II Key Strategies

40 We have examined the essential elements of human resource development and the principles which underpin it. We turn now to consider strategies which governments can employ in effecting human resource development. There is no shortage of documentation on what is wrong; there is less to turn to for guidance in making human resource development work.

41 The strategies considered here are both means and ends. They are both requirements for effecting human resource development and also integral components of the human resource development process itself. To take an example, a reformed and well-managed government is essential for the introduction and implementation of human resource development policies; at the same time competence and quality in government services reflect the success of human resource development policies.

42 Five strategies are examined:

- well-managed and more professional government
- partnerships with NGOs and the private sector
- priority for women
- mobilising resources
- using technology.

WELL-MANAGED GOVERNMENT

43 Improvement of the effectiveness of government is central to national efforts to promote human resource development. Before explaining in more detail the different dimensions of government reform, we wish to emphasise that, despite the contemporary prevalence of the view that governments should reduce their size and functions, the role of government will remain fundamental.

The role of government

44 This report is addressed to governments. Governments have a leadership role to play in defining human resource development policies and in creating economic and institutional environments which enable people to live healthy and productive lives.

45 There are, however, obvious limitations to governments' role. Firstly, they are constrained by their inheritance in terms of natural resource endowment; the infrastructure bequeathed by their predecessors and often a legacy of national or international debts.

46 Secondly, they are constrained by forces and institutions external to their own country: the whole international economic order including terms of trade, the activities of multinational corporations, and the policies of organisations like the World Bank and the International Monetary Fund.

47 Thirdly, governments have inherently limited leverage on the social and cultural milieu and on what one might term the 'institutional infrastructure' of their countries. It is after all the values, attitudes, mores, cultural and legal practices of a society that constitute the constellation of factors with probably the greatest impact on development. While such features of society are surely amenable to influence by outstanding leadership, they are slow to change and in fact only adjust through decisions by countless individuals throughout society. Moreover, the personnel of governments themselves – whether it is the political leadership of ministers and members of parliament, or senior civil servants and junior officials in the bureaucracy – tend to be imbued with those same values and attitudes that characterise their societies. These may be authoritarian values or consensual ones, tendencies to frugality or to extravagance, patronage and bribery or incorruptibility, far-sightedness or short-term indulgence, partiality or objectivity, respect for knowledge and the creative arts or philistinism. Governments will generally prefer not to be too far out of step with the moral and psychological pulse of society at large. However, in a number of countries which have achieved striking progress in recent decades, the opposite has been true.

48 The public sector in many Commonwealth countries has been witnessing dramatic changes in recent years. Since the mid-1970s, pushed by unprecedented economic crises in many countries and pulled by rapid changes in political and public opinion, governments have been increasingly concerned to adapt and develop the structures and values of the public sector in order to achieve greater efficiency, more responsive and flexible services, and a more co-ordinated approach between the public and private sectors.

49 The role of government is in the process of being radically reassessed and in many countries the emphasis is on reducing the share of GNP taken by the public sector. Greater emphasis is laid on the part that the non-government sector can play in development and in divesting government of its direct control and ownership functions, leaving it instead to concentrate its energies on setting the policy framework and devising incentives and measures to mobilise the efforts and activities of others. As part of this trend governments are devolving some of their responsibilities on to other organisations and are entrusting functions to parastatal bodies, to specially established executive agencies and to non-government organisations: in some countries public assets are being sold to the private sector.

50 There are parallel tendencies to re-emphasise the service role of government and its accountability to clients and customers; the openness of government to public scrutiny; and the need for democratic involvement both in choosing the political leadership and in overseeing the delivery of public services. Naturally, progress with this agenda, and even details of the agenda itself, varies from country to country within the 50 states of the Commonwealth. We discuss in more detail below (paras 53-93) some of the steps being taken to reform government.

51 Firstly, however, the rationale for government retaining a lead responsibility for human resource development perhaps needs restating. This leading role is grounded not just in historical experience but also in the fundamental nature of the task to be undertaken. There are several dimensions to ongoing government responsibilities in the field:

Leadership: Government provides the political leadership for the country and the vision of where society is heading in terms of its goals and aspirations. People look to governments for guidance on how those goals might be achieved through community and individual effort. They look for visible and sincere commitment. Without this sense of collective resolve and direction, it is difficult to mobilise the necessary investments and enthusiasm for human resource development.

Legal framework: Governments, through their constitutional, judicial and legislative institutions, have a responsibility for the legal framework of society which establishes and confers validity on social institutions, regulates behaviour between individuals, and guarantees individual rights and entitlements of different kinds.

Policy environment: A major function of government is to provide an overall policy environment that promotes human resource development at all levels and in all sectors by maximising the incentives to it, and minimising the obstacles; being watchdog rather than gatekeeper. Whilst organisations and individuals may be the prime movers in human investment, they act within an institutional, legal and fiscal framework established by government. The public information services, the tax regime, the rewards and honours system, the legal framework, can all be used to encourage human resource investments and effective deployment of the work force.

Resource provision: Irrespective of whether the institutions which deliver education and health services to the population are owned and managed by government, or are in private hands, government alone is likely to command the necessary resources to sustain such activities and is likely to be the principal source of finance for these services.

Public goods dimension: It is widely recognised that the benefits of a healthy and well-educated population 'spill over' from individuals and bring wider benefits to the society as a whole. If health services, education and skill acquisition are provided on a non-subsidised basis there will be a tendency for individuals to underinvest in them, since the benefits individuals can appropriate to themselves fall short of the overall advantage to society. There is public interest, which it falls to government to pursue, in ensuring that investments in these services are sufficient.

Reconciliation of interests: In human resource development, as in other fields of endeavour, conflicts of interest arise which must be the subject of public regulation. For example, the health, safety and right to training of

individuals in the work force may need protection against some employers' preoccupation with very short-term commercial objectives. The obvious benefits to society in labour mobility may conflict with employers' desire to reap the benefits of the training and experience they have provided to individual workers. Only the public authorities can devise measures which will encourage employers to invest in a skilled and flexible work force while protecting the rights of workers.

Equity and universality: Governments have a responsibility for the whole community, for protecting and sustaining the weak and disadvantaged. Those most in need of publicly provided services are often least able to access them, being inarticulate, ill-informed, or geographically or culturally isolated. Universality of provision and access to public services is virtually impossible without government intervention.

Government as employer and owner of assets: In most countries the public authorities remain much the biggest employer, especially in social services. It follows from this that government must give a standard-setting lead in terms of enlightened human welfare, health, education and training provision and policies for its own employees.

Government and external policy: Many facets of human resource development have international as well as national dimensions. Governments are signatories to international conventions concerning health standards and drug regulation, environmental protection, labour migration, copyright and patents. National policies on migration are relevant to the mix of skills available in the country, while policies on technical assistance and external aid may significantly affect the volume of resources available for development, including human resource development.

52 It is clear from the foregoing that government, albeit reshaped and reformed, has a continuing central strategic role in nurturing and mobilising human resources for development. It also has important responsibilities in ensuring coherence of approach in public policy.

Directions for reform

53 Changing the work culture and enhancing personal self-esteem are critical if human resource development is to be achieved. The prevailing work culture in many developing countries is feudal and hierarchical, based on perks, patronage and privilege as opposed to productivity and performance. Governments are role models for the rest of society in this respect. If it is accepted that national development in many countries is about developing a new work environment and new work culture, governments will have to take a lead in moving away from traditional methods based on command, control and mistrust to new methods based on persuasion, delegation and trust. Experience points to a number of key directions for reform of the public sector so as to enhance its capacity to develop the national human resource. We set out six of these below:

- structuring for efficiency
- decentralisation
- planning for quality
- probity and accountability
- staff development
- co-ordination.

54 Each one involves not only a change in organisational form but, perhaps more crucial, also a change in attitude. The search is underway for approaches which 'move away from a patrimonial bureaucracy where the emphasis is on control and exercise of power as an instrument of exchange, to one where emphasis is on delivery of services needed for development and rewards/sanctions reflecting performance and merit' (World Bank, Dia, 1993 p.vi). To date, progress has been least in those settings where the need for a new work culture is the greatest.

55 In Canada, where there is a public service renewal programme entitled Public Service 2000, the Clerk of the Privy Council and Secretary to the Cabinet in charge of the Programme has said that it is '... 10 per cent legislative change, 20 per cent change in systems, and 70 per cent change in attitudes and practices within departments and agencies, (see Box 4).

