Reflections by a Minister on development problems (speech given on the Opening Day of the Conference)*

I wish to make a few remarks on the basis of what has been said by Professor Singer. I consider Hans Singer (although he does not know it) as one of my teachers, as during the last 15 years I have read many of his contributions to the literature. I am really most grateful for the way in which he has taught me and many other students — both theoreticians and policy-makers — what development really means.

To make a few political remarks on where we now stand: during the past 25 years we have learned something, both from the contributions made by Hans Singer and others who combined research with policy planning for development, and from our own experiences. We made our mistakes in the early 1950s, and are still making them today, but I wish to discuss some of the lessons that we have learned.

For one thing, we should see the development process as a multi-disciplinary process; development not only has an economic dimension but also social, cultural and political dimensions, and they are all interrelated. We have learned that our initial emphasis on economic growth was wrong, because growth does not trickle down. We have learned that the conditions which should be fulfilled in order to bring the development process from one stage to the next, for a variety of economic and political reasons have hardly been met. We have also learned, from experience and from theory, that equality within developing countries cannot be a consequence of development but that economic, social and political equality is to a very great extent preconditional to development itself.

We have learned that it is important to be explicit about specific basic needs: employment, shelter, health, food, water, and participation by the people in the formulation of development aims and in the implementation of

* This was one of Mr Pronk’s last appearances as Minister as, by coincidence, the government was in the process of being changed when the conference took place.
the development process. And we have also learned that instead of looking too much towards the long term, we should choose development policies that also benefit the people who are alive now, because their participation is necessary to start the implementation of a development-and-growth-process for the benefit of future generations. We know that we cannot discard economic growth, that we cannot merely replace it with income redistribution, but that essential matters are the composition of the growth target and who will benefit from economic growth. We also know that economic growth that is furthered by foreign private investment and foreign aid in particular may be detrimental to the self-reliance of societies in the Third World, and especially to the economic and political self-reliance of the poorest strata of their populations. We have also seen that an economic growth policy that aims at the maximization of quantifiable growth targets only creates its own economic order, and on the basis of that its own political order, its own power distribution, which is detrimental to chances of increasing the welfare of the poor people. Unbalanced growth policies lead to political systems within which more power is given to people who are already emancipated and powerful and who in the process become less and less willing to give away part of their power to the not yet emancipated, the powerless and the poorest people in their societies. And last but not least, we have learned that the success of a domestic development policy depends especially upon advance decisions being made in the fields of trade, investment, monetary policy, etc.

On the basis of those lessons from theory and practice, we seem to have accepted two new approaches: the basic needs approach and the new international economic order. That is a political success you might say, the result of the learning process which we have gone through during the last 25 years. However, if we look around and analyse concrete policies, both within and between countries, we see that neither aim (basic needs should be fulfilled, a new international economic order should be created) has in fact been accepted but that both are meeting with hypocrisy and hostility. Governments of developing countries are hostile towards the target of a new international economic order. And if they accept either the one or the other, they very often merely pay lip service to it and that is hypocrisy. That hypocrisy again leads to hostility: you become hostile to the target of basic human needs if you see that your partner does not take action in terms of the new international economic order, and vice versa. Since we started twenty-five years ago, we seem to have done no more than pay lip service to the lessons which we have learned. In practice, our development policies have not improved. Why is this so? In my view it is due to a variety of political reasons, a few of which I shall mention.

We did not define the basic needs concept, its content and its time path in a genuine dialogue with the people of the developing countries; it was invented and defined within the Western world. Many policy makers within the developing countries show hostility towards the concept because they feel that it is yet