual model, some believe that its approach transcends the residualism of the old Right, and that an even harsher stance which would abrogate all collective responsibility for social welfare is being advocated. Recent developments in the United States suggest that vituperative attacks on the needy, further retrenchments in social programs and the increased fragmentation of the social services has undermined even the residual social welfare model. Similar observations may be made of many developing countries which are faced with indebtedness and serious economic adversity. As a result of the 'conditionality' requirements of the International Monetary Fund, which provides emergency credit to Third World countries, social programs in these countries have been drastically retrenched.

Today, few social policy advocates are optimistic about the future viability of the institutional model. Progressives who previously insisted on the extension of collective provision are now on the defensive and many are resigned to further privatization and the abrogation of the principles of collective welfare. In this climate, social policy studies has been thrown into disarray. There is a distinct lack of ideas which may form the basis for new initiatives that adequately address the pressing social needs of our times.

In recent years, more attention has focused on the developmental approach in social welfare. This approach, which originated in the developing countries, offers an alternative to existing welfare models and may help to revitalize discussions on social policy. The developmental model is distinguished from the residual and institutional models by its attempt to integrate social and economic policies within an on-going, dynamic development process. Unlike the other models, it does not compartmentalize
social welfare from the economy. It favors social policies that transcend conventional remedial and maintenance-oriented approaches, and that contribute positively to economic development. As such, it appeals to those who are critical of welfarist interventions that allocate resources to unproductive, consumption based social programs. However, it legitimates social intervention and institutionalizes the principle of societal obligation for social welfare. It also has potential electoral appeal because it justifies social programs in terms of economic efficiency criteria. By showing how social expenditures can contribute to economic growth, it constitutes a compromise, pragmatic position which has political viability.

The developmental social policy model emerged as the direct result of the efforts of colonial officials in West Africa at the end of the Second World War to identify forms of social provision that would make a positive contribution to development (Midgley, 1994). Social development, as it became known, was popularized by the United Nations and diffused to many Third World countries. Although its implementation has been impeded by the ascendancy of the Radical Right, events such as the World Summit on Social Development (which was held in Copenhagen in March, 1995) suggest that it is again being recognized as a viable approach for promoting social welfare.

In keeping with recent efforts to ‘learn from the Third World’, this paper discusses the developmental social policy model. It reviews the emergence of the developmental approach in the developing countries, describes its features and considers its relevance to social policy in the West.

Social Welfare and Economic Development

Historically, social welfare in the industrial countries has been compartmentalized from the economy and economic development. Those responsible for economic development have shown little interest in social welfare and those responsible for social policy have seldom considered how social programs affect economic growth. Few industrial countries have created organizational or policy arrangements which facilitate the harmonization of economic and social policies. Generally, the welfare and economic spheres have been artificially separated.
In the industrial nations, social welfare is usually subsidiary to the economy and dependent on the economy for funding. Indeed, its dependence has fostered the view that social welfare is antithetical to economic development. Social expenditures are popularly believed to detract from economic growth and it has been claimed that social welfare programs have a deleterious affect on development (Feldstein, 1975). At the individual level, it has long been assumed that it is the prime purpose of social welfare to cater for those who are economically unproductive. There has been a good deal of media debate about the way unproductive people are allegedly maintained in conditions of dependency and indolence by a consumption oriented welfare system that impedes economic development.

Since the social services in most industrial countries today require the mobilization of tax revenues on a large scale, there is an obvious link between social policy and the economy. However, as was noted earlier, this link is one of subsidiarity and dependence. Social policy is primarily concerned with the provision of services, with meeting minimum standards of welfare, and with supporting needy and dependent groups.

However, the dependence of the social services on the economy is tenuous. For example, if the economy experiences recession, the revenues needed to fund the social services decline and fiscal (and political) pressures on governments increase. Similarly, the need for social services is likely to be higher during times of economic adversity when more people need assistance and when government revenues are curtailed. It was the growing demand for services in a context of economic stagnation that was exploited by the Radical Right in its appeals to voters in the 1970s and 1980s. The inability of conventional Keynesian measures to remedy the problem contributed to the movement's electoral success but had negative consequences for human welfare.

