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Themes for the Third Millennium

The Challenge for Rural Sociology in an Urbanizing World

Ismail Serageldin

Keynote Address delivered at the
9th World Congress of Rural Sociology on
Rural Potentials for the Global Future
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Foreword

The world's cities are growing so rapidly that global urban population is projected to surpass the rural population early in the next century. Even though the rural population continues to grow more slowly than the urban, the signal role of rural people as primary producers of food and fiber expands at an exponential rate. Farmers everywhere are being called upon to feed more and more people in their own nations and afar. The fate of a growing segment of humankind is becoming leveraged on the well-being and effective functioning of rural people and their communities.

In the present volume, Ismail Serageldin provides a fresh perspective on the need for social science and its role in answering the global challenges of increasing food production and equitable distribution that face all of humanity. While the planet adds three people to its population each second, the gaping maw of global inequality continues to widen. A generation ago the top 20 percent of the population was 30 times as rich as the bottom 20 percent. Today the top quintile is 60 times richer. Serageldin similarly shows how 47 of the least developed countries, comprising 10 percent of the world's population, survive on one-half of one percent of the world's income. If not on sheer moral and humanitarian grounds, rural problems claim our attention due to concerns about what desperate populations will do to their environments and what the plight of these people means for everyone else. The well-being of rural people is a bellwether for the health and survival of all humanity.

This book grew out of the provocative keynote address delivered by Ismail Serageldin to the 1996 9th World Congress of Rural Sociology, organized by the International Rural Sociology Association in Bucharest, Romania. Expanding on the ideas presented to the Congress and writing from his perspective as a senior manager of the largest international development agency, the World Bank, Serageldin offers the reader a broad overview of the challenges that development puts in front of rural sociologists worldwide. Although not formally trained as a sociologist,

Serageldin has a remarkable grasp of the sociological literature and clearly understands what sociology can contribute to the theory and practice of development. His insights and suggestions concerning the role of sociologists are of interest to all social scientists.

Social scientists must never forget that social science knowledge is action-relevant and situated knowledge. By situated I suggest that its usefulness and impact are structurally and temporally dependent. The usefulness of our research is temporally situated because of its relationship to the timing of organizational decisions. When our findings reach the policymaker after the budget is allocated, the rulemaking is completed, or the program is dismantled, the net effect often differs little than if the work had never been done. Social facts and primary understandings have less enduring value, fundamentally because—unlike chemistry or physics—free will and human agency constantly alter the basic realities that we endeavor to describe and analyze. And the more practical the social science, the shorter its half-life of usefulness.

Ismail Serageldin celebrates a number of milestones in the contributions of social science to world development. Of particular interest to readers is his discussion of the major contributions that the large group of sociologists and social anthropologists who work at the World Bank have made to theoretical and operational development activities. As a sociologist, I am pleased to call readers' attention to this part of his analysis.

Sociologists at the World Bank have successfully introduced many theoretical propositions, methods, and action-principles derived from sociology in the formulation of development policies, albeit not without struggle. Their efforts have influenced countless investment programs aimed at poverty reduction, food production, rural and urban development, environmental protection, and overall, improving livelihoods. In particular, Serageldin reminds us of the achievements of Michael Cernea, who, as the Bank's first sociologist, for over two decades led the build-up of the Bank's sociological group amidst a large number of economists and other professionals. As described, Cernea's work has been something akin to Daniel entering the lion's den and leaving behind a substantial number of practicing vegetarians.

We know that large organizations present many hazards and barriers to the upward and lateral flow of information. The author of the present volume tells us that Cernea and all the sociologists and anthropologists at the Bank have successfully articulated the vital need for *social information*, and for *social professional knowledge*, in the competent formulation and conduct of sound development investments. This is a remarkable achievement. Rural sociologists from both developed and developing countries have much to learn from the ground he and his colleagues have gained.

The international community of rural sociologists is proud of what their social science colleagues have been able to accomplish at the Bank and, through the Bank, in many developing countries by demonstrating the potential and usefulness of sociological knowledge and methods. These contributions are all the more remarkable because Cernea and his growing group overcame many biases and broke through intellectual and organizational barriers in the process of putting people first in development. This progress was made in measures taken, large and small, while serving on numerous field missions, review panels, and other interdisciplinary teams and tasks. These roles have provided frequent opportunities to voice questions of inequality, equity, participation, and human impact that are our sociological profession's central stock in trade.

In a recent address, Nobel prize-winning economist Gary S. Becker noted that poverty reduction is a central imperative of the social and economic sciences.[1] Similarly, Serageldin outlines how concerns about well-being are integral to the process of policy reform in the newly independent states, specifically in Romania. Social change is the very meaning of transition, but the rate of this change and its consequences for social cohesion, equity, participation, and improving the lot of the rural poor are essential issues to which rural social science has contributed and should continue to do so.

I am pleased that the International Rural Sociology Association, in cooperation with the University of Bucharest and the World Bank, can now make available to a wider audience Ismail Serageldin's lucid and erudite analysis of the challenges and opportunities that lie before development and before rural sociology as a knowledge weapon serving development. The vision of sustainable development articulated in this volume should stimulate practicing rural sociologists to reenergize their efforts to overcome structural and temporal constraints, or institutional biases, on the usefulness of social science. The duty to change and improve the way development is practiced should recast and focus our disciplinary dialogue and professional efforts for some time to come.

Joseph J. Molnar
President, International Rural Sociology Association
Professor, Auburn University

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1 "Economic Analysis and Public Policy," Franklin Lecture delivered at Auburn University, April 23, 1998. Professor Becker is jointly appointed in the Department of Economics and the Department of Sociology at the University of Chicago.

Acknowledgments

Being invited to give the keynote address to the 9th World Congress of Rural Sociology in Bucharest, Romania, was an honor and an extremely gratifying experience. It presented an opportunity to show the linkages of social science and development of which the World Bank was an early promoter. I thank Professor Andreas Bodenstadt of Germany, president of the International Rural Sociology Association (IRSA), and Professor Frank Farmer, program chairman of the 9th World Congress, for inviting me to be a part of this important event. My sincere gratitude also goes to Professor Ioan Mihailescu, rector of the University of Bucharest, for his warm hospitality that made my stay so pleasant. Shortly after the 9th World Congress, Professor Joseph J. Molnar of Auburn University took over the helm of IRSA as its new president; I thank him for writing the Preface to this volume and adding his perspective to this discussion.

In the process of preparing for this address, I found my research to be an intellectually rewarding experience as I got to know more about rural sociology and, in particular, its history in Romania where it had its genesis between the two world wars. It is in this endeavor that I thank Dr. Michael M. Cernea for his counsel as senior advisor for sociology and social policy at the World Bank. Through Dr. Cernea I learned more about the long tradition of an action-oriented school and movement of rural sociology in Romania and the remarkable contributions made by the founders of the Romanian School of Rural Sociology, the late Dimitri Gusti and the late Henri H. Stahl, both internationally renowned scholars who have left an indelible mark on the profession worldwide.

The 9th World Congress of Rural Sociology gave me the opportunity to pursue my continuing work in building linkages between the social sciences and development within and outside the World Bank. The work of over a hundred social scientists now at the Bank has demonstrated the importance of this integration as loan processing takes into

account the whole social environment, in particular the impact on women and children.

I am pleased to have this address now available to readers and thank the Social Development Family of the World Bank and its Director, Gloria Davis, for sponsoring this publication. I also would like to express my gratitude to Alicia Hetzner and Sheldon Lippman for their editorial management in getting this volume into print. Michael Cernea was my sounding board on a lot of this thinking. Gloria Davis, Dan Aronson, and Ashraf Ghani helped me with valuable comments. Any shortcomings remain my own.

