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Review Article

Social Services and the Poor in Less Developed Countries (LDCs): Making Services Work for the Poor

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ABSTRACT

Delivery of public social services is a complex and difficult task but also a critical step towards reducing global poverty. Equitable access of social services is key towards future development of the least developed countries. Researchers have explored what methods of delivery have worked in different regions of the world. Multiple players including government, non-governmental organizations, community-based and agencies have been identified as key delivery agents of these services. This article conducts a critical review of the empirical evidence and gives a conclusion on future direction.

Keywords: global poverty, developing countries, social services, governments, NGOs, development.

INTRODUCTION

Poor governance, particularly in social service delivery, is widespread in public sectors in most of the Less Developed Countries (LDCs). Delivery of public social services whether in schooling, health care or nutrition is a complex and difficult task. It demands establishment of institutions which will carry out their mission in working toward their goals and incentives including transferring responsibilities for service delivery to local governments and communities, involving non-government sectors in service delivery through contracts, empowering consumers to demand better services from government institutions, and ensuring motivation of front-line workers such as teachers and nurses (Human Development Unit, 2005). Combination of sound governance with strong institutional framework, quality management, balanced strategy, sufficient financing and adequate demand all complement each other in service delivery.

Why Do We Have to Think about Social Services for the Poor?

Providing social services to the poor includes satisfying the needs of the poor for basic education, health, nutrition and other basic needs. Satisfying basic needs empowers the poor to escape poverty (McGuire, 2005). It makes the poor more productive and gives them new opportunities to earn the income necessary to escape poverty and live a full and productive life (McGuire, 2005). This goes further than empowering the poor and develops the nation. Investing in human capital by providing social services such as basic education and health care is a key to poverty reduction (Morrisson, 2002a).

Improvement of these services will have a positive effect on the entire population not only the poor. It makes poor people more productive which speeds the growth of GDP, resulting in production of more goods and services that will be available for consumption (McGuire, 2005). This will in turn lower the cost of production thus increasing profit and lowering prices. Therefore, the provisions of these services contribute to the public good

of all. As Sachs (2005, p3) confirms when he writes "…our safety and prosperity depend at least as much on collective decisions to fight disease, promote good science and widespread of education, provide critical infrastructure, and act in unison to help the poorest of the poor."

According to the World Bank (2006) the future of development will focus on the "equitable access by the poor to health care, education, jobs, capital, and secure land rights, among others" (p. 28). In this light, it can therefore be said that, in the view of the World Bank, underdevelopment is brought about by lack of access to these key development tools. Specifically, the report highlights inequalities in health, education, economic inequalities and the extended inequality situation with women as one of the key highlights that are precursors to underdevelopment. Hence, access to basic social services is the core to development in LDCs.

"Access to basic social services is a fundamental human right enshrined on the UN covenant on Social, Economic and Cultural rights, and governments have an obligation to ensure that these services are provided to the people" (UNDP, 2003, p.111). The endorsement of the Millennium Development Goals (MDGs) and commitment by the international community supports this obligation (World Development Report, 2004).

Strategies to Make Services Work for the Poor in LDCs

It is important to identify the major obstacles to providing basic social services in LDCs. These obstacles are politically and administratively motivated. Ghai (2003) asserts that the obstacles are never financial, and argues that strengthening government capacity to plan, organize, implement and monitor basic service programs should be a key priority since there is no substitute for state leadership.

The importance of making services work for the poor cannot be over-emphasized and this call for all heads on deck as well as sincerity of purpose on the part of the key players. Confirming this, the World Bank (2004) asserts that, making services work requires changing the institutional relationships among key actors. Hence, adjusting inputs without reforming the institutions that produce inefficiencies will not lead to sustainable improvements. This is a clear indication that institutions play a key role in providing services for the poor. Accountability and good governance on the part of the institutions and front-line service providers has serious impact on the success of the service provision to the poor. The World Development Report (2004) from the World Bank asserts that "successful services for poor people emerge from institutional relationships in which the actors are accountable to each other" (p.46). The actors include individuals, organizations, government and businesses. The relationships of accountability have five features which include delegation, finance, performance, information about performance, and enforceability (World Bank, 2004). In addition to the above, policies and political arrangements are very important in determining the successful provision of social services in any country particularly in LDCs.

