RESOURCES AND CHILD RIGHTS:
AN ECONOMIC PERSPECTIVE

David Parker*

CRS 6

April 1994

This paper is part of the background documentation for a project of the UNICEF Innocenti Centre on the resource implications of implementing the United Nations Convention on the Rights of the Child (Article 4).

Regional Economic Advisor, UNICEF Regional Office for South Asia, Kathmandu, Nepal. The views expressed in this paper are those of the author and do not necessarily represent the policies or views of UNICEF.

The author is indebted to a number of colleagues for stimulating discussion of resource-relevant aspects of child rights, the collective substance of which goes considerably beyond the scope of the present paper. Of particular value were comments and suggestions by James Himes, Urban Jonsson, Claudio Sepúlveda and Carlos Castillo, and the editorial contributions of Diana Salarelli.
CONTENTS

EXECUTIVE SUMMARY ........................................................................................................ v

I. INTRODUCTION ............................................................................................................. 1
   What Price Human Rights? ........................................................................................... 1

II. A FRAMEWORK FOR RESOURCE ANALYSIS .......................................................... 3
   ‘Stocks’ and ‘Flows’ ....................................................................................................... 4
   Value and Costs ............................................................................................................. 7

III. INCREASING THE RESOURCES AVAILABLE FOR CHILDREN ......................... 8
   Restructuring Budgets for Human Priorities ............................................................. 9
   Mobilizing Non-traditional Resources ....................................................................... 11
   Improving Efficiency of Technologies and Processes .............................................. 14
   Focusing on Critical Inputs ......................................................................................... 15
   Targeting for Increased Equity ................................................................................... 16

III. THE ORGANIZATION OF RESOURCES FOR CHILDREN ........................................ 17
   Financing of Services ................................................................................................. 18
   Provision of Services ................................................................................................. 20
   Service Management ................................................................................................. 22
   Changing Roles and Relationships: Three Models ................................................... 23

TABLES

1. Rights-related Resources: Stocks and Flows ......................................................... 5
2. Resource-related Functions in Implementing the CRC ........................................ 19

ENDNOTES .................................................................................................................... 26
EXECUTIVE SUMMARY

Human rights law explicitly recognizes the challenges that resource-poor societies face as they seek to attain social and economic progress as well as advances in human rights. The Convention on the Rights of the Child (CRC), for instance, refers specifically to the need for States Parties to achieve economic, social and cultural rights "progressively" (Article 24 relating to health and Article 28 relating to education) and "to the maximum extent of their available resources" (Article 4). The adoption of child rights thus gives rise both to obligations and to claims on resources—human, economic and organizational—at all levels of society. The aim of this paper is to clarify these economic dimensions, and to indicate ways in which they can contribute to the objectives of the CRC. In this discussion, the issue of resource constraints—the adequacy of resources—is seen to be closely linked to power relationships and who controls the available resources.

A range of economic decisions are made concerning actions for children. In a context of resource scarcity, the first concern is that an action is affordable: Are resources adequate, from the possible different sources, at the level of scale (coverage or output) desired? Can the actions and approaches be financed with available resources? The issue of equity arises, especially from a rights perspective, out of concern that the benefits, and the costs, of actions are distributed fairly among the population. Parallel to this is the concern that the action is efficient—that costs are as low as possible or realistic. Over the longer term, the concern is with sustainability: Can actions be maintained into the future with the resources expected to be available?

This paper first examines the use of human, economic and organizational resources in producing social outputs, in terms of the two main forms that resources take—'stocks' and 'flows'. Stocks, which are accumulated reserves of value that can either be conserved or used, establish the range of activities open to society, in both the present and the future. Flows are the actual expenditure or use of these resources. For example, human resource 'stocks', such as training, motivation and commitment, are translated into flows in people's efforts. Human resources and organizational resources have a 'multiplier effect' on economic resources, determining their quality or productivity.

Based on this framework, several key measures are identified for increasing the availability of resources for the implementation of child rights:

- **Budgets can be restructured** in favour of human priorities at the government, household and community levels;
- 'Non-traditional' human and organizational resources can be mobilized to the benefit of children. Community volunteers, for instance, can contribute to making actions for children more affordable and sustainable;
- Technologies and processes can be made to be more efficient. For example, para-professional workers such as community health workers can be utilized instead of professional workers; and schools and other facilities can be used for multiple purposes;
- Critical inputs can be made available to increase the efficiency of existing resources. The political and social support given to specific social targets is especially important; and
- Targeting can be improved to increase equity. Urban-rural differences, gender disparities and differentials between income groups or social classes can be reduced by taking measures to improve access to resources by particularly vulnerable groups.

The paper concludes with a discussion of the changing economic and political roles of the different actors for the fulfilment of child rights, considering the responsibility for the financing of actions, the provision of services, and the management of social sectors. It highlights the need for a broadened understanding of resources and their implications for the fulfilment of rights and the design of actions to make these rights a reality, including through the provision of essential social services.
I. INTRODUCTION

What Price Human Rights?

There is a tendency in human rights circles to assume that 'rights are rights' and as such should not be the subject of lengthy debates among economists and planners about resource allocation, costs and financing. This viewpoint stems partly from the general association of human rights, especially in the industrialized West, with civil and political rights, including the individual's right to personal security: freedom from government interference in matters of property, family and household, language, religion and culture. Especially when it comes to gross abuses by the State itself, such as summary executions, torture, state-instigated terror and the complete absence of due process in criminal proceedings, international human rights law allows no State to claim exemptions or to justify delayed compliance due to resource constraints.

In the areas of economic, social and cultural rights, however, sometimes transposed into 'survival and development rights' in the context of the Convention on the Rights of the Child (CRC), human rights law explicitly recognizes the constraints imposed by available resources and the need for the achievement of these kinds of rights over time. In addition to the specific reference in Article 4 of the CRC to the obligation of States Parties "to undertake such measures [regarding economic, social and cultural rights] to the maximum extent of their available resources", other provisions, for example, refer to "the highest attainable standard of health" (Article 24) and to "the right of the child to education, and with a view to achieving this right progressively..." (Article 28).