Ismail Serageldin

Preface

The major advances in civilization are processes which
all but wreck the societies in which they occur.

—Alfred North Whitehead
Symbolism

Sociology itself can become a tool for social progress.
This only depends on the sociologists themselves—
on what they will be able to make out of the
discipline of sociology.

—Dimitrie Gusti
Opere

The start of the new millennium is an important occasion for reflection. Milestones are occasions to take stock and to peer into the future. They are an occasion for renewal.

How appropriate therefore that we should be meeting here to discuss "Rural Potentials for the Global Future", when we stand at the doorstep of the new urban century where, for the first time, a majority of humanity will no longer be classified as rural. It is an occasion to rethink the meaning of these terms as well as to ponder the trends.

This is a World Congress of social science scholars, mainly sociologists. Hence the pertinent question is what sociologists can, indeed must, do about these global trends. In the broadest sense this congress is about the challenges of development to social science and the ways in which social science is today compelled—professionally and morally—to respond to vital global problems.

Social science—in particular sociology—may need to renew itself, grow, reequip conceptually, and reconsider its position in both society and academia to fulfill its promise in the next millennium.

It is most interesting to discuss rural sociology and its "vocations" in Romania, and in particular to do so at the University of Bucharest, which has a long and distinguished tradition in the field. The Romanian School of Rural Monographs, created and led by Professor Dimitri Gusti[1] between the two World Wars and continued by Professor Henri Stahl, has earned international recognition with its vast body of original rural research, countless monographs, case studies, and methodological innovations, placing Romania on the world's "sociological map".[2] This work created a basis from which many still can learn today and upon which a great deal more can be built for the future by Romanian sociologists.

In the spirit of this looking back and looking forward, I would like to take you on a *tour d'horizon* of some important questions of our time.

First, the scope of the global challenge that faces humanity as we approach the third millennium;

Second, the essential problem of poverty;

Third, the role of social science in addressing these problems;

Fourth, some lessons from the experience of the World Bank regarding the contributions of social science to the practice of development;

Fifth, a discussion of some concerns of social science today;

Finally, a vision for the future.

Let us first look at the strange world in which we live.

1
The World on the Eve of the Third Millennium

Upon this gifted age, in its dark hour,
Falls from the sky a meteoric shower
Of facts...they lie unquestioned, uncombined.
Wisdom enough to leech us of our ill
Is daily spun; but there exists no loom
To weave it into fabric...

— Edna St. Vincent Millay
Huntsman, What Quarry?

Consider the paradox of our times. We live in a world of plenty, of dazzling scientific advances and technological breakthroughs. Adventures in cyberspace are at hand.[3] The Cold War is over, and with that we are offered the hope of global stability. Yet our times are marred by conflict, violence, debilitating economic uncertainties, and tragic poverty. A sense of insecurity seems to pervade even the most affluent societies.[4]

Globalization grows,[5] fueled by the integration of world economies,[6] a revolution in telecommunications,[7] and the nonstop activities of capital markets that transact about 1 trillion dollars a day, enough to buy and sell the whole gross domestic product (GDP) of the United States in a week! The political boundaries of nation states have become permeable to the ethereal commerce of ideas and capital as never before.[8]

The trend toward globalization is also found in the increasing assertion of the universality of human rights, including women's and

children's rights. It is found in the environmental movement, which reminds all humans that they are stewards of this earth, and in the multiplication of international nongovernmental organizations (NGOs) that represent another dimension of the emerging international civil society.[9]

Local forces in practically every society assert themselves, seeking greater voice and power. This trend is, on the whole, positive in that it seeks empowerment and cultural expression. But it has a negative side as well: the fragmentation of decisionmaking and the emergence of hateful petty nationalisms that transform the rightful call for identity and participation into a call for hating your neighbor and ultimately even "ethnic cleansing".[10]

Equally global are the increasing inequities between and within societies. The wealthiest 20 percent of the world population consumes 83 percent of the world's income, while the remaining 80 percent live on 17 percent; the lowest 20 percent live on just 1.4 percent. These gaps have been growing. A generation ago, that top 20 percent was 30 times as rich as the bottom 20 percent. Today they are *60 times* as rich.[11] In the United States the wealthiest 5 percent of American families earned 12 times as much as the bottom 20 percent in 1970; by 1994 they were earning 17 times as much. The CEO of the typical Fortune 500[12] company earned 35 times more than the average manufacturing employee in 1970; by 1994 they were earning 150 times as much![13]

Insecurity, fueled by structural unemployment and rising birthrates, is the lot of the poor in every society.

Under these circumstances people tend to regress: if the future cannot be clearly defined as the goal, one lives for the present. If the present is troublesome and disconcerting, one falls back onto the past—meaning one's ethnic or religious or national roots—at the expense of general human values and universality; values that have found expression in the general recognition of a common humanity and a respect for the rights of others.[14] A regression back to the concept and behavior of tribe and clan.

Rising to the Challenge

Against this backdrop we have an enormous social, developmental, and environmental agenda ahead of us:

- 1.3 billion people live on less than a dollar day.
- One billion people do not have access to clean water.

- 1.7 billion people have no access to sanitation.
- 1.3 billion people, mostly living in cities in the developing world, are breathing polluted air below the standards considered acceptable by the World Health Organization (WHO).
- 700 million people, mostly women and children, suffer from indoor air pollution due to fumes from biomass burning stoves that is equivalent to smoking three packs of cigarettes a day.
- Hundreds of millions of poor farmers have difficulty maintaining the fertility of the soil from which they eke out a meager living.

To this stock of problems we are adding a flow of new challenges due to population growth averaging 90 million persons a year. Three persons per second! Most of this growth will be in the poorest countries.[15]

In the 47 least developed countries of the world, 10 percent of the world's population subsists on less than 0.5 percent of the world's income. Some 40,000 people die from hunger-related causes every day. Many of the poor who survive lack access to the fundamental needs of a decent existence. One-sixth or more of the human family lives a marginalized existence.

Between Urban and Rural

We also face an enormous urban transformation in the developing world, fueled by significant rural-urban migration. Urban population will increase from 1.7 billion (38 percent of total) today to 4 billion urban dwellers (58 percent of total) in 2025.[16]

Rapid urbanization creates opportunities for better lives, but it also generates daunting challenges: over-crowding, poverty, and environmental decay.[17] These problems could be compounded if inequality, crime, and violence fray the urban social fabric, unraveling the implicit "social contract" that holds societies together.[18]

While urbanization is attracting much attention, the rural world remains fundamental on two counts:

First, we are all here on this planet, guests of the plants and those who tend them, the farmers. Their world, the rural world, is central to our collective existence.

Second, the real challenge in the generation ahead will have to be addressed as much in the rural world as in the urban world. Rural problems will claim our attention due to concerns about the environment and food, in addition to equity and social cohesion.

Let me expand briefly on these two points.