Services are often inaccessible or too expensive for the poor, and if accessed, their quality is poor for improving the situation of those who have these needs (World Bank, 2004). This problem cannot be solved by simply adjusting the subsidy allocations; therefore, the constraints that prevent the poor from benefiting from the services must be addressed if the services are to be effective in reaching the poor (Castro-Leal, Dayton, Demery & Mehra, 2000). Certain measures have been taken to ensure provision of quality services and their accessibility to the poor in LDCs. The measures include decentralization, universal coverage and abolishing user fee (cost-sharing policies).

Decentralization

Decentralization is defined as "progressive process of transferring taxing

and spending decisions from the central government to sub-national governments" (McGuire, 2005, p.123). In recent years, many countries have increasingly adopted decentralization measures as a method to realize effective public services delivery and local self-rule. According to Mehrotra (2006) decentralization in provision of social service is a response to state failure. She goes further to affirm that development is generally accompanied by decentralization. Many studies have given evidence that decentralization improves access to services by poor people at the same time the quality of the services provided improves. However, decentralization requires three-way dynamics that play their roles and are accountable for these roles. The dynamics are local government, civil society and effective central government (Mehrotra, 2006), a combination of the three ensures effective service delivery. Thus, decentralization strengthens the nation's system of delivering basic goods and services as it brings government closer to the poor and overcomes the aspect of voicelessness.

In India, decentralization has been a key strategy to empower the excluded and reduce the disparity in society. For example, Mehrotra (2006) observed that when Panchayats (local governance at village level) took the responsibility of running primary schools themselves, there was an increase of 20% in literacy. In Mozambique, committed local authorities working in a decentralized system doubled and focused on outreach. This improved vaccination coverage and prenatal consultations by 8% (Mehrotra, 2006). Within three years of decentralizing public health services in Brazil, access increased from 25% to 90% of the child population which reduced infant mortality rate from 102 to 65 deaths per 1000 births (Mehrotra, 2006). The Bamako Initiative that decentralized health services by putting communities in charge has also shown success in several countries such as Benin, Guinea and Mali. According to the World Development Report from the World Bank (2004), the approach has scaled up health facilities from 44 to 400 in Benin, 18 to 357 in Guinea, and one to 559 in Mali by 2002 from the time it began in the1980s.

Decentralization can increase clients' power and participation of the poor in the production of basic goods and services, improve monitoring and reduce corruption. It also breaks the monopoly of national power at the national level by bringing decision making closer to the people. This strengthens government accountability to citizens by involving citizens in monitoring government performance (Shah, 2006), which can help reduce corruption and improve service delivery.

Decentralization of budget and responsibilities for the delivery of basic services puts decision making closer to the people and reinforces implementation of services. In Countries where decentralization brought success, such as Brazil, Jordan, Mozambique and the Indian states of Kerala, Madya Pradesh and west Bengal, there was significant improvement which has led to government services that respond faster to people's needs, expose corruption and reduce absenteeism of service providers (UNDP, 2003).

However, decentralization is not a one-size fit-it-all; therefore, for decentralization to succeed it needs a capable central authority, committed and financially empowered local authorities, and engaged citizens in a well organized civil society (UNDP, 2003). "Decentralization is not an end in itself, rather is a means to achieve a clearly defined objective (Gebre-Egziabher & Berhanu, 2004, p.59). Therefore, decentralization without balanced and committed actors might not achieve the objective.

Making Basic Services Universal

Making the service universally available to benefit the poor who are otherwise left out of the share is another crucial step to be considered. Partial

coverage does not help the poor because the non-poor capture it. Programmes that target the poor seldom reach the poorest and if they do, they are not sustainable because the non-poor have no stake in those services (UNICEF, 1996). Ensuring universal access of basic social services of good quality provides the foundation to ensure that all children get the best possible start in life and it is one of the few ways to provide the majority of the poor people with a decent standard of living (UNICEF, 1996). In the developed countries, government intervention on universal coverage is a key strategy for basic social service provision. This is because "only when governments intervened did health, education and water become universal in Canada, Europe and the United States" (UNDP, 2003, p.111).