Human rights activists and promoters of children's rights may counter, with considerable justification, that many of the problems of violations or neglect of economic, social and cultural rights have more to do with power relationships in society, or a lack of 'political will', than with resource constraints. An earlier paper in this Child Rights Series drew attention to the key question of 'who controls the available resources'— from the national and international levels to individual households. The Chief of UNICEF's Nutrition Section, in a later paper in this same series, referred to a complex array of social, political and ideological factors that affect the availability and control of resources at different levels of society. He noted specifically that "the basic causes of child malnutrition are social and political and ought to be addressed by governments, a responsibility that could require substantial structural changes".
From the programmatic perspective of UNICEF and its partners, there is surely little to be gained from abstract debates about the balance among economic, political, ideological and cultural constraints on progress towards implementing the CRC. All these factors clearly play a role, and even very rough weights that one might try to assign to them will obviously vary from context to context, within countries as well as across significant time periods. One thing, however, is certain: whatever the underlying historical causes, 'resource-poor' societies face particularly harsh challenges and trade-offs as they seek to attain social and economic progress, as well as advances in human rights. UNICEF and other international development agencies share a special responsibility, set out in several provisions of the CRC as well as in other international human rights treaties, to respond to compelling resource constraints where needed. This responsibility is especially clear in critical areas such as health and education, where the CRC requires that "particular account shall be taken of the needs of developing countries" (Article 24).

The analysis that follows runs two risks: human rights activists may find it overly technical, perhaps even unseemly, in its application of concepts such as 'stocks' and 'flows' and 'efficiency' to the field of human rights. Economists, on the other hand, may wish the analysis were even more thorough and perhaps more empirical. There is, however, a growing conviction, certainly shared by most of the concerned agencies of the United Nations, that much more work needs to be done in developing concepts, planning and monitoring tools and indicators to help achieve and measure progress on both the development and human rights fronts. In the process, considerable patience and willingness to dialogue across these lines of social policy action will be needed. It is hoped that this and other papers in this Child Rights Series will contribute to the advancement of a constructive dialogue among the concerned parties.

This paper first examines the use of human, economic and organizational resources in producing social outputs, in terms of the two main forms that resources take—'stocks' and 'flows'. Based on this framework, several key measures are identified for increasing the availability of resources for the implementation of child rights, including changes in technologies and processes, and the expanded use of 'non-traditional' resources for children. The changing economic roles of different actors in the fulfilment of child rights are then considered, in relation to the financing of actions, the provision of services, and the management of social sectors. The paper closes with an assessment of different arrangements among these actors which can best promote child rights concerns.
II. A FRAMEWORK FOR RESOURCE ANALYSIS

Part of the debate over the issue of ‘economic’ versus ‘political/social’ constraints inhibiting progress on human rights can be addressed more constructively if it is made explicit that references to ‘available resources’ in international human rights treaties should not be restricted to ‘economic resources’ alone—that is, to only financial inputs and material objects which can be purchased or donated in economic transactions. Human and organizational resources need to be brought into the debate much more consciously than is often the case by either the development or the human rights communities. Human resources, for example, include people’s capacities and skills, which in turn include, among many others, leadership, managerial and political skills. In practical terms, these are the sorts of skills needed to help confront the more cultural, political or ideological barriers to progress in many areas of both development and human rights to which ‘structuralist’ observers would call our attention. Organizational resources, similarly, include the entire array of structural and functional relationships in society, including power relationships, which influence the ways in which resources are generated and allocated in any society.

It is worth repeating here, therefore, the threefold classification of ‘resources’, which is reasonably conventional in the relevant literature and which we have attempted to use consistently in this Child Rights Series relating to the implementation of the CRC:

- **Human resources**—‘people’: the capacities, actions, time and energy of individuals and communities.
- **Economic resources**—‘things’: both financial inputs, which can be budgeted for, and materials, which are purchased. They also include material inputs donated in kind, such as food and building supplies.
- **Organizational resources**—the ‘enabling environment’: formal and informal arrangements between people and the procedures by which actions are structured in society. They include the amounts and distribution of power and political commitment, which permit the effective use of human and economic resources.\(^3\)

It is also important to reiterate another important point developed elsewhere:\(^4\) the adoption of the principle of children’s rights gives rise to **obligations**, including claims on human, economic and organizational resources, at **all levels of society**, and not just on the central government on which attention is usually focused in terms of the formal obligations
of ‘States Parties’ to international conventions. Other critical obligations, involving varying degrees of legal enforceability to be sure, nevertheless must be considered: subnational governments at the state or provincial, municipal and district levels; the private commercial and informal sectors; non-governmental organizations (NGOs); communities; and households. Improved ways also need to be developed to emphasize and specify the obligations and accountability of the international community concerned with human rights, including those of children. Among other important consequences, a more encompassing definition of obligations and claims on resources draws attention to the potential for more active partnerships in favour of children’s rights, including public/private-sector cooperation, central/local-level governmental joint action, and international cooperation not just with central governments but also with local public- or private-sector initiatives.

In this perspective, a range of economic decisions are made concerning actions for children. In a context of resource scarcity, the first concern is that an action is affordable—are resources adequate, from the possible different sources, at the level of scale (coverage or output) desired? Can the actions and approaches be financed with available resources? The issue of equity arises, especially from a human rights perspective, out of concern that the benefits, and the costs, of actions are distributed fairly among the population. Parallel to this is the concern that the action is efficient—that costs are as low as possible, and realistic in the programme context. The longer-term concern is with the sustainability of the actions—can efforts be maintained into the future with the resources expected to be available?

‘Stocks’ and ‘Flows’

The concept of resources may be further developed by classifying the different types of resources into the two main forms of stocks and flows. ‘Stocks’, also referred to as ‘assets’ or ‘endowments’, are the accumulated pools of value which society has at its disposal, to conserve or to use for different purposes. They provide the basis for present and future economic activity, establishing the range of possibilities open to society. ‘Flows’ are the actual expenditure or use of these resources, either through direct consumption or application (for example, eating a meal or installing a handpump) or through transactions or exchanges in the market-place.
Thus, for example, human resource ‘stocks’ include the training, motivation and commitment that are vested in people, both as individuals and communities. These stocks are converted into ‘flows’ in people’s efforts, as actions are undertaken in daily life and in the production of goods and services. Considering economic resources, ‘stocks’ are easily understood as the base of natural resources, physical goods and technologies that represent a society’s productive capacity; these are consumed or exploited as ‘flows’ in the course of economic activity. Finally, organizational resource ‘stocks’ include structure and power in the political, administrative, community and household spheres. Organizational ‘flows’ are seen in the planning, mobilization and management of actions. A fuller illustration of these dimensions of resources is presented in Table 1.