Box 4 *Canada*: *Public Service* 2000

Public Service 2000 is designed:

- to foster and encourage a public service that is: professional; highly qualified; non-partisan and imbued with a mission of service to the public
- to develop a public service that: recognises its employees as assets to be valued; places as much authority as possible in the hands of frontline employees and managers and provides scope for different organisational forms to meet differing needs.

Context for reforms:

- increasing demands on public services
- fiscal restraint – significant reduction in personnel
- controls that limit efficiency or improvements in service
- complexity of the administrative regime and its regulations
- greater devolution of authority and responsibility
- increasing complexity and interconnectedness of issues
- increasing openness of policy process
- increasing number of new players
- rapid and widespread social change
- impact of information technology
- low level of public confidence

Process of reform:

- launched by the Prime Minister of Canada
- supported by the President of the Treasury Board who is minister in charge of management in the public service
- led by the Clerk of the Privy Council
- carried forward by 10 task forces of 120 Deputy and Assistant Deputy Ministers on:
  administrative policy and common service agencies
  classification and occupational group structures
  compensation and benefits
  management
  resource management and budgetary controls
  service to the public
  staff relations
  staffing
  training and development
  work force adaptiveness
- involves consultation within and outside government

Features of reform:

(a) Each department will be required to develop its own mission statement.
(b) Consultation skills to be a key criterion for hiring staff; training related to consultation skills to be enhanced.
(c) Each programme to have a single operating budget – covering all costs – which managers will use to meet their particular needs.
(d) A percentage of revenue generated will be credited in the following year's programme budget.
(e) Savings through productivity increases will be rewarded.
(f) Systematic professional development programmes for all managers.
(g) For most departments the number of senior reporting relationships below the level of deputy will not exceed three.
(h) A human resources development council is being established to develop policies and programmes for effective management and professional development.

Source: Drawn from Public Service 2000: The Renewal of the Public Service of Canada, 1990 and Public Service 2000: First Annual Report to the Prime Minister of Canada on the Public Service of Canada, 1992

Structuring for efficiency

56 Recent experience shows governments choosing from a range of structural options, as discussed below. This development results in less homogeneity than formerly across the machinery of government: unity remains a feature of the civil service, but uniformity is assuming less relevance.

57 The creation of **semi-autonomous units** is one approach. The establishment of statutory boards in Singapore, executive agencies in the UK, and the experience of corporatisation in Australia has allowed a clear delineation between the functions of policy formulation and policy implementation. In this way, areas of relative freedom from bureaucratic constraint have been created in which a more business-like climate can be developed.

(a) The statutory boards in Singapore were created to achieve specific social development goals. They were designed to counter the traditional civil service emphasis on regulation and monitoring, and were structured specifically to encourage the return of talent previously lost to the private sector.
(b) Executive agencies in the UK were intended to redress the historical preference for policy development over service delivery within the civil service.

58 The establishment of executive agencies or similar bodies involves fragmentation of the traditionally uniform civil service, and substitutes the pursuit of explicit objectives for the traditional procedural concerns of the public service. Some have pointed out that this re-orientation tends to emphasise the 'vertical' relationships within governments, thus increasing accountability to the political leadership, whilst simultaneously reducing the 'horizontal' linkages between ministries, and the focus on the collective interest associated with more traditional models of public service.

59 Secondly, there is increasing experience of **privatisation** and divestiture which has brought this major option into the mainstream of policy analysis. Privatisation programmes have had mixed success, but there is ample evidence that divestiture from state control can unleash energy and innovation in provision of services to promote human resource development.

60 The public sector has always purchased specialist services from the private and NGO sectors. Some governments are now becoming interested in assessing the ability of the **market** to provide education, training, health or other services which have historically been considered to lie at the core of the public sector.

Decentralisation

61 Efficiency within government has also been improved through some restructuring of the central/local, or federal/state inter-governmental boundaries. Clarification of mutual roles and responsibilities, and particularly the rationalisation of the mechanisms for financial transfer between levels of government, has heightened efficiency and enhanced fiscal transparency.

62 Decentralisation takes different forms. A distinction can be drawn between **deconcentration** which means delegating bureaucratic authority to lower echelons of the public service, and **devolution** which involves sharing political and financial power with local authorities.

63 Deconcentration is the more diluted of the two forms of decentralisation; it may often be concerned more with maintaining uniformity and extending the effective reach of central government, than with responding to local need. Nevertheless, the decisions taken by local officials may be highly significant in the communities over which they have some measure of authority. Indonesia's health service provides an example of efforts to deconcentrate within a sectoral ministry (see Box 5).

Box 5 *Indonesia's Ministry of Health*

Indonesia has 188 million people living on 13,000 islands. Its Comprehensive Health Improvement Programme sought to promote deconcentration to provincial and local levels. There are 27 provinces and 300 regencies. The programme aimed to develop the skills of field staff in the collection, management and analysis of epidemiological studies.

Benefits:

- the technical, managerial and planning capability of field officers is improved and the negotiating strength of the lower levels in the bureaucratic hierarchy increased
- field staff can show that their decisions may be more appropriate for their area than decisions taken centrally
- field officers are able to gain the support of local government

Drawbacks:

- better informed staff at the local level are not in themselves a sufficient condition for decentralisation
- the strengthening of local capacity has mostly entailed improving the professional standards of officials in the lower levels of government and not local people
- pay and promotion depend on central government

Source: Drawn from Brian Smith's Study on Decentralisation annexed to this report

64 Devolution is not practised on a major scale in developing countries: on average they devolve less than ten per cent of total government expenditure, and less than six per cent of total social expenditure, on local governments (Human Development Report 1993, UNDP). This lack of devolution derives inter alia from a political tradition of the state being at the heart of nation-building and a fear that decentralisation would accentuate divisiveness; from the absence of democratic structures; from low levels of spending on social services, which are the ones most amenable to decentralisation; from the shortage of qualified personnel to man locally-based services; from urban bias; and from the centralisation of aid expenditure.

65 Four main potential advantages flow from devolution of authority:

(a) It is designed to reflect local circumstances in terms of:

- decisions by local people or those accountable to them
- a better chance of realistic project design
- mobilising of local resources
- drawing on local knowledge

(b) It is designed to meet the needs of remote and inaccessible communities in large states and multi-island countries.

(c) It offers the opportunity for improved co-ordination of programmes with functions and services at the local level being brought under one entity.

(d) It offers opportunities for popular participation.

Box 6 *Devolution of Authority*

Ghana:

Decentralisation is seen as a necessary component of the structural adjustment programme being implemented in Ghana. It is believed that centralised state provision of social services and particularly education has not worked. Spatial planning has been introduced to overcome the deficiencies of central planning. District assemblies have been established. Assemblies have the power to raise revenues by taxing market produce and levying charges on the consumers of services. Their authority includes primary and secondary education, primary health care, and water supply. A recent examination of education provision suggests the likelihood of better access to schooling for the poor, an improved supply of teaching materials, and a greater contribution from school children and school leavers to the needs of their communities.

'Successful' Local Government in Africa – 11 Lessons

1 Operate in an area with a sound economic/revenue base.
2 Have clearly defined legal status and responsibilities.
3 Have the ability to raise revenue.
4 Mobilise resources through public sector activities.
5 Access to capital for infrastructural development.
6 Appropriate levels and mechanisms for central control.
7 Good management practices.
8 Good relations between officials and administrators.
9 Good relations with supervising ministries.
10 Responsiveness to constituents.
11 Observation of contact with other local authorities.

'Success' was cumulative.

Source: Drawn from Brian Smith's study on Decentralisation annexed to this report

Box 6 highlights the example of Ghana, where devolution is being attempted, plus the lessons which have been drawn from a study of 'successful' local government in Africa.

66 Decentralisation implies:

- a measure of **financial autonomy**
- increased levels of **participation**

67 **Financial autonomy** may be increased through a number of options for generating local revenue, namely, local taxes, user charges, grants and loans.

68 The most common form of **local tax** is on property, including land. The yields tend to be limited by problems of valuation and collection, especially in rural areas. However, in some countries the power to collect and use revenue from property tax is important; Philippines, China, India and Pakistan are prominent examples in Asia. An alternative is a tax on local income, for example, trading licences and motor licences. The considerable problems of local tax collection in Ghana were tackled through improving the revenue collection and by developing the planning and budgeting capability of local councillors and officials. Knowledge of the legislation and of the rights it conferred on local officials was improved. New procedures were installed to oversee collection. Better statistical records of population, property and taxable activities were developed.