There have, of course, been attempts to introduce employment and income maintenance policies that relate social welfare issues more closely to the economy. However, these policies are often poorly formulated and haphazardly implemented. Another problem is that social policy in many industrial countries is based on the assumption that the economy will provide full employment and generate the income that people require to meet their
own social needs. The social services are not regarded as an integral component of economic policy but rather perform a residual function catering only for those who lose their jobs or who are unable to work. This idea was formalized in the Beveridge proposals in Britain and the New Deal in the United States and it institutionalized the subsidiarity of social welfare to the economy. As Britain, the United States and other western countries have experienced de-industrialization and higher rates of structural unemployment, the assumptions underlying social policy have not changed with the result that the disjunction between economic and social policy has increased.

Another problem is that employment policies in many industrial countries are often remedial, stigmatizing the unemployed and other needy groups. King’s (1995) recent analysis of ‘work-welfare’ policies in Britain and the United States concluded that these programs are ineffective because they do not promote employment pro-actively but serve a temporary maintenance function, segregating recipients and offering limited, punitive-remedial services. Their ideological derivation from individualism will, King contends, perpetuate their ineffective, residualist role. Similarly, as Quadagno (1995) pointed out, employment programs introduced during the War on Poverty in the United States were of limited effectiveness because of they were targeted at African Americans ensuring their segregation from mainstream social policy concerns.

One industrial country that has sought to harmonize economic and social policies is Sweden. The country has historically sought to link institutional social policies with what Esping-Andersen (1992) calls ‘productivist’ activities designed to promote full-employment. As Olsson (1993) pointed out, employment policies form a central element of the country’s welfare state and are fully integrated with its social policies. By investing substantially in employment creation, job training and re-training, placement services and similar policies, Sweden has effectively utilized its labor market policies to foster social welfare objectives. However, despite its success in maintaining comparatively low levels of unemployment, the Swedish approach has not been widely emulated.
Theoretical commentaries on social and economic policy

The compartmentalization of social welfare from economic development is exacerbated by the way social policy scholars have approached the subject. Much of the literature has focused narrowly on the differences between social and economic policy (Boulding, 1967; Titmuss, 1974; Piachaud, 1989) neglecting wider issues. Titmuss probably wrote more on the relationship between social and economic policy than other scholars but he did not view the two as mutually compatible. Like most other social policy writers, he regarded most economists as hostile to social policy endeavor and he downplayed the contribution of those economists who regarded social programs as investments that stimulate economic growth and serve wider economic functions. Indeed, he was critical of the idea that social policy should serve this function and his analysis tended to perpetuate the segregation of economic and social policy concerns.

Titmuss (1974) criticized the notion that social policy should function as the ‘handmaiden’ to the economy. This idea, he claimed, relegates the social services to the status of an adjunct to the economy, and it offended his commitment to an institutional approach that redistributes resources, reduces inequality and fosters social solidarity. Titmuss was also critical of the way social programs in some countries are closely linked to occupational efficiency and productivity. In the Soviet Union and Germany, where this approach was institutionalized, the value of retirement pensions and similar benefits are often linked to the worker’s length of employment, rank, and work performance. Instead of meeting wider social welfare goals, Titmuss claimed that this ‘industrial achievement-performance’ model of social welfare maintained differentials between workers and exacerbated inequalities.

Titmuss’s critical views on the ‘handmaiden approach’ and occupational welfare probably inhibited a full examination of the contribution that the social services can make to economic development. However, as social service programs have come under increasing pressure during the 1980s in the wake of recession, structural unemployment, economic difficulties and the ideological onslaught of the Radical Right, writers such as Piachaud (1989) have called for a greater engagement with
economic issues. Piachaud also points out that economic issues will become more prominent in social policy debates as many more economists become involved in the study of social policy. Unlike earlier times when social policy was regarded as a 'soft' welfare activity, economists are now extensively engaged in research into the social services, the costs of social programs and the economic effects of social investments (Birdsall, 1993). Mainstream social policy, he admonishes, cannot continue to ignore the growing concern with economic issues.