<table>
<thead>
<tr>
<th>TYPE</th>
<th>STOCKS</th>
<th>FLOWS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HUMAN RESOURCES</strong></td>
<td>Skills, professionalism</td>
<td>Skilled, manual and intellectual work or labour</td>
</tr>
<tr>
<td></td>
<td>Motivation, will-power</td>
<td>Struggle, threat, negotiation, dialogue</td>
</tr>
<tr>
<td></td>
<td>Aspirations, ‘vision’</td>
<td>Exchange of information and experience</td>
</tr>
<tr>
<td></td>
<td>Knowledge, experience</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Desire, commitment</td>
<td></td>
</tr>
<tr>
<td><strong>ECONOMIC RESOURCES</strong></td>
<td>Land, natural resources</td>
<td>Budget, expenditures</td>
</tr>
<tr>
<td></td>
<td>Physical infrastructure (roads, electricity, water)</td>
<td>Credit</td>
</tr>
<tr>
<td></td>
<td>Equipment, tools</td>
<td>Supplies</td>
</tr>
<tr>
<td></td>
<td>Assets, savings</td>
<td>Interest</td>
</tr>
<tr>
<td></td>
<td>Technology, information</td>
<td>Profit</td>
</tr>
<tr>
<td><strong>ORGANIZATIONAL RESOURCES</strong></td>
<td>Administrative structures, norms, procedures</td>
<td>Decisions</td>
</tr>
<tr>
<td></td>
<td>Laws and regulations</td>
<td>Participation</td>
</tr>
<tr>
<td></td>
<td>Professional organization</td>
<td>Mobilization</td>
</tr>
<tr>
<td></td>
<td>Political power, leadership, control</td>
<td>Management</td>
</tr>
<tr>
<td></td>
<td>Political organization</td>
<td>Regulation</td>
</tr>
<tr>
<td></td>
<td>Local organizations and committees</td>
<td>Monitoring</td>
</tr>
<tr>
<td></td>
<td>Service organizations</td>
<td>Training</td>
</tr>
<tr>
<td></td>
<td>Family, clans</td>
<td></td>
</tr>
</tbody>
</table>
The categorization above attempts to indicate the relationships among the different resources present in society. Conceptually, it is of course problematic to classify resources into one or another 'type'. The framework is not intended to be exhaustive, but rather to suggest a useful way of viewing resource issues, one which is related to other economic theories used to address rights questions.\(^5\)

From these examples, it is seen that, of the two forms of resources, 'flows' of production (income) and consumption (expenditure) are by far the most apparent and commonly considered. 'Stocks' usually remain in the background and are considered only when there is awareness that they are inadequate for a purpose (as in the case of insufficient budgets) or about to be depleted (clean water, for instance). Yet, from the perspective of child rights, society's 'stocks' are crucial: sufficient endowments must remain available to invest in and support actions to meet the needs of future generations.\(^6\) Such an inter-generational perspective underlines the importance of long-term investment, building of human capacity, conservation of natural resources and empowerment of organizations and communities to enable actions in the future—as an obligation, not merely as an optional use of present efforts.

Some types of stocks can be maintained indefinitely under proper conditions—for example, savings in a context of stable financial institutions. Others, such as human skills and motivation, degrade or depreciate over time and must be replenished to remain fresh. The level of 'flows' as resources are used must be closely monitored. Within the family, for example, a parent (usually the mother) may have sufficient time to spend some extra hours caring for children in the community. If the same parent must also participate in the activities of the local cooperative and carry out extension functions for the health centre, in addition to fetching water, cooking and other household tasks, she may quickly lose her ability to perform any of these functions well, as her 'stock' of energy and motivation declines. Similarly, although households may have sufficient cash to afford fees for schooling, health care or water, expecting them to pay for all of these services may soon exhaust their incomes.

A key step in ensuring the optimum use of resources is thus to establish the process by which society's stocks and flows are combined for the achievement and enforcement of the rights of children, through concrete actions in the sectors of health, education and early child development, for example, as well as in the wider economy.\(^7\) The processes required for the implementation of child rights are complex, first, because of the challenge to define
basic needs across different country settings—and, beyond these needs, the satisfaction of other conditions for the quality of children's lives. Procedures used to allocate resources at the governmental, organizational and household levels must also be redefined, in order to respond to and fulfil society's minimum needs effectively, a task for which existing procedures are not well suited. A central requirement in this effort is to expand the planning and allocation functions to encompass human and organizational resources, in addition to conventional economic resources.

In this process, it is important to note that 'production' is not merely additive or linear among these three types of resources. It is clearly not the case, for example, that given amounts of skills, buildings and decisions yield a definable social improvement. Rather, it is seen that human resources (such as motivation and creativity) and organizational resources (the processes and procedures by which human and economic resources are harnessed) have a 'multiplier effect' on the yield or performance of a given set of economic resources. In other words, they determine the 'quality' or productivity of economic resources. It is thus often the case that the differences seen in results achieved by two individuals, institutions or countries—which have begun with the same endowment of economic resources and with common objectives—can be explained by the types and amounts of human and organizational resources available.

Value and Costs

The 'value' of a resource is expressed in terms of its cost. Ideally, cost is defined in terms of 'opportunity cost', namely, the worth of the contribution of a resource if it is used in the most productive way possible. In practice, however, the value of resources is expressed in terms of prices, which often do not fully reflect a resource’s real potential value.

Markets, which determine prices and arrange transactions, are best suited for dealing with economic resources. Yet in many cases—as is frequently seen in the social sectors—the prices of economic resources differ widely from 'opportunity-cost' value. For example, the high price of many drugs is often related more to monopoly production, advertising and a lack of information available to consumers than it is to therapeutic efficacy. Another example is seen in the persistent disagreements, social as well as technical, over how to account for and value a country's natural resources.
The markets for human and organizational resources are generally far more informal and less well developed. In these categories, there may even be difficulties in defining the resources themselves. For example, some people may not consider 'motivation' (identified as a human resource) or 'norms' (an organizational resource) to be distinct from other human and organizational characteristics. Many human and organizational resources are usually not quantitatively 'valued'. Instead, they are often merely described, in a combination of qualitative and quantitative ways. As a result, most calculations of costs, which naturally focus on economic resources, tend to understate the actual total utilization of resources for a given activity.

The 'value' of human and organizational resources is enhanced, enabling them to be used more fully to their potential, through the provision of 'opportunities'. Opportunities relate to changes in the context in which action takes place, in the political, technical or social setting of an activity. Thus, 'opportunities' might include legal provision for the creation of a local cooperative, or the development of a technique to use locally made flour in a rehydration solution for diarrhoea.