69 Another option is **user charges**. They raise difficult questions over targeting: some argue that charges may deter the poor from using services and can be a barrier to equity. A contrary argument is that charging too little for a service may lessen its availability and quality.

70 Transfers from central government through **grants and loans** commonly account for over 70 per cent of local government income. Grants both help to ensure that the centre's policies are followed, and also 'buy' it the right to oversee, monitor and audit local government policies. The main problems in the relationship include central government's reluctance to devolve revenue-raising powers; conflict between centre officials and local leaders; and restrictions on the right to borrow. Local governments have been criticised for ineffective performance in tax collection and high administrative overheads. Local governments complain that their revenue base is the poorest sections of the community, while taxes on the more affluent are paid to the centre.

71 **Participation** is '... a means to a political mobilisation, the preservation and utilisation of indigenous knowledge, capacity building, power redistribution, stronger beneficiary commitment, political education, and healthier democracy' (Finsterbusch and Van Wicklin, quoted in the study on Decentralisation annexed to this report).

72 Participation in the context of decentralisation can take a number of

different forms ranging from more passive to active involvement in decision-making:

Resource mobilisation: The provision of labour, materials and cash for activities may mean extracting resources without delegation of authority.

Consultation on the planning and implementation of public services: Information-sharing between officials, professionals and beneficiaries can be critical to the success of programmes involving cultural change.

Project management: Representatives of local communities, including beneficiaries and users of services, become members of management bodies of public amenities (hospitals, schools, health centres).

Representative government: There are elected representatives on statutory decision-making bodies.

73 A study of primary health care in developing countries suggested that political characteristics largely determined the extent to which programmes were successful in meeting the needs of intended beneficiaries (see Box 7).

Box 7 *Primary Health Care in Developing Countries*

Participation in primary health care will be more successful:

- the more equitable the distribution of economic and political resources at the local level
- the more open and representative the local government structures
- the greater the social, ethnic and political homogeneity of the population
- the stronger the cultural values favouring communal activity
- the fewer the ideological barriers between the government and the target group
- the more available the avenues for using existing local organisations
- the greater the presence of other government programmes in the area.

Source: From Bossert and Parker, 1984, quoted in Brian Smith's study on Decentralisation annexed to this report

74 Especially in poor countries decentralisation may often run counter to the need for equity and equality. A commitment to equality of administrative standards, thus equalising the resources available to communities or ensuring comparable standards of service, may require strong central controls and financial support. Others will argue that in countries where administrative and managerial skills are in short supply, decentralisation will lead to fragmentation and inefficiency.

Planning for quality

75 Many recent administrative and managerial reforms within government have embodied a particular concern to raise and maintain the quality of services provided by government. **Quality management** approaches, initially introduced within the private sector, have been developed to assist the public sector improve quality.

76 Excellence and success within the public sector are increasingly recognised and rewarded. Practical and measurable quality standards are set, with participatory mechanisms to ensure that the need for quality has a broad 'ownership' at all levels of staff:

(a) The series of awards offered by the Malaysian civil service provides a clear example of a successful strategy for recognising excellence.
(b) Singapore was the first civil service to introduce Work Improvement Teams, developed from the Quality Control Circles employed in successful and innovative private sector companies to allow groups of staff from varying levels to discuss obstacles to quality openly and honestly, and to devise practical solutions for service improvement.
(c) India too has introduced some Work Improvement Teams.

77 Within many governments, there has also been a conscious reshaping of the work culture to achieve a more explicit **customer orientation.** Courtesy campaigns, customer care training, and comprehensive complaints procedures are ensuring that service-users are seen as active and freely choosing customers, rather than passive recipients of monopolistically provided state services:

> The development of Citizens' Charters in Britain represents an approach to empowering consumers by specifying and publicising their rights to redress, if government services do not meet advertised standards.

Probity and accountability

78 Current reforms are translating the broad appeals for transparency and accountability in government into operational systems for specifying the expected performance of staff and institutions.

79 **Anti-corruption measures** have always been given attention by governments, both because of the tangible losses, inefficiencies and inequities involved in corruption and because of its broader impact on public confidence in national institutions. The experience of Singapore indicates how strong political leadership and rigorous anti-corruption measures enforced by powerful and uncorrupted agencies can turn corruption from a low-risk, high-reward activity into the reverse (see Quah's study on four Asian countries annexed to this report).

80 The increasingly business-like approach implicit within many reform

programmes is allowing anti-corruption measures to be supported by tighter employment frameworks for senior officials. Contracts are shorter term with more detailed specifications to ensure that performance monitoring is more rigorous. Significantly, the development of tighter checks and controls is being matched by the more active use of incentives. Raising salary levels to make them more comparable with private sector positions can reduce the temptations of corruption.

81 **Public reporting** by agencies and departments, exposing to public scrutiny the financial position and performance achieved, is a potentially useful device. It encourages self-examination by those engaging in such annual stocktaking and promotes accountability to the public and its representatives. An important task is to develop appropriate performance indicators by which to assess the achievement of government in relation to national human resource development.

Staff development

82 In many countries there is today a more active concern with improving the competence and effectiveness of all levels of staff. This is an essential element of improving the efficiency of government and is an important human resource development objective in its own right. For the many employees of government it enhances individual self-esteem, self-respect and self-confidence. It encourages accountability and responsibility. If governments can demonstrate a work culture that places a premium on trust, reward and competence, they can set standards which permeate other sectors of society. Staff development may be approached in a number of ways, including more open recruitment procedures, special training programmes, and various performance-enhancing measures.

83 **Open recruitment procedures:** Widely-based recruitment for senior posts ensure that vacancies are filled on the basis of skills and competence. The assumption that a career-based civil service should receive semi-automatic promotion is weakening. At senior levels low-reward, high-security positions are being replaced with the exact opposite in some Commonwealth countries:

(a) In Australia and New Zealand the shift away from a career civil service has been emphasised by the establishment of Senior Executive Services which offer contract appointments, performance measurement, and intra-service mobility. The expectation is that public sector managers, often recruited from the private sector, will have a high level of managerial skills and talent and will be flexible enough to manage effectively in any government.

(b) Singapore has maintained a systematic focus on efficiency as the sole criterion for retaining or retiring senior civil servants. Seniority is no longer the basis for promotion and many of Singapore's permanent secretaries are comparatively young.

84 **Training:** This is increasingly tailored to individual needs. The focus by the Malaysian Government on establishing key national institutions capable of providing highly targeted training to strategic personnel provides a useful example of current developments in this field.

85 **Performance appraisal:** Techniques for identifying strengths and weaknesses of staff members' individual contributions may be linked to incentive packages to ensure that skills and personal achievements are recognised and regarded. The Malaysian New Remuneration System provides a clear example of a successful system for recognising and rewarding good performance. Meanwhile personal career planning ensures that individual ambitions and aspirations are harnessed towards the overall service of government.

Co-ordination

86 Human resource development covers a broad canvas. In the life of individual families different aspects like health, nutrition, education, work, leisure and social and political activities are not tidily compartmentalised. Synergy and linkage are part of the fabric of people's lives.

87 Problems arise as soon as one moves from the individual to the institutional level, and to the world of specialised tasks and functions. For governments, ensuring coherence and co-ordination across the spectrum of human resource development interventions poses a major challenge in view of the range of sectors, agencies, organisations and institutions which are involved. And yet a co-ordinated approach is necessary if inconsistencies of policy are to be avoided, if responsibilities are to be properly assigned, if linkages between policies and programmes are to be effected. Co-ordination involves:

> timeliness, harmony and complementarity of activities carried out by several autonomous agencies. Co-ordination is participatory, requiring decision-making to be shared, and therefore compatible with decentralisation and the devolution of authority and responsibility to lower levels of administration. It requires institutional structures that are more horizontally oriented, allowing information and responsibility to be shared among several agencies at various levels (quoted from Lorraine Corner's study on Co-ordination annexed to this report).

88 Co-ordination is not the same as centralisation or integration. It respects the complexity of human resource development and the different professional specialisms involved. Specialisation and the boundaries that it entails serve a certain functional purpose. But these separate identities are in no way negated by efforts to share information and inter-relate cognate activities.