In view of the growing recognition that economic development needs to be addressed, social policy writers can learn from the Third World social development approach which explicitly relates social interventions to economic considerations. However, there is little evidence that mainstream social policy in the industrial nations is cognizant of the work which has been done in developing countries to integrate social and economic interventions with a dynamic development process. By examining the origins and nature of the social development approach, social policy may be better placed to contribute to the search for new and more relevant models of social welfare.

Origins of the Developmental Model

The developmental social welfare model is also known in international circles as the social development approach. It emerged in West Africa in the 1940s. At the time, the British government increased investments and the expansion of infrastructure in its colonies. These efforts were actively supported by nationalist movements. In this developmental context, remedial social welfare programs were given little priority. Catering primarily for juvenile offenders, beggars and the destitute in the urban areas through the provision of residential and custodial care, these remedial social work services were often criticized for consuming scarce resources on unproductive activities (Livingston, 1969; Midgley, 1981). Faced with these criticisms, colonial welfare administrators sought to identify new social interventions that would transcend the remedial approach and contribute positively to economic growth. A major innovation was mass literacy. Mass literacy not only involved literacy training in the narrow sense of
the term, but included a range of activities designed to enhance the standard of living of ordinary people, particularly in rural areas. It included instruction in small scale agriculture and domestic animal husbandry, the development of crafts and village technologies, the construction of infrastructure such as feeder roads, bridges and local irrigation systems, the establishment of small family enterprises, the improvement of community water supplies and sanitation, and the building of health centers, schools and other community facilities.

Mass literacy offered the prospect of reaching larger numbers of people than conventional remedial casework and residential services, and of transcending the welfare department’s limited residualist interventions. Here was an approach to social welfare that did not consume scarce public revenues on unproductive services but actively fostered people’s welfare within the context of economic development. It was enthusiastically received by the British Colonial Office in London which promoted its spread throughout the Empire. However, the term’s association with education seemed inappropriate and was soon replaced by the term community development. This new term explicitly connoted a concern with development and a focus on communities rather than individuals. In 1954, the term social development was formally adopted by the British government to refer to the combination of traditional social welfare and community development. The new term suggested that both elements should be linked to wider efforts to promote economic development in the colonies. One official British document (United Kingdom, 1954, p. 14) put it, social development involves “nothing less than the whole process of change and advancement of a territory . . .”

The contribution of the British government to social development was decisive but it was subsequently expanded by the United Nations and other international agencies. The United Nations borrowed the term social development from the British to connote the organization’s efforts to promote a broader approach to social welfare. Seeking to foster the harmonization of social welfare with economic development, the United Nations encouraged its Third World member states to adopt the social development approach when formulating social policies.

Central to the United Nation’s conception of social development was the idea that policies for economic growth needed
to be closely integrated with social welfare policies. Leading economists such as Gunnar Myrdal, Hans Singer and Benjamin Higgins were invited to serve on international commissions that examined ways in which economic development and social welfare programs could be harmonized. These economists criticized the traditional separation of social and economic policies and urged central development planning agencies to transcend their conventional concern with economic matters by assuming responsibility for social planning as well (United Nations, 1971a). Central planning agencies should, they recommended, be expanded to include social planning divisions responsible for promoting social development goals and they should more effectively coordinate social sectoral plans dealing with health, education, housing, community development and social work services. These social sectoral activities also needed to be more effectively integrated with national development planning.

The expert commissions were also critical of the prevailing assumption that economic growth would automatically produces higher standards of living for all (United Nations, 1971a). This belief was accepted by most development planning agencies which sought to promote high rates of economic growth believing that there would be a 'trickle-down' effect to the masses through employment creation and increased incomes. Myrdal and the other experts questioned this approach and argued that governments need to insure that the benefits of economic growth reach ordinary people. Calling for the adoption of "unified socio-economic development planning," they recommended that central planning agencies intervene more actively to promote people's welfare. They also urged that social planners be recruited to implement comprehensive social policies. Following the adoption of numerous resolutions by the United Nations, social planning was widely adopted in the developing countries in the late 1960s and early 1970s (United Nations, 1971a). Central planning agencies employed more social planners, and national development plans gave increasing recognition to social programs and objectives (Conyers, 1981; Hardiman and Midgley, 1982).