III. INCREASING THE RESOURCES AVAILABLE FOR CHILDREN

While decisions about the allocation of resources are, in principle, taken by and for society as a whole, economic decisions are in practice made by specific actors: central government; subnational governments, at the state or provincial, municipal and district levels; the private sector; NGOs; communities; households; and the international community. Each of these actors holds distinct values and perspectives, which are likely to be different from those held at other levels, and also different from those of an 'ideal' society-wide decision process. The central issue for child rights is to understand how these individual decisions can best contribute collectively to the achievement of a country's or society's objectives.

The result of such decisions should be to ensure that adequate resources are available for use in the most productive way, for implementing child rights. There are several lines of action towards this objective: increasing the total quantity of economic resources, in a context of resource scarcity; increasing the use of 'non-traditional' resources, human and organizational, in activities; and, at the same time, ensuring that existing resources are used to their maximum extent. Actions are required, for example, to improve targeting of resources
on vulnerable groups; to improve the cost-efficiency of programmes; to make aid procedures more flexible and appropriate; and to improve the information base on resource requirements and use. Each of these approaches is likely to require reassessment and restructuring of budgets on the part of governments, communities and households.

Restructuring Budgets for Human Priorities

The central reflection of a society’s values lies in the overall pattern of its allocation of resources: Are resources being directed where they are most required, in terms of their prioritization towards specific needs and in favour of specific populations? At the governmental level, addressing this question of ‘allocative efficiency’ first relates to the choice among sectors and target groups. For example, are adequate resources going for education, health and other basic services in comparison with, say, road-building or defence? A number of initiatives are under way to seek the restructuring of government budgets in the context of child rights, through the reduction or elimination of debt burdens and a shift in allocations in favour of human priority concerns. Secondly, within a given sector, are resources being used for the actions that best reflect society’s needs and resources? Within the education sector, at a given level of funding, the balance between basic and primary schooling on the one hand and tertiary education on the other must be assessed. In health, primary services, including preventive and promotive actions, must have an appropriate role vis-à-vis higher-level curative care. In the nutrition sector, community-based approaches and a focus on alleviating micronutrient deficiencies are needed rather than untargeted feeding and subsidy programmes.

The deterioration of economic conditions during the 1980s led to increased poverty in parts of the developing world. The declines were particularly severe in Africa, owing largely to falls in the prices of primary commodities, and in Latin America as a result of mounting debt. However, conditions worsened in other regions as well, including in South Asia where large populations remained in poverty and the numbers of malnourished grew. There was thus a growing view that development strategies should shift towards greater emphasis on poverty reduction and human development, often requiring significant policy changes. A central focus of this effort has been on the social dimension of poverty reduction, or ‘human development priorities’, particularly on low-cost actions in primary health care, basic education, rural and peri-urban water and sanitation, and nutrition support. To achieve
substantial progress in reducing the worst manifestations of poverty by the year 2000 and beyond, additional efforts and resources are needed in most countries, as outlined in the National Programmes of Action (NPAs), described elsewhere,\textsuperscript{11} and other documents.

Available data indicate that most countries are currently spending less than 5 per cent of gross domestic product (GDP), and in the range of 10-15 per cent of government expenditures, on human development priorities. These spending patterns are predictably varied, in relation to countries' economic, social and political structures and objectives. But experience suggests that, in the case of similar countries, those that, in a sustainable fashion, have given comparatively high priority to human development in public expenditures, particularly in the social sectors, have achieved greater economic and social progress. For external assistance, it appears that donors spend on average about 10 per cent of official development assistance (ODA) on human development priorities. However, in both of these cases, and particularly for aid, incomplete reporting and lack of comparable data hamper an exact assessment of human development performance.

A range of efforts are needed to mobilize resources for basic social services, including increases in the total amount of government revenues and expenditures; restructuring of budgets both among and within sectors; decentralization of government action; debt reduction; and innovative approaches for mobilizing private resources. Many such steps are outlined in the NPAs of different countries.

In this context, several initiatives are underway to promote the allocation, by governments as well as donors, of increased budget resources for human priority concerns. One such approach, known as '20-20', proposes targets for expenditures for social priorities as a means to signal a firm commitment to social development, and to protect priority programmes against disproportionate spending cuts. It suggests that a minimum of 20 per cent of developing country government budgets, supported by a comparable level of aid (20 per cent of aid budgets at the global level), properly targeted, can contribute substantially to meeting the short-term basic social needs of children and other vulnerable groups. This effort would thus address the worst aspects of poverty and pave the way for planning the achievement of longer-term human development objectives.\textsuperscript{12} Other related spending targets for social priorities may also be usefully applied, including targets in relation to total national income or GDP (which recognizes the increasing importance of the private sector), since no single target is capable of reflecting all of the economic elements relevant to human development priorities. But together, these targets offer basic benchmarks
for government and donor spending, translating into increased allocation of resources on a set of specific interventions which are already on the human development agendas of most developing countries and donors.

Similar considerations apply at the household and community levels, where spending patterns frequently do not address critical needs, including those of children. Instead, they often focus on less productive consumption, as a result of social and cultural habit. Social expenditures on ceremonies and social events can be many times greater than those devoted to children, severely depleting household resources and incurring substantial debt. Consumption of alcohol and tobacco is frequently very costly, while the local production of alcohol can absorb large stocks of grain that might be used for food. Well-documented patterns of food consumption, in which adults are given preference over children, men over women and boys over girls, perpetuate undernutrition of children, especially of girls. Similarly, education and related expenditures may be focused on a few children in a household, while other children, particularly girls, are kept at home for chores. In all of these instances, better prioritization of household resources can yield significant economic resources for child development, at relatively little opportunity cost.

Mobilizing Non-traditional Resources

A specific focus of efforts to increase social outputs, in relation to the implementation of child rights and other goals, is to restructure production so as to use 'non-traditional' human and organizational resources, in addition to economic resources, in generating results. This has the great potential to make actions for children more affordable and sustainable, in the absence of sufficient economic resources to achieve all of society's objectives. It can also lead to greater equity, since those without adequate economic resources are usually precisely those who are most vulnerable.

In the case of the Expanded Programme on Immunization (EPI), the strategy of mobilization of groups throughout society was refined and implemented in efforts to achieve universal immunization by 1990. In different countries, all segments of the society, including central and local government, religious leaders, NGOs, civil servants and community leaders, were mobilized and involved in immunization activities. Reviews of this experience have attributed much of its success to this process, which was used to support both intensified expansion of facility-based services (as in Turkey, Mauritania and Burkina Faso), and
Immunization Days and other 'campaign' approaches at the national, district and municipal levels. The latter campaigns, in particular—as seen in the examples of Colombia, Nigeria and many other countries—involved major communication efforts to inform the population about the importance of immunization, and logistical arrangements to establish vaccination points, encourage participation and provide vaccinations on a mass basis.