89 Efforts to achieve multi-sectoral co-ordination for human resource development are various in their form and variable in their success:

(a) Working within a framework of common objectives may promote a measure of co-ordination among different ministries and agencies. As noted elsewhere in this report, there are a growing number of national plans drawn up in response to structural adjustment imperatives, to the Jomtien campaign on Education for All, to the World Summit for Children, and to regional and national initiatives. These plans transcend individual sectors and link them, requiring different parts of government to work together for the achievement of a common end. Vanuatu's current development plan provides one example of this (see Box 8).

Box 8 *Vanuatu's Third Five Year Development Plan* 1992-1996

Vanuatu's latest strategic plan identifies inter-sectoral co-operation as the major development issue, specifies the format and the planning procedures to be adopted by sectoral agencies in developing individual sectoral plans, and identifies three cross-sectoral development issues that all sectors and agencies must address in their plans: the role of women, the role of youth, and the environment and development.

Source: From Lorraine Corner's study on Co-ordination annexed to this report

(b) Another option for co-ordination is to assign special responsibility for co-ordination to units, commissions, or ministries. Three examples, concerned essentially with policy-making and planning, are provided in Box 9.

Box 9 *Co-ordinating Mechanisms*

Thailand: The key planning agency is the National Economic and Social Development Board (NESDB). It establishes national policies, strategies and programmes for economic and social development for every five year development plan. The NESDB has created an inter-agency committee on Human Resources and Social Development. This comprises senior officials from ministries, government agencies, organisations and universities. A Human Resource Planning Division and the Social Project Division serves as a secretariat. The secretariat analyses manpower supply, forecasts employment by sector and education and is the focal point for overall human resource development policy co-ordination and planning.

Papua New Guinea: Papua New Guinea has adopted the concept of 'lead' and 'support agencies'. At the macro-level, one department of government is designated as the lead agency for each national development objective, with primary responsibility for designing and implementing programmes and projects to address that objective. Other support agencies participate in the design, implementation and monitoring of programmes. At the micro-level, the basic unit of co-ordination, individual programmes are implemented by the department acting as lead agency, with other departments in a support role.

India: India is a union of states. State governments draw up their own development plans. Plans submitted by state governments are co-ordinated nationally by the Planning Commission headed by the Prime Minister. The Planning Commission has a full-time member in charge of human resource development (education, culture, youth, health and social welfare, women and child development). The Ministry of Human Resource Development, created in 1985, is charged with responsibility for securing co-ordination at the programme level. The Institute of Applied Manpower Research seeks to broaden awareness of manpower planning and development issues among central and state governments and public organisations. It undertakes training and sponsors research.

(c) Cases of co-ordinated implementation are less easy to come by. Botswana's multi-sectoral food security programme in the 1980s provides one example (see Box 10). This Botswana example is one of 'substantive co-ordination', whereby the effectiveness of a human resource development programme is enhanced by co-ordination. This is more than just ensuring that programmes with a common focus are managed efficiently; it is co-ordination consciously designed to ensure that human resource development objectives are met in a coherent way.

Box 10 *Botswana*: A *Food Security Strategy*

Botswana has less malnutrition than any other drought prone country in Southern Africa. A comprehensive food security programme has eliminated severe malnutrition among children under five, despite drought years and falls in grain production. The programme, started in the early 1980s, was designed to expand the capacity and flexibility of institutions concerned with different aspects of food security. The programme comprises:

- direct feeding programmes through primary schools and health centres
- additional water supply
- emergency public works schemes, providing supplementary income
- farm support and rehabilitation programmes.

Several ministries are involved. The Ministry of Local Government and Lands handles food aid imports, local purchases and distribution. The Ministry of Health monitors nutrition and organises on-site feeding in clinics. The Ministry of Education oversees feeding primary school children. The Ministry of Mineral Resources and Water Affairs handles domestic water supply in consultation with local government. The Ministry of Agriculture administers farm relief and recovery through extension and veterinary services. Programme elements are co-ordinated by the Inter-Ministerial Drought Committee, serviced by the Ministry of Finance and Development Planning.

Source: Drawn from World Bank, Sub-Saharan Africa: From Crisis to Sustainable Growth, 1989

(d) Market forces may themselves be an important mechanism promoting linkages and co-ordination. With reference to co-ordination and linkage between education, its quality and the employment market, Corner (the study on Co-ordination annexed to this report) observes that recent developments in manpower planning in developing countries, particularly in Asia, have emphasised measures to improve the efficiency of the labour market as an important way to ensure that the education and training sector produces the kind of human resources that employers are willing to employ.

90 The impetus towards substantive co-ordination as illustrated by the Botswana case is increasing, partly as a consequence of human empowerment. The participation and involvement of individuals and non-government organisations in designing and implementing programmes can lead to pressure being placed on government to undertake substantive co-ordination.

91 Small states, with small and relatively 'manageable' government systems, may possess particular advantages in achieving greater coherence and co-ordination. And yet, as the literature on the public service in the Caribbean suggests, entrenched sectoral interests can be found in even the smallest of public services.

92 The UN Economic and Social Commission for Asia and the Pacific (ESCAP), within the framework of its Jakarta Plan of Action, has identified

11 lessons for building effective and efficient mechanisms for co-ordination. They are:

(a) **Establishing national focal points:** These, or co-ordinating units with responsibilities for formulating, implementing and monitoring policies and programmes, are desirable.

(b) **Strengthening national focal points:** This can be done through formalising their establishment through legislation; locating them at a high level within government; providing budgetary support; and providing technically qualified staff.

(c) **Establishing links between focal points and other government agencies:** A priority list of institutional linkages should be established, showing selective and formal linkages with key agencies.

(d) **Enhancing administrative co-ordination procedures:** Clear delineation and formal recognition of the focal point's functions, responsibilities and mechanisms are necessary; new administrative procedures for multi-agency and multi-sectoral co-ordination need to be instituted.

(e) **Financing human resources development:** This involves monitoring that human resource budgets are not unduly limited; monitoring cost-effectiveness; re-examining the provisions for inter-agency budgetary co-ordination.

(f) **Ensuring policy sustainability and continuity:** Co-ordinated policies, once established, should be sustainable and continuous; at the same time there should be room for flexibility and responsiveness.

(g) **Targeting priority issues and groups:** Co-ordination is successful when it is sharply focused; policy and programme co-ordination should not be spread across too many fronts.

(h) **Co-ordinated policy-making, planning and programming at the sectoral level:** It is necessary to raise consciousness and strengthen experience in a co-ordinated approach within ministries.

(i) **Decentralised planning and development:** Co-ordination among small groups or areas at a local level offers gains from participation and the more equitable distribution of power and resources.

(j) **Building a strong human resource development information base:** Data should facilitate the identification of issues and target groups nationally, regionally and sectorally; data needs to be packaged to meet the needs of co-ordinated policy-making, planning and programming.

(k) **Collaboration with the private sector:** Co-ordination should not be confined to government. Links with the private sector and NGOs

ensure a more demand-driven approach to human resource development, encouraging participation. Collaboration can range from the recruitment of professionals to privatisation of sectoral programmes and the participation of NGOs in programme delivery.

93 This is a highly structured approach to co-ordination. Although this checklist may not suit every country it does provide a useful framework for analysing the needs of individual countries.

PARTNERSHIPS WITH NGOS AND THE PRIVATE SECTOR

94 Governments should encourage the provision of human resource development related services by as a wide a variety of providers as possible. Partnership with non-government organisations (NGOs) is one option; co-operation with the private sector is another.

Non-government organisations

95 Non-government organisations including voluntary groups, community associations, religious bodies and a range of other NGOs have a long tradition of running schools, clinics and skill-training centres. Governments should welcome and work in partnership with such groups, not as substitutes for government services – although this may be appropriate in some circumstances – but as pathfinders, auxiliaries and partners supplementing government's own provision. They add to the stock of development resources and activity; they promote the formation of local institutions and can, in some circumstances, be more cost-effective than government.

96 In **primary health care** non-government organisations have played an important role in making the case for, and delivering, needed services, even if in most countries their work represents only a small proportion of the total health system measured in terms of personnel employed or patients seen. **Education** has been another major focus for non-government organisations, as additional providers, as suppliers of marketable skills for the unschooled and school dropouts, and through literacy programmes. Programmes for **women**, for **self-employment**, for the development of **co-operatives** and **credit unions** are other familiar areas in which community and non-government organisations work. Box 11 provides examples.