The Centrality of the Rural

Cities depend on the rural world, not the other way around, and the bulk of the developing world is still rural and will remain so for the next 20 years. Furthermore, the distinctions between traditional village societies and the urbanizing scene of the developing countries is increasingly blurred as complex "rurbanization" processes work both ways.[19]

The rural world is ubiquitous and stunning in its diversity, which presents sociologists with unique challenges. In Eastern Europe the transition from a planned to a market economy, in itself a revolution, also includes a rural revolution, as land is returned to the ownership of producers. In highly urbanized Latin America, it is problems of inequality and land reform that impede both rural and urban well-being. This is even more true in South Africa.[20]

In Asia and Africa, policymaking discriminates against agriculture and the rural world.[21] That world, still comprising the majority of these populations, is rapidly changing, and an in-depth understanding of its social structures is essential to assist in the reduction of its grinding poverty. Smallholder farming in Africa poses different problems from those faced in Asia, where landless farm laborers and sharecroppers account for a large part of the rural poor. East Asia's rapid growth rates again pose different problems of inequity.[22]

Sociologists know perhaps better than anybody that even in the industrialized and urbanized societies of Europe, the United States, Japan, and Australia, the shrinking rural and agricultural part of their societies is essential to their well-being. The interaction between developed and developing countries in agriculture under a liberalized global trade regime will pose new challenges and require new and still dimly understood transformations in the rural world, both north and south.[23]

More importantly, in every society the traditional rhythm of life in rural villages is being disturbed as never before by encroachments from the outside world and increasing links to cities.[24] The challenge for rural sociology is to define the future of communities and families in this symbiotic world. This task is very different from the traditional perspectives of a generation ago.[25]

The complexity of the rural phenomenon in today's world thus presents exciting challenges to the intellectual efforts of sociologists. Rural sociology—the entire enterprise of sociology as a discipline—must join analytical rigor with sensitivity to the human condition in the rural milieu if it is to make its own distinctive contribution to our appreciation of the sense of community that makes a society more than a collection of individuals.

The New Abolitionists

Almost all food is produced in rural areas by rural people. As we enter the third millennium the world must work to achieve food security for all and abolish the scandal of hunger in a world of plenty.

It is inconceivable that some 800 million persons are going hungry in a world that can provide for that most basic of all human needs. In the last century some people looked at slavery and said that it was monstrous and unconscionable and must be abolished. They were known as abolitionists. Today the condition of hunger in a world of plenty is equally monstrous and unconscionable and must be abolished. We must become the "new abolitionists".[26]

The stakes ahead are enormous, and agriculture stands at the heart of it. For agriculture is not only the means of producing food for the billions of humans on the planet, it is the key interface between humans and the natural environment. In developing countries where 80 percent of the world's population live, agriculture accounts for about 70 percent of land used and 80 percent of water. If agriculture is not intensified in an environmentally appropriate fashion, then the sheer expansion of population and its growing needs will lead to further destruction of forests, colonization of hillsides, and degradation and erosion of the soil.

Transforming agriculture, however, must be carried out in a manner that benefits, even relies on, the smallholder farmers of the developing world, reduces rural poverty and vulnerability, and improves food security.[27] Cheap food will also be critical as the single most direct and effective program for assisting the urban poor, who have to purchase their food.

In addition to the issue of production is that of access. Special efforts to reduce poverty among the poorest of the poor remain absolutely essential, and access to resources is fundamental to improving their status.[28] This again relates especially to the rural world, where the bulk of the poor are located. Only an in-depth understanding of rural society, with all its complexity, can help. The need for the expertise of rural sociologists is clear.

The experience of microfinance schemes,[29] such as the Grameen Bank and others promoted by the Consultative Group to Assist the Poorest (CGAP),[30] and similar instruments become essential tools to attack this problem. But the work of such instruments can and must be informed by the insights of sociologists, not governed by the discipline of finance alone.

2
Poverty: The Major Issue

> No society can surely be flourishing and happy, of which the far greater part of the members are poor and miserable.
>
> — Adam Smith
> *The Wealth of Nations*

> The association of poverty with progress is the great enigma of our times—it is the riddle which the sphinx of fate puts to our civilization, and which, not to answer, is to be destroyed.
>
> — Henry George
> *Progress and Poverty*

Poverty is universal. There are rich people in poor countries and poor people in rich countries. The problem is not one of population pressure, although that factor makes coping with the needs of the population more difficult: the issue is essentially a matter of policy.[31]

Poverty is far more than the absence of income. It has to do with social exclusion and lack of status. It is about disempowerment and limited horizons for fulfillment.[32] Absolute poverty, found in the poorest countries of the world, is a condition beneath any definition of human decency. The bulk of the world's poor live in rural areas.[33]

A concerted attack on the problem of global poverty requires that each nation pursue pro-growth, anti-poverty policies. One without the other will not work.[34] This means, above all, redressing rural-urban inequities[35] and investing in the poorest segments of the population in terms of education, health, and access to assets and credit.[36]

The poverty and vulnerability that occur as a result of dislocations accompanying necessary economic restructuring[37] require the attention of sociologists as well as economists.[38] Addressing poverty and vulnerability demands more than the provision of complementary social safety nets. It calls for special attention to the income and consumption effects of transition policies and, in particular, for care to be taken that while redressing one set of inequities (for example, removing the bias towards urban consumers by improving returns to rural producers) we do not exacerbate another set of inequalities (for example, between rich and poor farmers).[39]

We must also promote structures of solidarity and social reciprocity to ensure the eventual reinclusion of the displaced into mainstream social structures and renewed economic activity.[40]

These phenomena are most notable in economies undergoing transition and are particularly acute in their agricultural sectors. They are the current reality for millions of people in Eastern Europe. They are the reality of Romania today.

Social Problems of Economies in Transition

> Constant revolutionizing of production, uninterrupted disturbance of all social conditions, everlasting uncertainty and agitation....All fixed, fast-frozen relations, with their train of ancient and venerable prejudices and opinions, are swept away, all new-formed ones become antiquated before they can ossify. All that is solid melts into air.
>
> — Karl Marx and Friedrich Engels
> *The Communist Manifesto,* describing
> the turbulent spread of capitalism
> in the 19th century

Today the countries of the former Soviet Union (FSU)—sometimes also called the newly independent states (NIS)—and of Central and Eastern Europe (CEE) are undergoing a monumental transition from a planned to a market economy. This is an unprecedented enterprise and is one of the most fundamental efforts of humanity in this decade. The transition, which impacts on every aspect of the lives of the citizens of these countries, has been studied mostly in terms of its economic impacts. But the sociological, psychological, and political dimensions are equally momentous. Let us briefly reflect on some of the economic dimensions and their sociological implications.

Economic analysis is clear. The transitions are necessary for long-term viability of these economies in a globalizing world economy. Without transitions there can be no real or sustained economic growth, a necessary (but not sufficient) element in the reduction of poverty and improvement of well-being. The transition, economists accept, will create winners and losers. The losers will not necessarily be forced into poverty if the economy is growing and if governments restructure social safety nets to provide effective poverty relief.[41]

The importance of sociological understanding comes to the fore in analyzing transition as a comprehensive change in social structure. For instance it is very important to understand why and how nonformal structures of solidarity in a society can actually cushion change, reduce vulnerability, and increase resilience. Or how such structures can counteract anomie and maintain cohesion. Moving to a market system involves not only abandoning fixed prices, liberating transactions, and privatizing much public property, but also a fundamental restructuring of social stratification patterns, reallocation of political power, and redistribution of vast resources and labor across sectors and regions.[42]

Although many of their people have experienced material and nonmaterial gains, the NIS and CEE countries have experienced increases in poverty and inequality. We should address both aspects of the problem.

Inequality has tended to increase in almost all NIS and CEE countries.[43] What have these overall changes in inequality meant for people of different incomes? Hungary made strenuous—and costly—efforts to offset rising inequality and has seen little change in income shares by population quintile, from that of the poorest 20 percent to that of the richest. But that was not the pattern observed elsewhere.