Analyses of the cost of campaigns, including part or all of the estimated value of non-health-sector contributions, have shown results of about $15 per fully immunized child, approximately the same as for routine EPI strategies. As such, important questions are still raised about the ongoing sustainability of the EPI effort, and the ability to meet its resource requirements in the future. However, the experience has also shown how the economic resources provided by the health system and donors can be used to mobilize large quantities of additional resources—contributions of time, media coverage, food and supplies, from other government sectors (notably teachers), businesses, religious and social groups and communities—in immunizing children. Beyond these direct results, the participation of these groups has been seen, in many countries, as a springboard to their wider involvement in actions for children, including the promotion of child rights.

Information and education provided to the public has been found to have especially significant multiplier effects and long-term benefits. With regard to immunization, the mobilization process created or activated channels of communication about the value of immunization and other health actions, which often were able to reach the population more effectively than the routine health services could. Hygiene education has long been noted as one of the most crucial interventions for sanitation, both for direct health benefits and for an improved living environment. Concerning nutrition, recent research has identified the significant social gains to be attributed to the better dissemination of information about improved nutrition practices.

The inputs of community volunteers are particularly effective in activities of short duration. Problems of continuity often arise when volunteers are relied upon for ongoing efforts. There are numerous examples in history of volunteer-based actions, from post-war rehabilitation programmes to systematized efforts such as the Korean Saemaul Undong of the early 1970s, in which the volunteer contributions are phased out or become institutionalized as new employment opportunities develop for the use of their time. This situation has also been seen in the primary health care systems of many countries. Typically, community volunteers are recruited for 'informal' work, as the key agents for extension and
first-line referral, and have been given a modest amount of training. Payments usually consist of only a stipend or nominal wage, or contributions from the community. As a result, these workers tend to have a high rate of attrition and are lost to the system (although their skills are not lost to society). In other cases, volunteers organize and seek to become integrated into the formal health or education system, a move which has tended to be resisted by professional cadres as well as by governments themselves in the budgetary process.¹⁵

For a shift to take place from conventional 'economic' inputs to the increased use of human and organizational resources, a longer time period and fresh organizational arrangements are usually necessary. Thus, for example, if child care by mothers is identified as a substitution for public-sector day-care provision, organizational resources in the form of a village committee structure and means of compensating the mothers must be established. This process requires that planning take place with a sufficiently long time-frame, because of the periods needed for such resources to be developed and organized. Within the public sector, training needed to raise the level of basic skills may take from 5 to 10 years to implement, whereas even retraining and reallocation of personnel requires a substantial period of time. It is important not to underestimate the similar requirements for introducing sustainable changes at the community and household levels.

An example of new organizational arrangements in the non-governmental sector is seen in the case of the Sarvodaya Shramadana Movement, a village-based development programme in Sri Lanka. The Movement supports a number of different activities across the country, including income generation, community health and nutrition services through a pre-school programme, and relief and rehabilitation, all based on the efforts of semi-volunteer gramadana workers.¹⁶ Following evaluations of the Movement's ability to manage its growing programme and retain the workers who were at its core, several changes were made.¹⁷ A first focus was on staff development, to increase professionalism and maintain the motivation of trained workers, for whom market wages could not be afforded. Second, field-level supervision was increased as a means for improved planning, monitoring and evaluation, through greater decentralization of responsibility. A third measure was to introduce improved systems for administration and finance, to ensure that programme quality and accountability were maintained. In these ways, the Movement has been able to retain its basic voluntary character, while increasing the range and coverage of its activities. Successful NGO programmes in other countries, including the Bangladesh Rural Advancement Committee
(BRAC) in Bangladesh, have undertaken similar organizational changes as their activities have matured and expanded.

**Improving Efficiency of Technologies and Processes**

Once programme objectives have been agreed upon, there is a need to establish that resources are being used as productively as possible: that the maximum level of output is being achieved with a given set of inputs; or that minimum inputs are being used to achieve a given result, and are realistic in the context of alternative uses of those resources in the society.

A wide variety of technical and social factors influence the ways in which resources are used and combined for different aims. At the margin, one type of resource can often be substituted for another—for example, using bicycles instead of cars, or local building materials instead of imported cement. But the extent of such substitution varies considerably, and its long-term scope is usually limited. Economic resources are clearly the most 'fungible': flows of money and budgets can be used to purchase other economic resources (for example, supplies), human resources (for example, labour) and organizational resources (for example, a supply distribution system). Yet, in the short run, budget structures and earmarking of allocations for specific purposes may be difficult to change. And even in the longer term of, say, a five-year planning cycle, exchanging resources requires adequate markets (which are often not in place) and the availability of the resources for which exchange is sought. Thus, shifting the locus of primary health services from hospital out-patient departments to local clinics requires major changes in staffing, public knowledge and expectations, supervision and regulation (to name but a few areas); and for each of these changes, considerable lead time and planning are needed.

Still, many options exist in society for doing more with the same, or with fewer, resources in order to improve cost-efficiency. A number of examples can be given of actions that have been taken in different countries:

- Non-professional or para-professional workers can be utilized instead of professional workers; for example, community health workers trained to treat common problems and dispense a limited number of drugs, and community teachers who provide non-formal education. The use of volunteer workers raises numerous challenges to management and political processes, as discussed above. Examples of how village-
level health workers have been effectively incorporated into national systems are seen in Indonesia and Thailand.\textsuperscript{18}

- Lower-cost buildings can be utilized to serve the necessary functions of more substantial but expensive facilities; in many countries, for example, considerable savings have been achieved by building schools with locally available materials, which has meant that the schools can be constructed and maintained with local labour;
- Facilities can be used more intensively and for multiple purposes; for instance, school buildings used for multiple shifts during the day and for community meetings in the evening;
- Less costly supplies can be used; for example, generic rather than branded drugs in health facilities, locally produced teaching materials rather than imported textbooks, and locally produced handpumps.

Such choices of technology are particularly crucial when the alternative is no services at all, but they apply equally when choices must be made between expanding coverage and increasing quality or input intensity.