Box 11 NGOs *in Support of* Human Resource Development

The Bangladesh Rural Advancement Committee (BRAC) is one of largest NGOs in the developing world. It employs 4,500 people. It has an operational budget of approximately US$23 million. It operates a variety of large scale, multi-sectoral programmes, including oral extension therapy, child survival, women's health development, non-formal primary education and income generation for vulnerable groups.

Association National d'Action Rurale works with remote pastoral people (especially women) in Burkina Faso. Literacy work is combined with reafforestation, combating soil erosion, and market gardening. It works in a part of the country seriously under-served by government. It covers the work of three ministries

Inetnon Famagu'on, 'a gathering of children', is a child care co-operative run by participants and staff in Guam. It is co-sponsored by the Guam Women's Club. It is a day care centre to allow women with young children to continue their education and to share responsibility of child care with others in a similar situation by volunteering their time on a staggered schedule. The women are participants and beneficiaries.

A health project in Villa El Salvador in Peru is supported by a local NGO (INCIDES) and Save the Children Fund-UK. It aims to develop an appropriate primary health care system for a region of desert sandhills South of Lima – a low income, peri-urban area. The project has two main approaches. The first is primary health care through the installation of a basic range of services provided through voluntary health workers from the community; preventive health and health care; and democratic control of health systems by beneficiaries. The second is popular education to strengthen involvement and increase self-esteem and pride. Participatory surveys feed into action plans; street theatre, neighbourhood newspapers and posters are used.

97 Community organisations and non-government organisations (national and international) are already important agents for change and development. They are numerous (1,500 national NGOs in Rio de Janeiro, 23,000 women's groups in Kenya, 25,000 registered groups in the Indian state of Tamil Nadu, 2,500 NGOs on the OECD register for 25 countries). They are diverse, being operational and non-operational; specialised and multi-functional; religious and secular; national and local. One broad but helpful distinction is between 'project-based' NGOs and 'process-based' NGOs: the former concerned with measurable targets; the latter with attitudes, confidence, self-esteem and community action. The two are not mutually exclusive (see Charles Elliot's study on NGOs annexed to this report).

98 This heterogeneous group of NGOs has both strengths and weaknesses. NGOs may offer better opportunities for participation than their local government alternatives. They have been especially active in mobilising women, and raising their political awareness concerning their rights and opportunities. In many cases they have the freedom to experiment and to adapt. They can articulate needs at the micro-level.

99 On the other hand, although NGOs are often better resourced than governments, they are not necessarily better organised or integrated. Not

unlike governments, they often take a 'vertical' project approach, failing to capitalise on horizontal linkage and co-ordination with other services and agencies.

100 Moreover, relations between NGOs and governments are not easy: 'antagonistic co-operation' is one description. Tensions arise for a variety of reasons:

- exaggeration by the NGO sector of its benefits and achievements; an over-sensitivity to criticism
- a lack of realism on the part of NGOs about their capacity to give rise to substantive change
- governmental fear of the political implications of NGO work as a threat to existing power structures
- a lack of clarity over the NGOs' claim to be close to the people at grassroots level and to speak with any kind of authority as public representatives
- in some countries, the perception that NGO leaders are better paid and more independent than senior civil servants and that local employees are overpaid by international NGOs
- differences in styles of operation
- the distance between civil servants and what NGOs are doing on the ground
- the difficulties NGOs face, sometimes of their own making, in relating to government bureaucracies.

101 How then can the strengths and interests of government and NGOs be promoted in a mutually supportive way? The flexibility of NGOs, their ability to minister to groups which governments serve poorly, their capacity to be innovative in ways which may benefit government in the long term: these qualities need to be sustained, and there is much that governments can do to create a propitious enabling environment. At the same time NGOs need to acknowledge that if they wish to influence and be involved in the mainstream of human resource development activities, they must engage in dialogue with governments in a non-threatening way. There is no such thing as an NGO approach to development, but there is a place for NGOs to engage in national programmes of action as a partner of government and other development agencies.

102 There are no easy answers to issues of NGO and government linkage. 'Those countries that have established elaborate bureaucratic systems to liaise with NGOs have often been accused ... of seeking to control NGOs, and thus rob them ... of their independence' (see Elliot's study on NGOs annexed to this report). One option is to establish a joint liaison office, funded and run by government and the NGOs – a mutual listening post. In the experience of India and Bangladesh, a major obstacle to adopting this approach is the disorganised and competitive nature of the NGO sector itself.

103 Information and communication is certainly a start, but needs to be backed up by other practical measures such as:

- joint sectoral working parties and standardised administrative procedures
- co-option of leading NGO figures onto policy and advisory bodies
- removal or reduction of requirements for permits and other bureaucratic obstacles set by government
- establishment of systems of grants and subsidies, often on a matching basis, to encourage community-based voluntary effort
- tax systems to encourage charitable giving by both individuals and firms
- local-level dialogue and joint action with local government.

104 Most of the attention in government and NGO relations has focused on voluntary and community organisations engaged in development and relief work. A significant contribution to human resource development is also made by other kinds of NGO, such as professional associations, trades unions, trade associations, leisure, cultural and sports associations, public interest groups campaigns and lobbies, scientific societies and so on. Some of these are explicitly in the business of human resource development with activities directed to health, education, social welfare, professional development, science and technology; nearly all have a major impact by involving their members in purposeful activities and giving them experience and responsibilities in the conduct of the organisation's affairs.

The private sector

105 The private sector has a growing role to play in human resource development programmes. Governments need to consider how, through co-ordination, regulation and encouragement, the private sector can be enabled to make the substantial contribution of which it is capable. That contribution is made both by firms active directly in the fields of education, training, health, etc. and also by those operating in other sectors.

106 Private firms' direct activity in the social sector includes:

(a) **Supply of goods and services to public education, training or health authorities:** This has traditionally included the provision of equipment, construction of buildings, supply of books, or drugs, food, etc. Although education and health services are very labour-intensive, the value of government contracts can be substantial. The contractual relationship may also extend to services like insurance and transport. In some countries all kinds of ancillary services, such as catering, cleaning and caretaking, are now being contracted out to private firms instead of being undertaken by public authorities.

(b) **Support to the public system of health and education through sponsorship, gifts, or provision of services in kind:** Such activities may be

undertaken as part of a firm's general public relations, or may be a very localised expression of solidarity between a company operating in a local area and the schools, hospitals and clinics in that same community.

(c) **Provision of fee-paying education, training and health services in competition with the public system:** This phenomenon is sometimes welcomed by government as relieving the burden on itself of social provision for a significant part of the population. Other governments actively promote private provision out of philosophical conviction. All governments have to address issues of quality control and public safeguards; meeting entitlements of the whole population and not just of those who can pay; limiting any detrimental effects on public provision of siphoning off by the private sector of good staff, facilities and students.

107 The contribution of the private sector to human resource development extends beyond enterprises working in the social sectors, however. There is the 'employer' dimension of private sector activity: private firms provide training and experience to a large part of the national workforce. The acquisition of skills and knowledge, sometimes on the job but often in large specialised company-owned training establishments, represents a major investment. It is complemented by providing experience of technologies in productive settings and of working routines of modern organisations; an invaluable contribution to promoting the operational effectiveness of the population at large. A great part of the capacities of adult men and women is derived from work experience, through learning by doing. In this connection it should be recognised that the private sector has often led the way in promoting ideas and practices which percolate through to the public sector, about the whole area of personnel management and career development including recruiting, deploying, upgrading and training employees.

108 The Japanese experience is of particular interest. There the production of high-quality, well-trained workers is a company responsibility. The lifetime employment system in Japan has made it easier for companies to provide education and training along a career path. With a declining birth rate the importance of job training increases. To meet skill shortages many private training programmes have been established, the majority focusing on new technology. The combination of on-the-job training, the use of private training companies and public education and training is seen as the way ahead.

109 A third major contribution of private firms to human resource development is in extending the knowledge base of society through their research and development work. The 'spin-off benefits' to society at large from industrial research into products and processes is enormous. Individual major international corporations in some cases employ more research workers than are available in whole sub-regions of the developing world. For example, the Toshiba company has about 30,000 research and development

scientists and engineers in its employment, which is only a few thousand less than the total number of research and development scientists and engineers reported by UNESCO for the whole of Sub-Saharan Africa.