However, social planning's statist, top-down approach came under criticism for neglecting the interests of local communities, and for failing adequately to involve local people in the development process. Accordingly, the United Nation's emphasis on
state sponsored social planning was increasingly criticized. The United Nations responded by promoting community development and during the 1970s, community development ideas were reformulated as "popular or community participation" in several United Nations reports (United Nations, 1971b, 1975). Other international agencies such as UNICEF and the WHO also gave priority to community based strategies (United Nations Children's Fund, 1982; World Health Organization, 1982). Many proponents of community participation argued that the spontaneous efforts of local people were preferable to government sponsored community programs. Government programs, they alleged, tended to co-opt local people and stifle their inherent abilities to manage their own affairs. This anti-statist approach was widely endorsed by non-governmental organizations (Midgley, Hall, Hardiman & Narine, 1986).

In the 1970s, under the leadership of Robert McNamara, the World Bank became very interested in social development issues and many of its policy documents promoted a social development approach which sought to integrate social programs with economic development (World Bank, 1975). At the same time, the International Labour Office urged its member states to adopt social development to deal with the problems of unemployment and under-employment. In 1976, at the World Employment Conference, the ILO adopted the basic needs approach to development which sought to insure that economic development policies in the Third World placed primary emphasis on social welfare objectives (Streeten, Burki, Ul Haq, Hicks & Stewart, 1981).

Features of the Developmental Model

It cannot be claimed that the social development approach has been institutionalized in all developing countries. Indeed, many developing countries have often failed to adopt the developmental approach and social policies remain residualist, ineffectual and biased towards urban areas. In addition, many countries still perpetuate outmoded ideas imported during colonial times (MacPherson, 1982). As Midgley (1984) noted, the emulation of Western social policy approaches as a part of a process to 'modernize' Third World countries has also impeded the adoption of a developmental model.
Nevertheless, the social development approach has been implemented in several developing countries. As the recent United Nations World Summit on Social Development revealed, it is attracting more international attention. In addition, more work is now being done to refine the social development approach so that it can serve as a useful and relevant model of social policy (Midgley, 1995).

At the risk of being tautological, the primarily feature of the developmental approach is its concern with development. It is 'developmental' in that it promotes dynamic processes of growth, change and progress. Unlike other approaches for promoting social welfare (such as philanthropy, social work and social administration) social development purposefully links social interventions to development. This requires the effective integration of social and economic policies within a wider developmental process. Social development cannot take place without economic development and economic development is meaningless unless it is accompanied by improvements in social welfare for the whole population.

There are three ways in which the developmental approach attempts to harmonize social policies with economic development. First, it seeks to create formal organizational arrangements by which economic and social policies can be integrated. In most industrial countries, organizations that are responsible for economic development have no on-going contacts with agencies that are responsible for social service programs. On the other hand, developing countries that have adopted a social development approach have encouraged economic development and social agencies to work more closely together. As noted earlier, they usually have a centralized development planning agency which is responsible not only for economic but for social development as well. These agencies employ economic as well as social development professionals who formulate policies and plans, and work closely with sectoral organizations to coordinate and integrate development effort. While the creation of these organizational structures has taken place at the national level, they also exist at the regional and local level.

Second, the developmental approach seeks to ensure that economic development has a direct and positive impact on people's
welfare. The proponents of social development are critical of societies which experience economic growth but fail to insure that growth fosters significant improvements in social well-being for the population as a whole. This disjunction between economic and social prosperity is known as distorted development and it characterizes many countries today. Proponents of the developmental model urge the adoption of economic policies that address the problem. Policies that raise incomes by creating jobs and self-employment opportunities on a significant scale among all sections of the population should be given priority. Similarly programs that enhance the participation of people in the development process and that judiciously redistribute resources to create social service programs that meet basic social needs are urgently needed.