A basic problem in technological choice is often not that more expensive approaches are selected deliberately, but that those who are carrying out an action in a certain way are doing so because that is the only one they know, or it is the standard approach. More efficient methods, made possible by the development of new technologies and the identification of new ways of organizing activities, often exist—as in the case of low-cost handpumps for water supply, which in turn enable the management of operation and maintenance at the community level. It is thus important to improve the general understanding of programme costs, and then to communicate information on lower-cost technologies and approaches so that they can be applied in other settings.

**Focusing on Critical Inputs**

To improve efficiency and reduce wastage, specific attention must be given to those inputs that are in shortest supply in relation to requirements and that constrain the level of output—regardless of the availability of other resources. It is often easy to observe the examples of inefficiency and waste that occur when existing resources cannot be used to their
full capacity, and may even go idle. For example, teachers try to lead classes without books or paper; health workers cannot provide adequate care because they lack dressings and drugs, which patients must obtain if they can, and, at the household level, children experience micronutrient deficiencies even when there is a sufficient overall quantity of food. Eliminating such bottlenecks and making 'critical' resources available then becomes a major focus of action, and these resources gain a value with respect to the output that can far exceed their normal 'price'. This situation is familiar in the case of economic resources: the provision of foreign exchange for essential drugs or textbooks is often the crucial need of a health or education programme.¹⁹

The problem of scarcity applies equally to human and organizational resources—although it is of course less easy to quantify. When, for example, the organizational resource of political leadership and commitment is absent, it may be most productive to concentrate on strengthening these in order to mobilize other resources in society. As noted above, concentration on mobilizing political and social support, supplementing the ongoing attention to logistical and other technical elements, formed a key strategy in the effort for universal immunization during the late 1980s. An expanded version of the same priority is now a cornerstone of the implementation of the child rights agenda. Both for the ratification of the CRC itself and for the actions needed for its implementation and enforcement, political commitment and leadership are recognized as critical resources.

Similarly, at the operational level, as has been described, a combination of adequate remuneration and other actions to improve motivation and morale may be needed before health workers can function effectively, even when other inputs such as buildings, drugs and supplies are present. An important function of external agencies in this context is to help provide critical inputs so that the overall system can function more efficiently, to its potential capacity.

Targeting for Increased Equity

Economic, human and organizational resources are unequally distributed within society; and, above all, children do not have control over resources in relation to their needs. Thus, a major concern of resource analysis is to examine the extent to which there is equal access to resources and to the benefits of social actions by different population groups, and to take
actions to improve this access, for instance, with respect to urban-rural differences, gender disparities, and differentials between income groups or social classes.

Many of the actions indicated previously are likely to increase equity. In particular, because the poor have the greatest needs, any action to increase resources and adopt more efficient technologies is likely to lead to more equitable distribution of benefits to those presently not receiving them. In addition, however, specific strategies may be needed to improve the focusing of actions on those most in need. For example, untargeted consumer subsidies that benefit urban-dwellers in general, including those better-off, might achieve their intended results more quickly by being translated into targeted subsidies. Similarly, mandating (and enforcing) basic minimum standards for education, health care and access to water supply may be needed before increased social-sector budget allocations can be expected to impact on the poor.

IV. THE ORGANIZATION OF RESOURCES FOR CHILDREN

It has been seen that the key approaches needed to increase and strengthen the actions taken for children for fulfilment of the CRC involve changes in the allocation of human and organizational resources in society, to complement and support the flow of economic inputs. These implementation functions have to do principally with:

- **financing**—who should pay for services and other actions for children, and through what means;
- **provision**—the decision about who should deliver services and take other actions influencing children’s well-being; and
- **management**—establishing and monitoring the ‘rules of the game’ for the different sectors and actions affecting children, through regulation, information and control processes.

The changes usually considered, and those raised especially during the past decade, have tended to focus on the distinction between ‘public’ and ‘private’ actions. However, we may usefully examine these functions in terms of the respective roles of each of the levels and actors involved in implementing child rights: government at different levels; NGOs and the private sector; communities and households; and the international community. Their roles
may be briefly reviewed in the light of the criteria of efficiency, equity, affordability and sustainability. It is then possible to identify trends that are occurring in the distribution of responsibility for implementing child rights.

Table 2 provides a basic framework for the examination of implementation roles, with illustrations of the different ways in which the three major implementation functions can be carried out.

**Financing of Services**

While services and other actions for children are obviously financed at all levels of society, in most if not all countries, the role of government has generally been pivotal. It is commonly accepted that government should fund services that meet certain basic criteria: the services are considered ‘essential’ to the functioning of the society; and they have a strong ‘public good’ quality (that is, conveying benefits to the society as a whole beyond those enjoyed by the individual recipients alone). Most basic education, preventive and public health services, basic coverage of water supply and sanitation and related services discussed in the context of child rights fall within these parameters. In many countries, including developing countries during the past several decades, such support has taken the form of ‘free’ services to the population as a whole. Social security networks and parastatal enterprises provide additional, large segments of insurance coverage. Government financing, at either central or subnational levels, may also include other arrangements such as contracting out to private providers for services delivered under social insurance. Crucial support to services of a public nature is, in many countries, provided by NGOs and external donors.

The organized private sector forms a second major source of financing of children’s services, especially in health, either through insurance systems or benefits provided by employers. Employer-based financing—of health, child care and, in some cases, education—has historically been a key element of labour benefits, and it is now a focus of health system reform efforts in many countries. Albeit slowly, an increasing number of developing countries are following the pattern set in industrialized and better-off countries of promoting private insurance systems and employer coverage to pay for services not funded by government. In some countries, the services needing to be paid for under this heading can be quite basic, while in others a broad range of benefits are covered.
Table 2: Resource-related Functions in Implementing the CRC