In Russia, where inequality rose sharply, the top quintile in 1993 received fully 20 percentage points more of total income than the top quintile in 1988.[44] Regional inequalities, significant even before the reforms, also increased in Russia, where poverty rates reached 70 percent in the Altai territory of Russian Central Asia but were less than 10 percent in Moscow, St. Petersburg, and Murmansk. In June 1995 the richest 20 percent of territories (predominantly areas rich in natural resources, plus Moscow) received 44 percent of total income, compared with only 5 percent for the poorest 20 percent (largely ethnic republics in the North Caucasus and Volga regions).[45]

Poverty is widespread and growing in almost all NIS and CEE countries. Growth is essential for reducing poverty. However for some people, such as those with outdated skills or large families, growth is not a complete solution. Older people also have been affected by the fall in

output in the NIS and CEE countries. Like the rest of the population, the elderly have experienced a fall in their average living standard. Unlike the young they will reap few of the long-term gains of reform. For all such groups explicit remedial programs are needed.[46]

Such remedial programs tend to take the form of income transfers or special services. The question for sociologists is whether these programs should be part of a broader construct that seeks to knit stronger bonds of social cohesion, and if so, how to accomplish this goal. This is important to restoring key aspects of a social fabric that has been severely shaken by a transition reminiscent in many ways of the wrenching development of capitalism in the 19th century.

This aspect of the problem is distinct from the issues of inequality. There are pockets of deep poverty in Hungary, for example, despite its relative success in containing inequality.

While it has not been singled out for special attention in the transitions, the rural world has tended to reflect its vulnerability in a different way. If we review the data on which groups are most likely to be poor in NIS and CEE countries, the risk factors include:[47]

- *Belonging to a large or single-parent family.* In 1993 about 60 percent of families with three or more children were poor in Russia, and a similar proportion of single-parent families were poor in Belarus. As elsewhere, single parents are predominantly women.
- *Being out of work.* In Russia in 1993 some 63 percent of households headed by an unemployed person were poor. In Hungary with higher unemployment benefits, only 17.5 percent of such households are poor.
- *Lacking education.* The effect of education is striking. A person with little formal education in Poland is nine times (in Romania, 50 times) as likely to be poor as someone with a college education.
- *Being old.* Here experience has differed. Because of political pressures, governments have tried to minimize the decline in real pensions. In some countries, such as Poland, pensioners have been relatively protected. Nevertheless, in most countries pensioners' living standards have declined sharply. Poverty in old age disproportionately affects women—in 1990 four out of five Russians over 80 were women. Very old people living alone are particularly at risk.[48]
- *Lacking access to assets.* In particular access to plots of land has been a critical safety net for many households, for example in the United States.

Rural families tend to be larger, their opportunities for gainful employment limited, and their vulnerability—due to limited political power—greater.

Social Aspects of the Transition

Transitions however are not only economic, but also political and social in nature. These domains show that the inadequate attention paid to social factors is extracting an enormous toll. This is so despite the fact that political reforms have undoubtedly brought dramatic social liberalization in many transition economies, including wide-ranging civil liberties, religious freedom, and greater freedom in forming or joining associations, expression, and choosing political affiliation. Moreover, the importance of freedom of geographical movement for people long deprived of such fundamental rights cannot be underestimated. Fundamental, of course, is removal of the fear of unlawful arrest.[49]

These very real achievements should not blind us to the emergence, or increase, of a range of social problems. Divorce rates have risen, birthrates fallen, and both alcoholism and illegal drug use are on the rise. Crime and corruption have undoubtedly increased.[50]

Women are especially affected. Studies show that they have been disemployed at higher rates than men. Health care and child care systems have deteriorated. Women may thus be forced to stay at home, even though they seek to contribute to family income during periods of hardship and insecurity.[51]

These emerging problems clearly highlight the importance of sociologists' input in the formulation of appropriate policy directions, which are currently being considered in most NIS and CEE countries and include:

- Minimizing adverse incentives that lead to dysfunctional behavior, socially as well as economically.
- Improving labor mobility by de-linking delivery of a wide range of services—housing and day care are particular problems—from enterprises will be vital to facilitating labor mobility. Migration, another aspect of mobility, is an important precondition for widening opportunity.[52]
- Protecting workers through regulation, without destroying either the impetus for privatization or the ability of the private sector to restructure the inefficient production base of these economies.
- Addressing unemployment. While the use of public sector employment as a social safety net is neither feasible nor desirable, special

employment services (placement, counseling), training to increase human capital, and direct job creation are all important ways to help relieve the pain and debilitating misery of unemployment.[53]

Social Cohesion and Income Transfers

What redistributive role should the state play? Is its role strictly to help reduce inequalities, or is there another dimension that could make redistributive policies an instrument of increasing social cohesion? For example, can the state reduce vulnerability by knitting stronger networks of reciprocity, while at the same time achieving reductions of inequality? If we accept the latter view, then it is clear that the manner in which the transfers are designed and disbursed is as important as the amount of the transfers themselves.[54]

In all middle- and high-income countries the state plays an important role in organizing income transfers. These have several purposes: to redistribute income, maintain political stability, promote efficient labor markets, and insure against important risks where private markets cannot. In most cases, the economic objectives of income transfers include *insurance*, protecting people against risks such as unemployment; *poverty relief*, ensuring at least a minimum standard of living; and *income smoothing*, allowing people to protect their living standards in old age by redistributing income from their younger years.

If we assume that during transitions some economic losses in the immediate or the short term can be made up in the future, as the economy picks up, then the elderly stand much less chance of recovering their losses. This can be seen as a strong case for specially targeted countermeasures. But substantial spending on pensions in transition countries cannot be envisaged, given the economic constraints under which governments function.[55] Measures such as raising the age at which the next generation can retire and, over the long term, building a pension system that can sustainably support the many generations to come are important ideas, but they are not likely to affect current pensioners suffering the full brunt of transitions. Calling on social, community, and family solidarity, which could alleviate some of the more extreme manifestations of this situation, is the only approach that holds promise of some relief.

Labor, Employment, and Markets

Economies in transition have additional specificities. The changes in labor markets that transitions bring require a fundamental reform in the

old system of income transfers: a widening wage and income distribution means that transfers must be targeted in ways that take more account of differences in circumstances. Loss of job security makes the creation of unemployment benefits urgent and means that transfers can no longer be administered by enterprises. Both these changes call for strengthening the administration of income transfers.[56]

In addition, a growing blurring of the distinction between urban and rural workers is taking place, and the migrant rural labor force is growing. Social insurance systems, still based on the assumption of low labor mobility, have yet to recognize that workers move between types of employment and locations. One-quarter of rural workers are now wage earners, yet still lack the labor insurance coverage of their urban counterparts. Likewise the growing number of migrant workers remains largely without coverage.[57]

Over the long haul, the only way to reduce poverty is to foster economic growth, largely by pursuing pro-market policies—including lower public spending.[58] Tackling chronic labor immobility would encourage growth and reduce poverty at the same time. But freeing workers to respond to market signals will be even more difficult than freeing the markets themselves. It will involve not merely market-determined wages, but also the elimination by governments of other hindrances that keep workers from freely changing jobs—in particular, the coupling of social benefits to enterprises and the lack of a functioning housing market. Growth and greater mobility would help most of the present losers from reform to make up their recent losses. However, policy must recognize the true extent to which large numbers of people are suffering from poverty, insecurity, or both.[59]

Many of these problems are found in Romania today.

3
Poverty in Romania Today

In creating a new Romania, of which we all think so much,
we must apply a new vision to organize the country.

— Dimitri Gusti
Opere

We were able to create new research techniques, particularly
for studying the enormous problem of rural poverty...
The analysis of impoverishment and migration processes is,
beyond any doubt, of overwhelming importance.

— Henri H. Stahl
Amintiri si Gînduri

Conditions in Romania in the late 1980s were so severely distorted that massive adjustment was needed. The wrenching changes that accompanied that adjustment have resulted in significant increases in poverty and inequality. It is a situation that clearly calls for more than economic remedies, important as these are.