110 The main challenge for public policy in relation to the private sector and human resource development is to develop a regime based on mutuality of interest. The public interest is strongly advanced by firms investing in the training, health, safety and welfare of their employees. Firms have an incentive to make such provision in so far that they themselves reap the benefit of having an able committed workforce in their own employ. But there is a public interest in the reasonably free transfer of new knowledge, techniques and technology between companies and between the private and public sectors; and employees have an interest in individual mobility, in wider choice of employment and in diversifying their experience.

111 Policy-makers must attempt to balance and reconcile legitimate private and collective interests and motivate private operators to undertake activities which they perceive as serving both their own interests and those of society at large. Government has a range of policy instruments available to influence private behaviour, namely: tax and other financial incentives; legislation and regulation; award of contracts; exhortation, public commendation and recognition. It should also encourage the development within the private sector of collective organisations which will help firms identify their shared interest in promoting a healthy, skilful and resourceful workforce, and which will be viable partners to co-operate with government in planning human resource development strategies spanning both public and private sectors for the benefit of the whole nation.

PRIORITY FOR WOMEN

112 Women and girls constitute half the population of the globe. Any strategy for human resource development therefore should attempt to mobilise their talents and be directed towards their needs. Until now their potential has been very much underutilised. Due emphasis must be given to their role as producers and decision-makers as well as recipients and beneficiaries of services.

113 There can be little doubt about the relative levels of deprivation from which women suffer. Among the many manifestations of this are the low literacy rates that prevail for women. In King and Hill (World Bank, 1991 p.2) it is pointed out that, out of 51 developing countries for which school data or estimates in the 1980s are available, female adult literacy is less than 20 per cent in 14 of those countries; in no country is male literacy as low. In terms of health, women suffer more than men from iron deficiency anaemia, from stunting caused by protein malnutrition and from iodine deficiency. In the workplace they tend to be concentrated in lower status, low pay and low productivity occupations and are more likely than men to be unemployed.

114 The correction of these and other gender imbalances requires affirmative action by governments. This involves entitlements and incentives to enable women and girls to access education, credit, markets, jobs, public health care, legal services, decision-making fora, shelter and good sanitation. Empowerment of women and girls must be central to any human resource development agenda (see Box 12).

Box 12 *Women in the Commonwealth Caribbean*

Compared to women in many other parts of the developing world, Caribbean women enjoy many advantages. Their life expectancy approaches, in some cases exceeds, 70 years; education, at both primary and secondary levels, is generally available and accessible; labour force participation rates are more favourable than those for women in many parts of the developing world.

However, growing evidence from around the region attests to the gradual but persistent erosion of such development gains as may have been achieved in the past. Women face:

- growing unemployment
- declining real wages
- unsatisfactory working conditions in export processing factories
- persistent occupational segregation
- discrimination in promotion procedures
- increasing sexual exploitation at the workplace
- increasing levels of mental illness
- increased violence
- increasing levels of maternal mortality, morbidity, and nutrition-related diseases
- increasing malnutrition among young children

Development strategies that ignore or are insensitive to women's reproductive responsibilities are unlikely to make a connection between the parameters of those strategies and the problems women face.

It is hard for poor women to find a steady, reliable source of income to provide food, clothing and shelter for their households. One of the effects of the economic crises of the 1970s and the 1980s has been to curtail opportunities in paid employment and to open up more self-employment activities, especially street vending, petty commodity production, personal services and small-scale transportation. But the self-employed sector is crowded, returns are often minimal and there is no security.

Source: From Joycelin Massiah, in *World Development*, 1989

115 We have already identified (para 22) the fact that women are in a strategic position in human resource development as those primarily involved in the upbringing of the young and as managers of households. They play a pivotal position in ensuring that the potential of future generations is not impaired through avoidable malnutrition or damage to health. Ante-natal and neo-natal care is of vital significance in this connection.

116 The education of girls and women brings particular benefits to society on a number of special counts. Firstly, the mother's education is of crucial importance in ensuring that children attend school, acquire literacy and become effective members of society. Secondly, it is a safeguard for the children's own health and nutrition. Thirdly, educated women are also likely to be better household managers and more informed producers, consumers and traders. Fourthly, education gives women better access to the employment market and earning opportunities. Finally, women's education has a constraining effect on fertility by simple virtue of the fact that high-school and college enrolment tends to entail postponement of marriage and sexual relations. Educated women are more likely to attach high priority to family spacing and to acquire the knowledge to bring this about.

117 Of the many obstacles to be overcome if women are to have a larger role in society and development, some are cultural, some legal, and others require to be addressed by policy and programming (see Box 13).

Box 13 *Making Development Gender-Responsive: The Philippines Experience*

The National Commission on the Role of Filipino Women (NCRFW) prepared the Philippine Development Plan for Women (PDPW) 1989-1992 to accompany the Medium-Term Philippine Development Plan.

NCRFW recognised two conditions for the effective operationalisation of the Plan:

a committed and capable bureaucracy:

- a participatory approach to Plan development
- a Presidential imprimatur
- support for focal points in the bureaucracy
- women and development training and orientation
- policy and programme planning guidelines
- database programme on gender

a supportive environment:

- forging alliances – within government
  – across parties
  – globally

- support for the needs of women employees
- sexual harassment and discrimination programmes
- involving women in key executive positions
- developing links with women politicians

118 In terms of culture one must recognise that the problem is deeply rooted in traditional beliefs and values. Appropriate roles for women are defined in each culture and in many instances women have separate and often inferior status in terms of access to resources and decision-making. This reflects back into language, social observances and behaviour and leaves women with a sense of their own inferiority and incapacity. Much can be done through strong political leadership, through information services and the education system to promote among women a different perception of their capabilities and a greater sense of ambition.

119 A second set of constraints arises from gender discrimination in many different areas, be it the right to vote and participate in the political process; exclusion from certain occupations; limitations on the legal right to acquire, hold and dispose of property; restriction of choice as regards entering into or relinquishing marriage, and rights to guardianship of children; different ages of retirement from employment and different entitlement to social security benefits. Where these forms of differential treatment are institutionalised in the law or regulations, revision of those provisions should be high on any government's agenda.

120 Apart from removing the most obvious instances of discrimination, a programme of affirmative action on behalf of women is needed in all organisations and all areas of activity. In some cases, where women suffer from historical disadvantages, it will be necessary to adopt special measures to promote their access to the education and training necessary to help them overcome these obstacles. Measures may include direct action in terms of scholarships, fees and charges, and creation of additional places for women; also indirect support for families who may be inhibited from sending girls to school by lack of funds or by a continuing need for the child-minding and other domestic services which girls may customarily provide in the household. The restructuring of education provision to make possible part-time and evening study, as well as home-based learning at a distance, can yield important benefits in women's access to education.

121 Equally, special provisions may be required to assist women to obtain better access to employment. Because they carry the main burden of caring in society, this may require organised community or government provision of creches and nursery schools, or caring centres where the elderly and the sick can be safely left during the working day. In addition, employment structures need to be tailored to the position of women, particularly by making available part-time paid employment, recognising women's commitment to the home and family as well as to the workplace.

122 Commonwealth governments have identified many practical measures which may be taken to enhance the role of women in society and to mobilise their contribution to development. They include:

- developing gender-specific indicators to provide benchmarks for assessing women's progress and making policy interventions where necessary
- researching aspects of gender, the economy and society
- strengthening of women's organisations and groups through outreach programmes
- enhancing women's access to education and training
- structuring of the labour market and employment opportunities, as well as education and other services, to meet the convenience of women
- removing discriminatory laws and regulations which adversely differentiate women's roles and rights from those of men
- insisting on gender-free language in all public documents
- setting up public information campaigns on behalf of women's role in society
- taking affirmative action in selection, recruitment and promotion of women in the workplace and special programmes of staff development
- giving special attention to expanding services which will reduce the burden on women's time, especially those concerned with caring, provision of water supply and labour saving services to the home
- including women in all decision-making fora
- establishing ministerial posts in government with special responsibility for women's affairs, and women's bureaux
- adoption by governments and other public and private organisations of Plans of Action for Women.

123 In all these ways we believe that governments can give a firm lead to the whole of society in adopting measures which will ensure that the rightful place of women and girls in human resource development is recognised and brought to realisation.

MOBILISING RESOURCES

124 The shortage of financial and other resources for human resource development is the background to everything in this report.