<table>
<thead>
<tr>
<th>ACTOR</th>
<th>IMPLEMENTATION ROLES</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FINANCING</td>
</tr>
<tr>
<td>Central Government</td>
<td>Public financing ('free' services)</td>
</tr>
<tr>
<td></td>
<td>Social security</td>
</tr>
<tr>
<td></td>
<td>Parastatal-enterprises coverage</td>
</tr>
<tr>
<td></td>
<td>'Contracting-out' of public services</td>
</tr>
<tr>
<td>Subnational Government</td>
<td>Local free or subsidized services</td>
</tr>
<tr>
<td>Private Sector</td>
<td>Private insurance systems</td>
</tr>
<tr>
<td></td>
<td>Employment-based health and education benefits</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>NGOs</td>
<td>Donations</td>
</tr>
<tr>
<td></td>
<td>Subsidies of total cost</td>
</tr>
<tr>
<td></td>
<td>Fund-raising</td>
</tr>
<tr>
<td>Communities</td>
<td>Social insurance</td>
</tr>
<tr>
<td></td>
<td>Local exemption from fees to ensure access</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Households</td>
<td>Taxes (indirect financing)</td>
</tr>
<tr>
<td></td>
<td>Market prices</td>
</tr>
<tr>
<td></td>
<td>User charges</td>
</tr>
<tr>
<td></td>
<td>Time cost of travel and waiting</td>
</tr>
<tr>
<td>Donors</td>
<td>Financial and technical support</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Individuals and households pay a major, though widely varying, share of the costs of services in the form of formal and informal charges and non-monetary costs to utilize services (in addition to their indirect financing through taxes). A major focus of attention in recent years has been the trend towards charging users a substantial share of the cost of formerly often 'free' education and health services. Although additional financing is often required in the wake of economic pressures and adjustment policies of governments, user charges have frequently been found to be regressive from an equity viewpoint, and inefficient administratively. It can be argued that, as an initial step, minimum standards of fairness require that the burden of costs to users be increased only when the activities are operating at an efficient level. In the absence of adequate financing by central and subnational governments or other parties, however, efficiency may not be possible to achieve. In such cases, one viable approach has been found to be community-organized financing, linked to decentralization of accountability and management to the local level.

Public financing of key services has certain clear economic advantages, which are now being reflected in reassessments of policy by a number of governments and organizations. From an efficiency perspective, a single payer is potentially able to achieve economies in administration and often in negotiation over payment levels. From an equity viewpoint, only government is able to ensure that certain basic rights are met, through direct provision as well as cross-subsidization of the poor and underserved by the wealthier and better served. Affordability and sustainability of basic services for the poor are only possible in the long run if governments firmly commit themselves to providing the financial base for them, limiting, at the same time, their support for services of a less critical nature. The principle of government responsibility for financing a minimum set of services is currently receiving increased visibility. In education, longstanding public policies for basic education are being strengthened in the movement for 'Education for All'. In health, the World Bank and other organizations have recently reaffirmed the importance of public financing of a basic package of preventive, promotive and basic curative services.

Provision of Services

The diverse ways in which basic needs are provided for has been indicated in Table 2. In general, however, government at the central or state/local level has historically maintained responsibility for education, health and other social services. In most countries, it is only the
failure of government to provide services that has led other levels and actors, apart from communities and households, to take on increased roles. The central role of government has often been based on sound principles of efficiency, under which defined technical standards and acceptable levels of costs can only be maintained on a large scale through a common provider operating under established norms.

The decline of economic resources of government and a growing economic role of the non-governmental sectors has led to a worldwide reassessment of this traditional allocation of functions. The natural monopoly towards which the social services once tended has weakened with the availability of increased human and organizational resources outside of government. Private actors have become increasingly important in the social sectors—for example, in the provision of equipment (such as medical equipment, drilling rigs) and supplies (such as pharmaceuticals, textbooks, bricks and cement), and in the construction of facilities and water installations. In the water and sanitation sector, private enterprises operate alongside public facilities in most rural as well as urban areas. In health, the private sector ranges from traditional clinics and drug stores to full-scale clinics and hospitals, and from non-profit institutions that often form a part of the public-sector system to enterprises over which little or no control is exercised by government or professional bodies. In education, basic and primary schooling is still largely the province of government, but in many cities, and increasingly in rural areas, extra sessions or even separate schools are available for children, at some considerable cost, on a private basis.

Overall, then, the supply side in the social sectors is becoming increasingly diverse. The need for government provision has not necessarily declined, but it is being focused more on three types of issues: (a) providing broadly-based services (such as primary education and public health care) that cannot be efficiently provided by other actors; (b) being the provider of last resort where populations are not otherwise affordably served; and (c) ensuring that minimum standards are adhered to across the country. Additional non-governmental channels for basic services have, of course, always been available at the community level, and through formal NGOs in many countries. But in recent years, especially in developing countries, governments and donors have become more active in their support for non-governmental provision of basic services. A number of problems associated with such efforts, including the difficult process of moving to large scale, and the attrition of volunteer workers, have already been discussed, and some solutions have been suggested. Some other, related issues still need to be addressed, however, including the decentralized enforcement of quality
standards, and the reconciliation of often differing community and government objectives and understandings of rights-related claims.

Service Management

Both at the central level in political mobilization and regulation and at the local level in operational administration, 'management' has traditionally been the province of government—yet it has rarely been addressed as a priority concern in the social sectors. In the health sector, for example, the typical lack of clear and enforced regulations has led to deterioration in the quality of services and the proliferation of drugs and health-care providers that do not contribute to improved health. It has similarly led to the deterioration of water quality and the environment, and to the depletion of water sources in many countries, as the enforcement of even weak standards was precluded by the lack of trained personnel and effective legal procedures. In all of the social sectors, information and reporting systems have been traditionally weak, reinforcing a lack of knowledge about actual needs and service availability, and a lack of accountability of providers and officials to the populations served.

With the changes in the financing and provision of services that have been described has come growing attention to the importance of the management function. Public and political attention to social concerns in the context of scarce resources has led to increased mobilization of the population and of the government to ensure that basic needs are met. As more actors participate in the provision of services, and consumers more actively seek to make better choices, the need for improved and timely information has been recognized, and monitoring and reporting systems have been established or upgraded. Likewise, professional and service standards have been raised in many cases, and training and budgets have been increased for enforcing them, although this process is frequently slow.

These efforts have been accelerated by initiatives to decentralize management responsibility and accountability, and to increase the knowledge and power of communities in the management process. While the many complexities of decentralization are well known, in the social sectors particularly the assignment of budgetary authority, and often greater control over revenues, to provincial and municipal levels is a key step in improving the responsiveness of public and private services alike to those who use them. At the community level, improved information and the power and means to make use of it has been recognized
as a central element, and not just in increasing the range and effectiveness of actions for
nutrition, education, health and child development, as outlined in other papers in this series.
More importantly, it represents the linkage of often abstract concepts of ‘rights’ to the daily
lives of communities and households.  

Changing Roles and Relationships: Three Models

In conclusion, it may be useful to identify schematically three ‘models’ of the economic
organization of services for children, characterized largely by changes that have occurred
over the past three decades in most developing countries.