A Quantitative Picture

It is highly probable that original data gathered five years ago was distorted to underestimate poverty, and it is quite probable that poverty increased as a result of the wrenching transition. Nevertheless, even if the actual number of poor people did not increase fivefold in as many years, as comparative data would have us believe, it is still significant.

Some 5 million individuals in 1993, representing 22 percent of the population, or 1.6 million households, were below the poverty line. This finding holds across standard definitions of the poverty line.

Specifically, when using consumption as an indicator, the incidence of poverty increased reaching about 4.5 million individuals.

If we look at the "poverty gap", or the depth of poverty, the situation is equally troubling. The poverty gap (difference between average income of the poor and the poverty line) in Romania is 25 percent of the poverty line.

Who Are the Poor?

Using household income and consumption as indicators of who the poor are, we find that, as expected, those laid off from jobs and the unemployed account for a large proportion of the poor. Nearly half of the poor are either salaried workers whose real salaries have declined or the unemployed.

But surprisingly the incidence of poverty is almost as high among rural (farmer-headed) households (40 percent) as among unemployed-headed households (46 percent), while it is considerably less severe for others. Some 19 percent of pensioners and 17 percent of individuals in wage-earning households are poor.

Poverty and Inequality

Income inequality increased considerably over the same period. Distribution of income and consumption became more concentrated among wealthy individuals. The Gini index, a measure of inequality, rose from 0.23 to 0.28 for income,[60] and from 0.21 to 0.23 for consumption between 1989 and 1993.[61]

Increased inequality of income occurred primarily because agricultural income (the second largest component of income) increased its share in total income while becoming more skewed towards more wealthy households. Although the transition raised average agricultural income (due to land reform and government for subsidies inputs), income dispersion in rural areas increased; richer households benefitted more than poor households.

Rural households, wage earners, and farmers experienced a greater percentage increase in consumption inequality than urban and pensioner households.

In 1993 consumption by rural and farm households remained unequally distributed when compared to urban areas and other occupational groups.

Overall, however, increasing poverty was primarily the result of falling incomes; but inequality increased poverty. Thus, the fall in mean consumption explains 81 percent of the increase in poverty between 1989 and 1993, whereas only 19 percent of the increase in poverty was the result of increased dispersion of consumption.

Agricultural Income and Rural Poverty Rates

Agricultural income was the only source of household income to increase in real terms during the transition. However, at 3.6 percent over five years, the increase was not sufficient in magnitude to maintain consumption levels over time.

Romania's poverty rate increased by approximately 17.5 percent in rural and 15.8 percent in urban areas.

Poverty rates have increased the most in absolute terms for farmers and wage earners; they increased the least for pensioners.

Farmers, rural households, and the Northeast region are the poorest groups in Romania.

The Northeast, which had the lowest consumption levels in 1989, experienced the greatest decline in average consumption over time (due to the restructuring of enterprises and concomitant job layoffs) and the largest increase in poverty rates of any region of Romania.

Conclusions

This descriptive survey of poverty in Romania shows again the key themes that we have been discussing: the importance of poverty issues, even in a relatively advanced country like Romania; the centrality of the rural; the complexity of the phenomena; and the need for a deeper understanding of rural society in order to remedy the situation.

4
Social Science and the Challenges of Development

> The Gross National Product does not allow for the health of our children, the quality of their education, or the joy of of their play. It does not include the beauty of our poetry or the strength of our marriages; the intelligence of our public debate or the integrity of our public officials. It measures neither our wit nor our courage; neither our wisdom nor our learning; neither our compassion nor our devotion to our country; it measures everything, in short, except that which makes life worthwhile.
>
> — Robert F. Kennedy, 1968

Between Sociology and Economics

The world is in the throes of a profound transformation. Against this array of challenges, what do the social sciences—not just sociology—tell us?

For one branch of the social sciences, economics, the answers—while not absolute—lie in the application of an established methodology built upon a credible, internationally accepted theory. Application of the theory leads to a series of prescriptions to promote economic growth, price stability, and the reduction of poverty in terms of either the headcount index or the depth of poverty (poverty gap) and in terms of improved income and consumption distributions. These are undoubt-

edly all desirable outcomes, but they are seldom achieved by economic prescriptions alone. Nor do these prescriptions address the issues of social cohesion, anomie, social mobility, cultural identity, and institutional development, which are so central to a functioning society.[62] These are the very questions addressed by distinguished noneconomist social scientists like yourselves. Your work reflects detailed field knowledge and real data in addition to academic rigor.

Why, then, are sociologists and anthropologists feeling marginalized in many countries? Why do their governments exclude them from investment and policy decisions that govern the development business? Why are they not employed regularly by governments and development organizations?

The answer, I believe, lies in part in the dominant paradigm of development and its evolving nature over time and partly in the nature of investment decisions. The rise of the economic paradigm in the 1960s and 1970s—displacing the engineers—came about as the assessment of entire programs of investment, rather than individual projects, became the norm, and as the importance of sector and macroeconomic policy became widely recognized.

The dominance of economic analysis became complete as a result of the combined effects of the debt crisis of the 1980s (with its emphasis on rigorous management of the macroeconomy), and the collapse of the centrally planned economies in the late 1980s and early 1990s. Markets and the private sector were not only recognized as essential parts of the development equation, they were elevated to almost ideological status in some quarters, at the expense of a proper recognition of social and cultural variables of change.

Induced development and change must be people centered and gender conscious. The ruthless efficiency of the market as an allocator of resources must be tempered by a caring and nurturing state. Strong, effective, and efficient governments are essential to development, for they alone can create the enabling environment required for the private sector and civil society to flourish.[63] Today, more than ever before, we must recognize that sustainability is an essential dimension of development, and that sustainability requires marrying economists' concerns to those of sociologists and ecologists. Thus the noneconomist social scientists' role and contribution should be embedded in our current—still evolving—paradigm for assisting development.

Why then this marginalization of social science? I would like to advance a hypothesis.

In a world where the primary concern is with making investments, analysis must be coherent, predictive, and prescriptive. Noneconomics

social sciences are rarely predictive or prescriptive and many use different conceptual frameworks that are not easily seen as coherent, even if they are complementary views of a complex reality. Rising to the challenge of meeting these three criteria (to be coherent, predictive, and prescriptive) offers an intellectual agenda for noneconomic social science work concerned with developmental investment decisions in the years ahead.

Such a development is not only desirable in terms of enabling social science disciplines to gain their place at the decisionmaking table, it is also essential to remedy some serious lacunae in the current application of economic theory, analysis, and practice.

On Social Sustainability

Social sustainability stands alongside economic and environmental sustainability as an equal and essential check on the rationality of the policies we espouse.[64]

Do we have the tools to articulate the components of social development so necessary for social sustainability? Can the sociological disciplines contribute toward elucidating the concepts and developing the tools and the prescriptions?

True, development practitioners and economists are more comfortable discussing economic matters and are becoming increasingly so in tackling the environmental dimensions of sustainability. But not so long ago environmental issues tended to be treated as "externalities" by most mainstream economists. Today, few economists would argue against internalizing environmental costs and benefits. Robert Solow, Nobel Laureate economist, speaking about the introduction of new approaches to economic analysis, gave wise counsel when he argued that small, imperfect steps in the right direction are better than demanding perfection from new tools while continuing to ignore elements of importance in the phenomenon being studied. Surely this argument applies forcefully to the questions of social cohesion and disintegration.

