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**Just Development: Beyond  
Adjustment with a Human Face**

Tariq Banuri, Shahrukh Rafi Khan  
and Moazam Mahmood

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SOUTH ASIA

**Just Development: Beyond Adjustment with a Human Face.**

Edited by TARIQ J. BANURI, SHAHRUKH RAFI KHAN, and MOAZAM MAHMOOD.

Karachi: Oxford University Press, 1997. xv, 207 pp. \$27.00 (cloth).

Who Needs Credit? Poverty and Finance in Bangladesh. Edited by GEOFFREY D. WOOD and IFFATH A. SHARIF. London: Zed Books, 1997. \$62.50 (cloth); \$27.50 (paper).

Just Development is the product of six authors who "follow [ed] up in the Pakistani context the issues raised in UNICEF's classic contribution to the political economy of development, Adjustment with a Human Face (Cornia, et al. 1987)" (p. 3). Who Needs Credit? On the other hand, has 20 contributors and is the product of a workshop held in Dhaka in August 1996. The editors of the former are economists while the editors of the latter are development specialists. Both works explore similar issues from different perspectives in different countries. Just Development is divided into three parts ("Introduction," "The Pakistan Experience," and "Conclusion"). Chapter 1 provides an overview of the study, touches upon governance and collective decision-making, examines the role of the state (in development), and comments on "learned helplessness," and "justice, adjustment, and development." This chapter sets the tone and agenda for those that follow.

The title of the book, Just Development, is derived from an assertion by Tariq Banuri that "political objectives such as the improvement of the human rights record, the social and legal status of women and the administration of justice are essential for long-run development; indeed development will not be sustainable unless it is just" (p. 5). Banuri also maintains that "this study provides guidance for the selection of wise government policies as in AWHF [Adjustment with a Human Face] and related analyses. However, these policies are society-centred rather than state-centred, hence the subtitle: beyond adjustment with a human face" (p. 5). He states that "just development" is undermined by "orthodox adjustment policies and orthodox development strategies" (p. 15). Part 2 examines the case of Pakistan. Economic trends (chapter 2), human resource development (chapter 3), poverty and policy in Pakistan (chapter 4), the policy framework and structural adjustment (chapter 5), and the acceleration of human development (chapter 6) are the topics covered. Chapter 7 (the only chapter in part 3) is entitled "Learning From Failure: Institutional Reform for Human Resource Development." The issues examined in this work are not new.

Until recently, Pakistan's macroeconomic trends have been positive despite having a deplorable record in human resource development since the 1960s. Poverty has been increasing in Pakistan over the past decade. Finally, Pakistan spends too much on its military establishment—a spending pattern dating back to independence in 1947. The authors do not shed much new light on these issues but they do attempt to update them. What is missing in the examination of the Pakistan case are references to critical studies done in the 1970s and 1980s that help explain the situation in which Pakistan finds itself in the 1990s. The concluding chapter (7), written by Tariq Banuri and Moazam Mahmood, offers an "agenda for institutional reform," suggestions for mobilizing resources for human development and "a concrete example of an alternative education strategy" (pp. 155-66).

The agenda includes (1) decentralization, (2) community development, (3) "integration of needs," (4) accountability, and (5) judicial recourse. None of these items are new. All have been proposed internally (reform efforts suggested by groups within and outside government) and externally (the international development assistance community).

In opposition to the pessimism of the Pakistan case presented in *Just Development, Who Needs Credit?* examines the successes in microfinancing in Bangladesh. The primary units of analysis are non-government organizations, with government organizations (public sector banks) receiving secondary attention. Henry Kissinger allegedly characterized Bangladesh at independence in 1971 as an international "basket case." In 1971, Bangladesh (formerly East Pakistan) had a population larger than the four provinces in what had been West Pakistan. At present, Bangladesh has about 10 million fewer people than Pakistan. Bangladesh has had great success in meeting some of the needs of its very poorest. As the book cover for *Who Needs Credit?* proclaims, "Bangladesh is the world pioneer of unsecured bank loans to the very poor." Credit for this distinction is due, in no small part, to the efforts of the Grameen Bank that Syed M. Hashemi and Lamiya Morshed examine as a case study in this book.

But *Who Needs Credit?* does not focus solely on the Grameen Bank. Rather, the book examines microcredit in Bangladesh through analyzing: "Poverty and Finance in Bangladesh: A New Policy Agenda" (chapter 1); "Poverty and Well-Being: Problems for Poverty Reduction in Role of Credit," (chapter 2); "Finance for the Poor or Poorest?" (chapter 3), case studies of three nongovernment organizations (Proshika, the Bangladesh Rural Advancement Committee and the Association for Social Advancement), the public sector banks and the Grameen Bank (not technically a nongovernment organization) in chapters 5 through 9. The problems of reaching the poorest are examined in chapters 10 and 11. Chapters 12, 13, and 14 deal with microcredit limitations. Finally, the book examines microcredit from "a

restricted approach to financial services" (chapters 15 and 16) before offering conclusions (pp. 371-79). In the conclusion, editors Geoffrey D. Wood and Iffath A. Sharif make the case for "credit with social development" based "on the argument that the value of credit and other financial services for poverty removal (rather than poverty relief) needs to be secured by social mobilisation in order to protect the erosion of income and assist the entry of the poor into new trading, product and labour markets" (p. 373). They advocate altered missions for non-government organizations to include not only credit provision but also social development. A characteristic of thorough social science research is the extent to which it raises more questions than it answers.

By that measure, *Who Needs Credit?* is very successful. The authors answer some of the questions regarding how to provide credit to some of the world's poorest but they also pose a series of questions that require more research on non-governmental organizations and the roles they should play in development.

ROBERT LAPORTE, JR. The Pennsylvania State University

SDPI is an independent non-profit research Institute  
on Sustainable development

Mailing Address: PO Box 2342, Islamabad Pakistan

Street Address: 3rd Floor, Taimoor Chamber, 10-D West,  
Fazal-ul-Haq Road, Blue Area, Islamabad.

Telephone: +92-51) 2277146  
2278134 2278136 2270674-6

Fax: +92-51) 22781358

URL: [www.sdpi.org](http://www.sdpi.org) e-mail: [main@sdpi.org](mailto:main@sdpi.org)