The first model, prevalent following independence in many former colonies and
continuing through the 1970s, emphasized strong central government involvement in the
financing and provision of services. Yet coverage, both financial and in terms of physical
access, was usually limited, as was the quality of many of the services provided. The private
and NGO sectors were not well organized, but often filled key gaps left by the public system.
Similarly, the involvement of communities and households was not well organized, and not
heavily promoted by government beyond the expectation that households would pay costs
and meet their own needs as required. The management function was generally not well
implemented by any of the actors. Government plans, regulations and information systems
existed largely on paper, and where they were in place they frequently did not function to
promote accountability and system improvement. Mobilization for basic services, at either
the political or social level, was often particularly lacking.

A second approach arose in many countries during the 1980s through a combination
of technical improvements in the implementation of social development actions, and a decline
in the economic base of governments and of many societies as a whole. The scope of the
formal economy and modern culture continued to expand, increasing the expectations of, and
the claims made on, public-sector programmes in health, education and other social sectors.
The capacity of governments to respond to these claims did not grow commensurately,
however, because of limitations of infrastructure, of political support in many cases, and of
discretionary economic resources in nearly all countries. Economic adjustment programmes
were instituted in nearly all countries, either at the insistence of international financial
institutions or other external bodies, or internally. Under their provisions, budget deficits
were to be reduced, the scope of government action was cut back, and enlarged roles were given to the private sector in fields of traditional government involvement.

As a result of these trends, responsibility for the financing of services was increasingly passed on to communities and households, at times through specific policies and at times by default. Public-sector provision of services also weakened in most countries, and although governments remained the principal provider of education and of basic health care in most countries, the private sector, including NGOs and 'non-traditional' actors, played an increasing role in service delivery. At the same time, the management function was being strengthened in many countries with improved information systems and better knowledge of population needs. Yet, in the usual absence of comprehensive policies for private-sector involvement or for decentralization of government functions, overall efficiency and equity often could not be greatly improved.

Many developing countries remain within the framework of this second, transitional model. However, in some countries and on a limited basis in many others, a third emerging organization of roles and relationships may be identified, which holds the potential for a more effective response to rights concerns. In this model, the role of government is more clearly defined and focused, to include (a) responsibility for mobilizing sufficient economic and political resources for satisfying minimum needs; (b) the financing of a minimum standard of social services; (c) provision of education, information and management support to the social sectors as a whole, with enforcement of regulations for minimum standards; and (d) facilitation of decentralized responsibility to plan and implement social actions. The private and NGO sectors, in turn, play an increased role in service provision, but one that is bounded by norms and standards set either at the central or local level. Communities are gaining, though often on a slow and uncertain basis, an increased voice and responsibility for articulating their needs and mobilizing services and local resources to ensure that their needs are met. The role of the international community and aid donors is not diminished in this model, but it is also being redefined and focused, for (a) providing critical resources required for service provision, particularly for populations in greatest need; (b) building the 'stocks' of human and organizational resources needed for sustainable progress by countries themselves, and for the capacity of future generations to draw upon; and (c) promoting, through dialogue and actions, development processes that expand the definition of rights and the willingness and ability of people and governments to implement them.
This 'model' is not new in a strict sense; its elements have been identified in different contexts for some time, and it reflects development programme designs that have applied in many settings. What is a more recent and still-ongoing process is the linking of these components within a coherent theory of development, based on the central concept of rights, as articulated by Dasgupta\textsuperscript{34} and others. In such a framework, a broadened understanding of resources and their implications for the fulfilment of child rights is a necessary step in the design and implementation of actions to make these rights a reality.
ENDNOTES


3 Insofar as all resources have ‘value’, human and organizational resources should of course be considered ‘economic’ as well. The latter term is used here to refer only to financial and material resources, however, both because of the conventional interpretation that financial and material activities form the ‘economic’ sphere of activity, and because of the lack of a clearer terminology.

4 See note 1 supra, pp. 8-11.

5 Perhaps most important in this regard are the concepts of ‘entitlements’ and ‘capabilities’, used by Sen and others to address problems of famine and hunger. See Drèze, Jean and Sen, Amartya, *Hunger and Public Action*, Clarendon Press, Oxford, 1989. As defined by Drèze and Sen, ‘entitlements’ are ‘the set of alternative bundles of commodities over which a person can establish ... command’. They thus represent an individual’s rights to exchange and consume under ‘prevailing legal, political, and economic arrangements’, based on initial endowments and what can be acquired through exchange (pp. 9-10). Entitlements are concerned primarily with ‘economic’ resources, while ‘capabilities’ represent the total of what people are able to ‘do and be’ (p. 12), and as such reflect the role of human and organizational resources in social production, as discussed more fully later in this paper.

6 This perspective corresponds closely with the principle of ‘sustainable development’, which, as articulated by the World Commission on Environment and Development (the Brundtland Commission), refers to development action that “meets the needs of the present without compromising the ability of future generations to meet their own needs”. See World Commission on Environment and Development, *Our Common Future*, Oxford University Press, Oxford, 1987, p. 8.

7 In economics, this is referred to as the ‘production function’, which specifies in mathematical terms the way in which quantities of different resources are combined to achieve an output.


9 Dasgupta, P., *An Inquiry into Well-Being and Destitution*, Clarendon Press, Oxford, 1993. In this major work, Dasgupta examines the failure of resource-allocation theories and processes to address basic (physiological) needs and the related social and economic problem of destitution. Dasgupta proposes a revised structure of social objectives and relationships, based on a social contract under which the State serves as explicit
guarantor that these basic needs are met as a right. Implications of the analysis include a central role for basic needs policies in the achievement of economic growth, and a resource allocation process that incorporates resource decisions made by governments, the private sector, communities and households. It is unfortunately beyond the scope of this paper to examine each of these issues in detail.

In the case of the economic resource of information, for example, the quality of the information used for specific purposes clearly depends on the knowledge and experience (both human resources) available to be organized and applied, and on the actual process of thinking.


Put another way, as the value of such ‘non-traditional’ human and organizational resources is enhanced and recognized through their mobilization for a purpose, either their initial motivation declines, or there is a movement towards their becoming ‘economic’ resources for which a market price must be paid. Thus, community health workers seek to be paid higher wages or to join the formal service sector in government employment.

The gramadana workers, originally volunteers, have been paid increasing amounts in the form of expense allowances and incentives, to reduce attrition. They support the efforts of village-level workers who carry out the pre-school programme and other local development actions.


Identifying and relieving such constraints forms the basis of a number of economic planning techniques. In cost-benefit analysis, for example, the enhanced value of critical foreign exchange inputs is accounted for by assigning 'shadow prices' to goods that must be purchased internationally. In this process, a weight is given that reflects a value higher than nominal or market prices, accounting for real scarcity value.


See note 2 *supra*.

See note 9 *supra*. 