Defining Social Development

Many economists continue to see social development narrowly as (1) investment in human resources and provision of social safety nets, or (2) the social consequences of economic policies, meaning their differential impacts on different socioeconomic groups. These are both relevant, but partial, perceptions. Such a limited view would be akin to claiming that economic policy can be reduced to monetary policy or level

of investment. Nobody would deny the importance of these two facets of a coherent economic policy, but everyone recognizes that much more is needed to do justice to the full range of issues addressed by sound economic management.

For me social development is about social cohesion, networks of reciprocity, structures of mediation, equity, recognizing the needs and rights of the ultra poor, promoting cultural identity and institutional development, and promoting civil society. Investment in human resources is key to social progress, and the provision of social safety nets is a necessary complement to policies of economic transition. But neither is sufficient to address the broad range of challenges implied in the concept "social development". By their very nature policies capable of promoting social development must spring from within the societies concerned if they are to be valid and effective.

What then is the role of the practitioner, including sociologists, in promoting sound social development?

First, we must recognize that developing countries generally, and economies in transition in particular, are undergoing profound changes at the same time that structures of mediation are collapsing, the framework of governance is weak or lacks legitimacy, and the sense of loss and desperation of the average person is beyond the imagination of persons living in industrial societies. This argues for accompanying economic reforms with a thoughtful sequence of measures on the social front.[65] We must recognize that social and economic change are inseparable parts of the development process, just as inhaling and exhaling are inseparable parts of breathing.

Second, we must accept that social development is not a matter of add-ons to economic policymaking. It is about integrating these concerns right into the core of decisionmaking. In trying to assist developing societies, we cannot limit ourselves to looking at their economic transactions, ignoring the social bonds that allow them to function—or are eroding and leading toward dysfunction.

Third, poverty must be tackled in multiple ways. It is more than low income. It is a social condition. Graduate students at Harvard are short of money but they are not poor. The sociological dimension of exclusion and disenfranchisement that comes with poverty is not found among such students.

We should also enrich our treatment of poverty by addressing the special problems of those in extreme poverty, who frequently are not reached by conventional programs of assistance or support.[66] They are the group that is always vulnerable. The hungry are in that group. We can and should do something about reaching them. To ignore that

dimension is to ignore an essential aspect of the equity problem. We must also look more closely at the skewed pattern of income distribution in many countries (frequently exacerbated during periods of adjustment), which can be an important factor in undermining social cohesion, generating social pathologies, and vitiating the idea of equity.

Toward a Policy for Promoting Social Development

What could the elements of such a policy be? I can venture a sketch. Much more remains to be done on each of the points I will make. But there are substantial theoretical and empirical foundations to buttress each of them, from Georges Ballandier and Margaret Mead, to Alain Touraine and Amartya Sen.

I see a policy to promote social development as having at least seven elements—four overarching objectives and three essential means. *Participation* is the glue that holds the elements together.

The four overarching objectives I suggest are:

Maintain Social Cohesion. A cornerstone of social development is to overcome social cleavages and create, maintain, and expand social cohesion. This does not mean stability at any cost. In fact, cohesion requires change, a certain degree of mobility, and political disruption (such as elections and changes in government) to remain robust.[67] Like ecosystems, the resilience of social systems requires continued exposure to a certain degree of change and external disruption—but not too much. The key to maintaining social cohesion is what could be termed the institutions of mediation in society. The meso level—that of village, municipality, district, and community—is one where much of this will take place. This is precisely the domain of rural sociologists.

Foster Equity. There can be no sound policy that does not promote equity, defined as seeking equality in such domains as treatment before the law, opportunity for employment and holding political office, and so forth. This has been well discussed in the literature of philosophy (such as Rawls)[68] economics (such as Sen),[69] and political science (such as Etzioni).[70] Issues of equity are not alien to sociology,[71] where stratification and inequality have been well-researched topics for decades.[72] More recently attention has also focused on intergenerational equity, which is important from the perspective of sustainability. Equity in terms of property and wealth (as opposed to income) will also require us to look at such issues as land reform, a problem on which we have started to work relatively recently.

Reach the Ultra Poor. A body of theoretical literature existing today argues that the very poor cannot integrate markets effectively because

of their destitution.[73] If they are not to be further marginalized, special efforts are required to include the very poor in the development process. The Consultative Group to Assist the Poorest (CGAP), created to promote microfinance among the poorest, is a first step in that direction. Much more is needed if we are to make a dent in the approximately one billion people who fall into that category. They are the most vulnerable to economic reversals or natural disasters. Official social safety nets do not reach these groups since they have little contact with mainstream economic and government institutions.

Strengthen Cultural Identity. This is an essential attribute of any community or society and the basis upon which bonds of solidarity can be maintained.[74] While undergoing rapid modernization, the cultural frameworks of individual societies seem strained, resulting in ugly backlashes of fundamentalism or xenophobic, chauvinistic nationalism and ethnic hatred. To withstand the rapid pace of modernization and retain the dynamic characteristics of a functioning society, the cultural framework needs to be both integrated (maintaining a certain coherence) and integrating (capable of absorbing the new and making it its own).[75] Here the socializing function of the education system (not just its skill-imparting function) and the media become important in the evolving system of social values.

The three essential means to reaching these objectives are:

Promoting Social Mobility. Social cohesion requires mobility, which can be achieved partly by promoting progrowth policies, emphasizing open systems, and increasing investment in human resources.[76] Freeing up labor markets and reviewing labor legislation should contribute to overall social mobility, constituting a definite plus.[77] However, these measures need to be complemented by more sustained work on issues of rural-urban migration and empowering the poor. Empowerment is not a buzzword. It means very simply ensuring that those who have no assets are given the opportunity to acquire them (for example, land) and that the poor have access to those factors that can increase the return on the assets they hold, including their labor. Such factors include credit and extension, and in relation to labor, investment in human resources.

Supporting Institutional Development. None of the above measures will succeed unless societal institutions are functional. This implies that work on governance, which promotes transparency, accountability, pluralism, the rule of law, and participation, is an essential ingredient of social development.[78] Institutional development must embody participation and local expertise rather than rely too much on expatriate specialists.[79] For rural sociology, it is clear that the rapid spread of modernization transforms age-old rural social structures and institutions.[80] Much light

needs to be shed on this point and on how to minimize the negative aspects of this transformation while maximizing its positive aspects.

Encouraging Participatory Social Policy Research. Undertaking participatory social policy research is a prerequisite to promoting sound social policies. By involving local social scientists in participatory action research, external financiers are likely to obtain more than insights. Many of the processes that support social development are strengthened by this kind of powerful in-situ feedback mechanism, managed largely by nationals. This point has been forcefully elucidated by James Coleman in his "Foundations of Social Theory."[81]

These are the seven elements that I can now sketch out as possible components of a policy to promote social development, with economic development as conventionally understood. I make no claim to completeness or perfection. This is no more than a sketch. Nevertheless, I hope that the elements can be seen as mutually reinforcing. The glue that holds all this together is participation as a way of doing business, which must permeate everything being done.[82]

The relationship of these seven elements to rural sociology is obvious. Further development of such concepts and approaches could well be a major step toward responding to the international consensus of the Copenhagen Summit and its call for social development.

5
Lessons from the World Bank's Experience

People make policies and projects work. Social, cultural and institutional factors are key to success and sustainability.

— James D. Wolfensohn
Address to the World Bank
Board of Governors, 1996

Absolute poverty is a condition beneath any definition of human decency.

— Robert S. McNamara
Address to the World Bank
Board of Governors, 1973

You could well ask me what the World Bank is doing about these issues. It may surprise many who think of the Bank as an economic institution that it has been and continues to be a rapidly evolving institution at the forefront of efforts to integrate social and economic thinking in development practice.