Third, social development encourages the introduction of social service programs that contribute directly to economic development. While there will always be a need for remedial social services which do not promote economic development, proponents of the developmental model favors programs that foster economic growth. This goal can be furthered by adopting policies that promote the mobilization of human capital, enhance social capital formation and increase opportunities for productive employment and self-employment among low income and special needs groups. Investments in education, childhood nutrition, health care, skills training, housing stock and similar programs all foster the development of human and social capital which generates a return on investment and contributes positively to economic development. Similarly, programs that provide vocational training for clients with special needs and help them to be placed in productive employment should be emphasized. Recently, there has been considerable interest in the role of micro-enterprises as a way of enhancing the welfare of low income groups and special needs populations (Else and Raheim, 1992). Also relevant are community based projects which establish social as well as economic infrastructure and facilitate the emergence of productive, local cooperative enterprises that generate income and raise standards of living.
Implications for Social Policy in the West

Conventional development thinking has long assumed that the developing countries are undergoing a process of social, economic and cultural change which will ensure their eventual transformation from backward agrarian societies to advanced industrial nations. This belief is based on the normative view that the Western nations are ideal-typical exemplars which Third World countries need to emulate. This idea has exerted considerable influence in development circles over the years. International aid programs have traditionally required the use of Western consultants and advisors to foster the replication of Western approaches as a way of accelerating their attempts to become modern, advanced societies. In social policy, this approach has resulted in the widespread replication of inappropriate Western approaches and, as critics have pointed out, in a good deal of waste.

As criticism of the transfer of inappropriate social policies have increased, some writers have argued that Third World countries have much to teach the West. For example, Midgley (1990) pointed out that Western social workers have much to learn from their Third World colleagues about cultural diversity issues, professional practice in conditions of resource constraint and in formulating policies that serve low income groups. More recently, Midgley and Simbi (1993) have claimed that community organization in the United States can benefit from the experiences of African colleagues who have placed more emphasis on local economic development than their Western counterparts.

Social policy in the industrial countries has much to learn from attempts to articulate a developmental model of social welfare in the Third World. Of course, the Third World experience can be augmented by lessons learned in countries such as Sweden where a social development approach has also been adopted. The exchange of ideas is particularly important in view of the need for innovative approaches that transcend the now obsolete residual-institutional dichotomy. An examination of the Third World experience can foster the adoption of new approach that result in a more positive, developmental approach to social welfare.
In practical terms, this requires the creation of organizational mechanisms for coordinating economic and social policies. A powerful central agency responsible for both economic and social development policy needs to be created and the integration of all governmental agencies responsible for economic development and social service functions needs to be enhanced. The conventional relegation of social welfare to a minor, low level department or ministry should be ended.

Under the political and administrative leadership of an agency of this kind, specific developmental social policies and programs need to be implemented. As the Swedish experience suggests, employment policy needs to be at the fore-front of a developmental approach. Employment and self-employment creation should not only be left to market forces but needs to be proactively supported by appropriate government intervention. Policies to expand productive employment and self-employment should be fully integrated with social policies and social service provisions. Social service expenditures should be more carefully evaluated for their positive impact on development. Expenditures that enhance human and social capital and foster productive employment and self-employment among low income and special needs groups should be favored over those that serve a maintenance or consumption function. In addition to programs that cater for needy individuals and their families, more attention should be given to community based projects that enhance people's participation in both economic and social development at the local level. Cooperative enterprises should be favored. National and local level efforts need to be better harmonized and adequate attention needs to be given to regional development efforts that enhance developmental activities in areas that are economically underdeveloped and socially deprived.

A developmental social welfare model must also concern itself with the problem of distorted development that still characterizes many industrial and developing countries. This requires a commitment to reduce inequalities not through punitive taxation and counterproductive welfarist measures but through the promotion of a dynamic development process that secures the full participation of the population in development and ensures
that they benefit fully from the prosperity that flows from an integrated development process.

References