Universal coverage will increase government spending in these services; however, putting investment in basic services such as health and primary education increases the number of poor people who benefit. This investment has a direct impact on women and children who are the most vulnerable among the poor. An example from Bangladesh has shown that an increase of 22.6% to 25.7% of the national budget on social service between 1990 and 1999, resulted in an increase in female literacy from 17% in 1990 to 48% in 2000, and decline of the under-five mortality rate from 144 per 1000 live births in 1990 to 89 in 1999(UNICEF, 1996).

Covering the entire population is a key strategy to ensure poor people's access to basic services such as primary education and health services (Morrisson, 2002b). Often, services are first offered in main cities where there are less poor; the rich also have political means to access services whose accessibility are very difficult. They rich are often aware of services that are available, whereas the poor lack access to information about these services. Thus, the poor are the last beneficiaries of public services unless they are universal (Morrisson, 2002b). Mehrotra, Vandemoortele and Delamonika (2000) argue that if basic social services were universal, every individual would have access to preventive and basic curative health services, drinking water, sanitation and basic education. In high achieving countries that managed to improve health indicators early in the development process, such as Malaysia and Sri Lanka, access to basic health services is universal and paid for by the government.

Abolishing of Cost-sharing/Co-payment in Basic Services

Many developing countries have introduced payment systems in basic social service provision such as primary education, basic health services and water. Introduction of co-payment and privatization of these services assumed that the income generated would ensure a reliable supply of services and would improve other aspects such as the quality of services offered and give the clients a voice (Haddad & Fournier, 1995). However, research in this area has shown different results as to whether the assumption turned out to be true and who in societies this policy favors. In Zaire, introduction of payment in health services, especially in essential drugs, has shown that the utilization of health services had diminished by close to 40% over five years and that 18-32% of this decrease was explained by cost (Haddad & Fournier, 1995). Many other studies have found dramatic declines in utilization of medical resources after the introduction of user fees. For instance, in Swaziland it was found that there was a 32% decrease in use of government health facilities, 18% in Zimbabwe and 50% in Kenya (Reddy & Vandemoortele, 1996). At the same time, these countries did not show any quality improvement to be associated with the charges. Moreover, the poor were the first ones to drop out with user fees irrespective of change in quality of services. Introduction of fees in primary school has also shown decline in enrollment and a high rate of dropout. In Ghana the enrollment rate in the first year of primary education

dropped by 4% (Reddy & Vandemoortele, 1996). This was the same for Malawi, Cote d'Ivoire, Zimbabwe and Kenya (Reddy & Vandemoortele, 1996).

Evidence abound from above, that the hypothesis on which the cost-sharing policy was based is not producing the required results. It becomes imperative that the cost-sharing policy should be nullified and the policy reconsidered especially as it pertains to provision of basic social services. In their annual Human Development Reports, United Nations Development Progroramme (UNDP) writes, "The supposed benefits of privatizing social services are elusive with inconclusive evidence on efficiency and quality standards in the private relative to the public sector" (2003, p.113). It further emphasizes that requiring poor households to pay for schooling is not conducive to achieving universal primary education and so is unlikely to help in achieving MDGs" (UNDP, 2003).

In conclusion, this write-up delved in to the problems impeding the provision and accessibility of social service to the poor in LDCs and provides improved ways of getting the services to the poor if the goal of poverty alleviation should be achieved. There is the need to have in place good governance, proper accountability and sincerity of purpose on the parts of all the key actors in this field. In addition to the above, the three-way dynamics as proposed by Mehotra (2006) should take their roles seriously and direct actions at reaching the poor that actually need these services. Only then will progress be seen. "The test of our progress is not whether we add to the abundance of those who have much, it is whether we provide for those who have too little" Franklin D. Roosevelt

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