The Story of the World Bank

The World Bank is viewed as an economic organization, and it is. But its project-oriented culture has also been shaped by many disciplines. The

early days of the Bank and well into the 1960s saw only rudimentary economic analysis and an emphasis on the engineering aspects of projects. By the early 1970s, debate within the Bank began to turn toward poverty and income distribution, as distinct from simply financing growth-promoting projects. The result of this debate was a milestone document, the 1973 study "Redistribution with Growth," which established poverty reduction and economic growth as mutually compatible.[83] Bank President Robert McNamara then declared these to be the twin objectives of the institution and established a rural development department mandated to focus on the needs of people at the lower 40 percent of the income distribution.

Subsequently the scope of the mandate was expanded. Urban poverty, and then population, health, and nutrition became new sectors in which the Bank would be active. By the late 1970s, the Bank's analytical work was focusing on the concept of "basic needs", and the Bank had become the largest financier of rural development projects in the world.

By 1979 and the early 1980s, many countries were running into financial difficulties and debt-servicing problems. These problems were a result of unsound management and heavy commercial borrowing during the 1970s, when commodity prices were at exceptionally high levels. The Bank was asked by its members to assist in structural adjustment and overcoming the liquidity crises that they faced.

The Bank initially thought that structural adjustment would be a short-lived problem, but by 1983 it had become clear that, at least for Africa, the adjustment process would be long and arduous. The following year saw the creation of a special program for Africa reflecting a compact between lenders and borrowers to sustain financing at appropriate levels, as well as terms of borrowing and disbursement. In 1986 a special program to deal with the social dimensions of adjustment was initiated.[84]

New breakthroughs came in 1987, bringing an emphasis on gender issues and the environment and greater focus on the need to promote the private sector. Starting in 1989, governance and military spending, hitherto taboo subjects, also began to be broached more openly in policy dialogue with governments.

By 1992 the Bank had decided to reorganize around four themes: economic management; human resources; the private sector; and environmentally sustainable development (ESD). This last vice-presidency brought together the Environment Department, with its Social Policy Division; the Agriculture Department; and the Infrastructure Department. The Bank rapidly became the world's largest financier of environment projects, as well as education and health projects. But more

importantly, the Bank pioneered the concept that the definition of environmentally sustainable development must include *social* as well as *environmental* and *economic* sustainability. The Bank continues with this effort today by tackling such problems as vulnerability, gender, and the definition and measurement of social capital.[85]

The philosophical and methodological innovations that accompanied this intellectual journey were extremely important. Not only was the Bank breaking new ground, but it was also consolidating much of its past work on issues of social concern into an approach and a body of best practices, with increasing emphasis on enforcing implementation of the adopted policies and guidelines.[86] Much of the Bank's work finds its way into the mainstream of development practice, so that its influence transcends the boundaries of its own work.

The Bank also innovated in its far-reaching public disclosure policy,[87] its openness to an inspection panel,[88] and its increasing involvement with nongovernmental organizations (NGOs) and civil society in general.[89] By early 1996 the Bank had issued an important and comprehensive "Participation Sourcebook" to all its staff and many of its interlocutors.

During the course of this evolving intellectual journey, the preeminence of engineers had begun to be supplanted by that of economists by the early 1980s. But that does not mean that the Bank's sociological group, led by Michael Cernea, was inactive. In fact, the group pioneered much of what was to become best development practice, not only for the Bank but for the development community at large.

Michael Cernea, who is with us today, is a product of the distinguished Romanian School of Rural Sociology. This school, created and led by Dimitri Gusti and Henri H. Stahl, acquired an international reputation well before the second World War. Professor Cernea was the first sociologist to join the World Bank in 1974. He is today the senior advisor for sociology and social policy. During these years he has made seminal contributions to the integration of sociology into the practice of development. He has consistently brought clarity of thinking and practical wisdom to the tasks at hand and has been widely recognized for the vision, intellectual rigor, and consistency with which he has carried his message to the development community, both inside and outside the Bank, over the last two decades. Beyond its practical relevance, his scholarly, sociological, and anthropological work have received wide recognition, including a Kimball Prize in 1988 and the Malinowski Award in 1995. He has also received several prizes from the Romanian Academy of Sciences and was elected a member of that Academy in 1991.

Perhaps it is significant for this World Congress that the sociological work of the World Bank began with rural sociology. It was from that perspective that the initial and far-reaching policies on involuntary resettlement were launched, and that the identification of target groups became more than a statistical exercise.

The Bank, which started with one lone rural sociologist in 1974, now has 100 highly qualified sociologists and anthropologists working in all facets of its operations. Several hundred more are employed every year by the Bank, or with its encouragement by borrowing governments, as expert consultants for development programs or studies supported by the Bank. I am very pleased to see some of them present in this World Congress.

The Bank's in-house sociological group is probably the largest concentration of sociological expertise in any one place in the world addressing development problems. The insights they bring to their work enriches the practice of development, and their experience and output enriches the discipline and the profession.[90]

Milestones in the Growth of Social Science in World Bank Development Activities

The intellectual journey that I have described was accompanied by a deepening and broadening of sociological work, punctuated by many important milestones:

1974–78. With one sociologist on staff and a handful of others as consultants, advice was sought on several *sociological aspects of rural development*, first in the context of specific projects and then deriving lessons for sector-wide application. Central questions at that time included irrigation design and water users associations, agricultural extension work, pastoral livestock production, and land tenure.

1978. In a new policy paper on the Forestry Sector, the Bank complemented its earlier emphasis on commercial forestry with a strategy based on trees for people and communities in need, for which it appropriately used the concept of "Social Forestry".[91]

1980. The Bank adopted a policy on *involuntary population resettlement*, which proved over time to be one of the most influential policies adopted by a development institution based on sociological premises. This led to the adoption of similar policies in other institutions and in the national regulatory frameworks of many countries, as well as to a significant expansion of applied sociological work in development programs. In 1993–94, after the policy was not well applied in a high-profile Bank-financed operation in India, a major Bank-wide review of

all Bank-financed projects involving resettlement was conducted to ensure systematic compliance.[92] This was arguably the broadest and most important sociological study carried out to date in the Bank, and it led to a major strengthening of the institution's sociological work.

1982. A second major policy based on sociological issues was adopted in regard to *indigenous people* in World Bank projects. This policy seeks to ensure that indigenous peoples' connections to their lands, culture, and communities are respected insofar as possible when any Bank-supported project affects them. The policy makes it possible to initiate development projects that are explicitly designed to directly benefit indigenous peoples.[93]

1984. The Bank adopted guidelines for appraising the *sociological aspects of projects* along with economic, financial, institutional, and technical aspects. These guidelines help provide the basis for employing social science knowledge and professionals in the preparation and design phase of many programs.

1984 and ongoing. The Bank began to develop practical partnerships with *nongovernmental organizations* and issued a policy on collaboration with NGOs in 1988.[94] The policy was based on sociological studies published by the Bank, showing how such organizations represent forms of social capital accumulation that can be built upon in the development process.[95]

1985. The Bank published the first edition of *Putting People First*, a landmark volume devoted to the social factors of development in several sectors.[96] This book was a clarion call for social analysis and participation in all aspects of the Bank's lending.