125 To illustrate the enormity of the problem one estimate suggests that the additional recurrent costs associated with achieving gross enrolment ratios of 100 in primary schools by the year 2000 in all countries would amount to US$60 billion. The additional amount needed to achieve net enrolment rates of 100 and some qualitative improvement in schools is calculated at US$100 billion: an amount roughly equal to total expenditure on education in developing countries in 1990 (see Hinchliffe's study on Resources annexed to this report).

126 Governments have a central responsibility to ensure access for all to health care, food, clean water, good sanitation, family planning services and primary education. These are the foundations of human resource development. Evidence from countries which have experienced rapid rates of economic growth in recent years demonstrates that expenditures in these areas have considerable economic returns.

127 There are two main ways in which governments can mobilise additional resources for human resource development. The first relates to levels of government expenditure; the second to non-government resources.

128 Governments can endeavour to increase revenue and levels of overall expenditure; re-allocate resources across sectors; and re-allocate within sectors. More careful targeting may offer a way of using existing resources more effectively.

129 Substantially increasing overall government expenditure is not realistic for most countries. The national economy is insufficiently bouyant to generate the needed resources from taxation and other domestic sources. However, the international community could certainly be helpful in enabling countries to benefit from more favourable terms of international trade; in increasing the proportion of aid that goes to human resource development; and through debt relief.

130 Only a relatively small proportion of development aid goes to priority areas of human resource development. In 1989 6.7 per cent of bilateral aid of OECD/DAC countries was for health and population programmes; 10.7 per cent for education. Technical assistance, training and consultancy services for other sectors provide important additional support for human resource development in addition to what is done in education and health, though the benefit is somewhat eroded by the need to purchase the services supplied at prices prevailing in the supplying industrialised countries.

131 In Sub-Saharan Africa more is spent by governments on debt servicing than for education and health services combined. The cancellation of debt offers one significant way of generating more resources for human resource development.

132 Re-allocations across sectors could release significant resources for human development. Many poor countries spend two to three times as much on arms as on education and health. 'Even if Third World military spending were frozen for the next few years, rather than rising annually at 7.5 per cent, this would release $US10-15 billion each year for human development, (UNDP, Human Development Report 1991, p.82).

133 Re-allocations within a sector may be necessary if key and basic human resource development needs are to be met. While education and health together share between 17 and 23 per cent of total government expenditure, less than half is allocated to low cost, basic services for the

poor. For 30 per cent of health budgets to be spent on sending a privileged few for treatment abroad is not unknown (UNICEF, State of the World's Children 1992). Commonly, upward of 30 per cent of government's education expenditure is spent supporting the best educated five per cent. Within aid allocations too, there is a skewing towards the 'upper' and more selective end of the two sectors, for example, hospitals and universities. The aid community needs to re-assess its priorities if the alleviation of poverty and sustainable development is really to be the prime focus.

134 Switching resources across sectors and within sectors requires political commitment and will. It can be done – as Bangladesh's health care system demonstrates (see Box 14).

Box 14 *Bangladesh's Health Care System*

Bangladesh inherited an urban based, curative health care system. Now the system, based on the primary health care concept, has an institutional network for providing health care facilities from the grassroots level upwards. This shift is reflected in the increasing share of rural health clinics in the health budget – rising from 10 per cent in 1978 to 60 per cent in 1988.

Source: UNDP, Human Development Report 1991

135 A hotly debated issue in both developed and developing countries is the effectiveness of targeting those who are most severely disadvantaged. In developed countries the debate is in the context of the very high outlay per beneficiary involved in providing social support as part of overall welfare provision. In developing countries the issue is how to better target very substantial numbers of poor people.

136 There is a powerful case for seeking to ensure that where benefits are appropriable by individuals, public provision of social services should be carefully targeted on those most in need, with the rest of the population paying some or all of the costs of the services they receive, thereby sustaining human resource development. In practice this is a hard route to follow, both politically and technically. The difficulty is that social benefits are not completely appropriable but spill over to the whole community; people are not islands unto themselves. A particular problem is to ensure that in cases where it is justified to move from a system of general subsidy to one focusing only on those in need, the poor do not fall by the wayside because of patronage and corruption and ineffective systems of administration.

137 Governments can also encourage and facilitate the flow of resources from non-government sources. One argument for doing so is that a shift

from public to private support may make it more possible to focus government funds on the most basic among human resource development concerns. At the same time, however, any recourse to sources of funding independent of government carries with it the inevitability of greater inequality. Communities, families and individuals have different levels of resources so that a greater reliance on private initiatives is bound to increase the differentiation in levels of service consumed, and therefore makes people's life chances less equal.

138 One strategy for governments is to mobilise individual financial contributions to the public system of education and health care. It is possible to levy user charges and/or prepayment insurance schemes to offset some or all of public expenditure. The percentage of total costs offset in this way tends to be very low. Most assessments argue that charges of this type are a disincentive for the poor and reduce the take-up of services.

139 A second option is to charge consumers for higher order services, for example, higher education, where private demand and private returns are high. Charges, often accompanied by loan schemes, for tertiary students provide a major example. Experience suggests a poor repayment record for such loans in developing countries. It is also not clear that the public expenditure savings generated by the charges are in fact redirected to basic education and health, which is the justification often made for introducing user fees.

140 Another strategy is through the provision of services by the private sector, that is, the direct purchase of services from non-government providers, both for profit and non-profit. In theory this allows more public resources to be expended on those who cannot afford recourse to non-government provision. This approach is most apparent in the health sector (75 per cent of Indian doctors and 30 per cent of hospital beds in Nigeria are in the private sector). It raises questions of the availability of information to the poor and the sick; of whether the private sector will focus on those aspects of care which are most profitable; and of the competition among providers for scarce staff.

141 Mention was made earlier of the role which the private sector can and should play in facilitating human resource development. Employer family planning programmes have been in place in India since the 1930s. A study of private sector in-house training in Jamaica estimated that expenditure was equivalent to 7 per cent of the Ministry of Education's total budget and 27 per cent of its allocation for technical, vocational and tertiary education. In Latin America payroll taxes finance public sector training programmes. A range of countries elsewhere use a levy-grant system to encourage firms to develop their own programmes.

142 Non-governmental and community organisations provide another alternative but are rarely able to mobilise substantial resources on a sustainable basis. Their comparative advantage tends to be in making innovative

use of those financial resources which are available to them or in mobilising non-financial resources such as unpaid labour.

THE USE OF TECHNOLOGY

143 Human resource development strategy should seek to capitalise on the possibilities opened up by technological change. Technological development has implications for all aspects of social, political and economic life and provides the inescapable context for human development strategies.

144 Societies tend to be judged by their technological capabilities. Technologically advanced ones are described as developed countries; the technologically less-advanced as developing countries. Technology is potentially a great leveller, cutting across social, cultural and national boundaries and barriers in the opportunities it opens up. But machines, tools and materials may be costly, so that there is a danger of technology being disequalising unless solid arrangements are made to share access and control of technology. Also machines are only as effective as the people who create, manipulate and manage them. Technological development consists in finding a more efficient and effective way of doing things, thereby paving the way for progress: technology embodies problem-solving.

145 One analysis (World Bank, Knight and Wasty 1991 p.14) recognises six main elements of technological transformation:

- the increased rate of technological innovation (especially in microelectronics, biotechnology and new materials)
- the cross-cutting nature of technological change (the application effect)
- shortened technology life cycles and flexibility in meeting needs
- increased automation with a smaller role for unskilled labour
- increased energy and material savings
- substitution of traditional materials with new ones

146 Technological development is transforming the opportunities for and methodologies of human resource development. Technologies relating to modern communications – computers, desk-top publishing, solar lighting, video – are increasingly critical for expediting the process of learning and access to it, for increasing productivity, for enhancing efficiency, communications and outreach. In particular, the opportunities to standardise and custom-design modules for distance learning and information exchange are important and encouraging developments.

147 On the other side of the equation educating people in the skills and understanding of mathematics and science, and their applications, is fundamental to technological advance. The understanding, appreciation, assessment, application, development, management and monitoring of technology depend on a good infrastructure of education and training in science and technology, maintaining research and development units and institutions,

and on a supportive environment in terms of social attitudes and official policies.

148 In short, the benefits of technology enhance human resource development; and human resource development in its turn is the foundation needed to create the capacity to develop and apply technology for productive, problem-solving ends – a virtuous circle.

149 One part of the challenge is to overcome the mystique of technology. In many developing countries it is still seen as alien, urban and high-tech, rather than something which is already central and relevant to everyday lives.

150 A new way of thatching roofs, new uses for discarded containers, combining new plastics and metals with materials locally available are ways of using technology for human betterment at grassroots level. There is ample evidence from some of the toys and other contraptions made by children of the large reservoir of human inventiveness waiting to be developed and tapped.

151 Basic education, especially in mathematics and science, can stimulate the qualities of curiosity, experimentation and adaptation and has a major role to play in the development of a technically literate society.

152 International NGOs like Intermediate Technology have played a significant role in the promotion of low-cost technology. At the national level, campaigns of public education using the mass media, exhibitions, science fairs and competitions are needed. Overall, there is a need to promote technology as a problem-solving instrument central to a country's attitude and approach to development.

153 A second challenge is to develop institutional capacity to develop, adapt and adopt technologies to support human resource development. In many countries, this institutional base is extremely weak. One indicator of this is provided by the number of research and development scientists per 10,000 of the population (see Box 15).

154 Recent studies of industrial development in Ivory Coast, Nigeria and Tanzania show a continued failure to develop indigenous technological capabilities in much of formal sector African industry. There is a lack of fit between the industrialisation model adopted and the environment, in terms of skills, resources, markets and social structures; gaps between the capital and technology needed and domestic savings and skills. The industrial model does not generate a build up of technological mastery; solutions for technological or economic problems are sought from external sources or government finance. (Stewart, Lall and Wangwe, 1992)

155 It is necessary to develop a technology culture in government, industry, commerce and services which is driven by the desire to help meet

Box 15 *Research and Development Capacity*

Country	Research and development scientists and technicians (per 10,000 people 1986-89)*
Australia	33.0
Canada	34.0
France	51.0
Germany	47.0
Japan	60.0
Sweden	62.0
Egypt	6.0
Fiji	1.8
Guyana	3.5
India	2.5
Korea	22.0
Malaysia	4.0
Mauritius	3.4
Nigeria	0.7
Pakistan	1.5
St Lucia	10.4
Trinidad and Tobago	4.5

**Source:* Human Development Report 1993 (pp. 144-145 and 194, Tables 5 and 32, Human Capital Formation)

the basic needs of the poor and to foster income generation and wealth creation in order to operate in a highly competitive, global market economy. Public and private sector research and development has a critical role to play if the competitive edge of a country is to be developed and sustained. This requires commitment on the part of government to enable industrial firms and other institutions to fund and manage their own programmes of research and development; and incentives to promote a climate for their investment in research and development individually and collectively. It also requires the mobility of scientific and technical personnel between industry (public and private), government and the academic world as one way of harnessing scarce expertise to address specific problems.

156 A report from the Carnegie Commission on Science Technology and Government in the United States (1993) argues that:

> Science and statecraft live in unresolved crisis. The consequences and power of science, both useful and harmful, are too important to be ignored. Yet the modern state is only beginning to incorporate modern science fully into its daily routines.

157 The report recommends 15 steps for the organisation and decision-making machinery of government to enhance the beneficial consequences of science and technology and to avert the unwanted results. These are:

(a) **The White House and Executive Office of the President:** Strengthen technical and advisory support at the highest level; integrate science and technology into the cross-cutting policy issues of environment, energy and the economy; co-ordinate across the Federal Government.

(b) **Congress:** Improve the quality and the way Congress receives scientific and technological information.

(c) **Judiciary:** Resource centres within the scientific communities and the judiciaries plus a non-government science and justice council to help courts manage and adjudicate cases involving science and technology information.

(d) **States:** Involvement in Federal policy-making through the setting up of a national organisation to speak for the States in technology matters.

(e) **International Affairs:** Action to bring an understanding of science and technology to diplomacy.

(f) **Global development:** Harnessing the potential of science and technology for co-operative global development through a National Roundtable for International Development.

(g) **International science advice:** Assistance to international decision-making by governments and international agencies, especially as it relates to global prospects for sustainable and equitable development.

(h) **National Security:** Integration of defence and commercial technology bases; a shift from a regulation based defence acquisition system to a market-based procurement system.

(i) **Economic performance:** Forging of strong partnerships between business, labour and universities; the Defence Advanced Research Projects Agency to be transformed into a National Advanced Projects Agency.

(j) **Mathematics and science education:** Strengthen mathematics and science education in primary and secondary schools.

(k) **Environment:** Environmental research and development, monitoring and assessment programmes should be integrated and directed to well-established goals.

(l) **Regulation:** Risk inventories should be compiled (food, drugs, occupational safety and health, environment, consumer product safety).

(m) **Non-government organisations:** NGOs should review their missions in advising government, develop co-operative consortia and promote policy at the national, state and local levels to improve pre-college science and mathematics education.

(n) **Technical leadership:** Improved systems for the recruitment of scientists and engineers at the highest levels in government.

(o) **Long-term goals:** A non-government national forum on science and technology goals to foster national discussion among all major sectors of society on objectives and priorities for future decades.

158 This is an agenda for a technological superpower. It illustrates the importance of science and technology across all facets of government and of development. In developing countries there is a strong need to develop indigenous capacity to address most of the issues on the Carnegie agenda in a different economic, social and political context.

159 The Jakarta Plan of Action (ESCAP, 1988) identifies science and technology along with employment and manpower development and the quality of life as the three key dimensions of human resource development. It argues for greater attention for scientific and technological research aimed at resolving quality of life issues. This requires support for science and technology institutions, strengthening their capacity to develop and adapt technologies to meet national needs; and establishing formal and informal links between public sector science, technology institutions and the private sector.

160 Policy on science and technology cuts across sectors. It needs to take account of existing technologies, institutional infrastructure and skills; be abreast of developments internationally; and assess the scope for innovation locally. It should strike a balance between current needs and future growth. A multi-pronged approach requires:

- focusing on areas in which it is possible to achieve national competitiveness; on critical areas of infrastructure; on basic human needs; on resources which have the potential for future growth and prosperity
- developing the science base at primary and secondary school
- encouraging skilled middle-level technicians through technical and vocational training
- fostering the development of technology facilitators, that is, those involved in technology transfers, acquisition and marketing
- promoting research and specialisation in national and regional universities with a focus on clearly identified problems to be met within a set time-frame
- encouraging the private sector to invest in research and development and not rely on imported technology alone; providing incentives to

industry to invest in research and development; treating industry as a creator of technical skills

- involving the private sector in the production of low-cost technology for basic human needs; sensitising the private sector to the needs of all parts of the national community
- marketing of new nationally-developed technologies; setting up joint approaches by nationally-funded institutions and industry
- encouraging scientific talent through appropriate personnel policies
- supporting regimes which balance the need to support patenting and intellectual property rights while facilitating the dissemination of research findings and methodologies
- establishing national partnerships and consortia among national laboratories and academic institutions, universities and industry, institutions and consumers
- establishing international partnerships to achieve technological interdependence rather than technological self-sufficiency
- ensuring the development of technology which supports environmental sustainability

161 A clear implication of a list such as this is the need to augment continuously the number of scientific and technical personnel in relation to a country's population. In addition, in many countries it is desirable to establish a new balance between scientific and technical personnel requiring investment in polytechnics, technical and vocational institutions; and training and retraining for industrial and technical personnel on a vastly increased scale.

162 The quality of research and development institutions requires special and specialised attention. Incentives are needed to recruit and retain personnel of high calibre. Induction into new technologies, rewards for the introduction and application of new ideas and techniques, opportunities to experiment in flexible and innovative ways, the chance to network with other individuals and institutions, are all, with other measures, part of a package to encourage professional commitment and development.

163 One of the key technologies for the future is information technology. The implications for human resource development are immense. Information records facts and opinions and advice. It provides the means for making calculations and assessing alternatives at speed, and in a variety of ways, unprecedented in human history.

164 It offers opportunities to network people, ideas, initiatives and actions across the world at electronic speed. It has the potential to create new work cultures, methods, values and environments essential in competitive, open and global markets.

165 It offers the possibility of greater openness, accessibility, accountability and decentralisation. It can vastly increase the efficiency and responsiveness of government. Equally it can be used by the state and other

powerful bodies to control information about people and resources. It can break hierarchies and bring about new organisational disciplines. It can improve productivity and cost-effectiveness.

166 The new technology can transform the prospects for humanity provided that it is accompanied by the human resource development that equips people to master it.