1986. The Bank issued guidelines on the protection and management of cultural heritage in Bank-supported projects.[97] The guidelines were followed by a major symposium held in 1992 and by a series of efforts to strengthen the Bank's involvement in projects of cultural significance, such as the protection and careful upgrading of historic cities.[98]

1992–96. Support for *participatory development* was consolidated after a two-year "learning group" review of the many situations in which participatory techniques were already being used in Bank projects. In 1996 the *World Bank Participation Sourcebook* was published, including lessons from best practices, strategies for enabling the poor to participate, and methods and tools for carrying out participatory activities in project design and implementation.[99]

1993. Looking at the development paradigm globally, beyond project work in which many social science inputs had already been made, the Bank's new vice-presidency for Environmentally Sustainable Development defined *social sustainability* as one equal "corner" of the social

development triangle, of which environmental and economic sustainability constitute the other two corners. This was a first in rethinking the fundamental models of development.[100]

1995. In an effort to sharpen the Bank's work on poverty reduction, *comparative social research* on the coping mechanisms of the poor identified vulnerability, violence, and the burden on women in these processes, and focus on women's roles in establishing networks of reciprocity on which the reduction of vulnerability depends.[101]

1996. Transport policy was revised to acknowledge the social impact of roads and the importance of planning with participation by the people who will be affected.[102]

1996 and ongoing. Social capital—a view of trust, confidence, and expectations that are the results and content of ongoing social relationships—is explored as a new social concept directly relevant to development discourse and practice. While not yet fully clarified, the discussion of social relations as the embodiment of a concrete form of capital is energizing a number of researchers and development practitioners in a major effort to operationalize its underlying ideas.[103]

Last but not least, a Bank-wide Task Force on Social Development has prepared a report taking account of all these developments over the last 15 years and building them into the dominant models of the Bank's work.[104] The report, approved by the Board of Executive Directors, heralds a repositioning of the Bank and a further expansion of the noneconomic social sciences in the tool-kit of development.

6
Broader Lessons from the World Bank's Experience

The lessons of this long intellectual effort and vast field experience are relevant to those outside the Bank as well. They underline the importance of recognizing the contributions of sociologists as an indispensable complement to the other technical disciplines in the formulation of development programs. Institutionalizing this work is essential if it is not to become a fringe "add-on" to the mainstream. This has to be accomplished while maintaining what the French call *la vocation critique de la sociologie.*

Such change, however, cannot take place unless there is a real recognition of the operational relevance of sociology, including by the sociological community itself. This requires that sociologists learn to translate theory into policy and concepts into practical guidance for action. Make no mistake: this is much, much harder than it seems. I appeal to you, leaders in your field, to do so and to teach these skills to your students.

For this added effectiveness to take place, sociologists must satisfy three requirements. They must be able to be coherent (use an analytical framework), predictive, and prescriptive. These are tasks that sociology does not perform well at present, and which must be performed competently if we are to glean the full import of sociology as a tool for and a part of promoting social development and creating a genuinely participatory civil society.

Earlier I referred to the importance of participatory social research as a key tool to promote effective social development. It is essential. It is the responsibility of sociology to develop the participatory tradition, to

include the excluded, fight discrimination, reject rabid nationalism, xenophobia, and other manifestations of dysfunctional social behavior.

To achieve the full import of this implicit promise, sociologists must do a great deal more than has been done so far.

7
Challenges for the Sociological Profession

A large acquaintance with particulars often makes us wiser than the possession of abstract formulas, however deep.

— William James
The Varieties of Religious Experience

Despite impressive gains during the last decade and the major contribution of the Copenhagen Summit to underlining the world's commitments to social issues in development, it would be a mistake to claim that sociology, whether rural or urban, has achieved anywhere near the level of acceptance in the development paradigm that economics has. It behooves sociologists to look at their tools and their theories and understand the differences between them and economic tools—not to copy the latter, but to help refine their own arsenal and better make the distinctive contribution that only sociology can offer.[105]

I submit that there are at least six domains where important differences between economic and noneconomic approaches to social science exist, and in which the latter must make further progress. These domains are:

- Conceptualization
- Definition
- Measurement[106]
- Modeling
- Prediction
- Prescription.

These tasks are essential parts of the practice of social science. Economists have made significant advances and provided more or less precise answers in each of these areas. They are partial answers, but they remain coherent and rigorous, and they serve us well in dealing with economic policymaking. Where are the sociological answers?[107] It is by making progress in these domains that rural sociologists can help realize the "Rural Potentials for the Global Future."

8
Appeal to Sociologists

Never doubt that a small group of thoughtful committed citizens can change the world; indeed it is the only thing that ever has.

— Margaret Mead

The tasks ahead are large and demanding, but this is a group uniquely qualified to address them. Your instruments are:

- Your knowledge
- Your expertise
- Your insight
- Your feeling
- Your dedication.

You are doers, not just passive observers.

You are innovators, not just the appliers of received knowledge.

You are capable of reaching the unreached, listening to the faint voice of the marginalized, and giving voice to the unspoken complaint of the oppressed.[108]

The essence of your instruments is the reaffirmation of the centrality of the individual, the family, the social interpersonal relations that make societies out of an agglomeration of individuals.

This can be done with the rigor and discipline required by a most exacting science. You can bring imagination and vision to bear on concrete problems and theoretical constructs. Imagination and vision are

at the very heart of the scientific enterprise and no less at the heart of sociology, starting with rural sociology.

Bronowski put it beautifully when, speaking of scientists, he said: "We are the visionaries of action; we are inspired with change. We think the past preserves itself in the future of itself....We are the culture of living change."[109]

Are sociologists ready for this task?

I sincerely hope so. For it is through your efforts that we can realize a truly human-centered social and economic development. And I have a vision...

I have a vision that sees development like a tree, which is nurtured by feeding its roots, not by pulling on its branches. We must empower people to be all they can be. They must create their own identity, their own institutions.

My vision of sustainable development is...

A vision that is people centered and gender conscious, that seeks equity for all and empowerment of the weak and the vulnerable everywhere, that they may be the producers of their own welfare and bounty, not the recipients of charity or beneficiaries of aid.

A vision that has no room for complacency in the face of the misery of millions of kindred souls who suffer in the grip of extreme poverty and hunger in a world that has the means and the ability to help them lift themselves out of conditions that are beneath any definition of human decency.

A vision that recognizes that development must have a cultural content and that governance, institution building, and enhancing human capabilities are all central parts of the development process and may be the keys that undergird economic well-being.

A vision that places short-term actions within a long-term framework.

A vision that is environmentally sustainable, that recognizes the interdependence of all living things and will lead us to act in ways that will leave future generations as much, if not more, than what we found ourselves, and husband the resources of this fragile planet, just as we learn to use its bounty.

This vision is not a denial of the importance of economic management and economic growth, but rather a recognition that economic growth is only one part of development.

Yes! We have the opportunity, indeed the duty, to change the way development is practiced. To change the way humanity relates to its rural half, to its environment. To bring about greater complementarity between the social and the economic. It is a challenge that sociologists must be determined to meet.

We at the World Bank are determined to do so, working collaboratively with our partners who share this objective.

We cannot afford to let this opportunity escape us, either by errors of commission or omission.

We can think of better ways of promoting development, we can convince policymakers and the world at large.

It can be done. It must be done. It will be done.

Notes

1. Professor Dimitri Gusti (1880–1955) was the founder of the "Bucharest Sociological School" (Scoala Sociologica dela Bucuresti), a term that defines a school of thought in Romanian sociology, not a specific teaching institution. He formulated the "principles of a system of sociology, ethics, and politics" and elaborated the theory and general methodology of village monographs. Under his prodding, rural sociological monographs, accompanied by practical "social action" by sociologists to assist in "social reform," became the mainstay of Romanian sociology and promoted it to the front ranks of world rural sociology during the interwar period. For many years Gusti chaired the Department of Sociology of the University of Bucharest and also served as president of the Romanian Academy.

2. Professor Henri Stahl (1901–1992), initially Gusti's student, became his main collaborator and a scholar of towering stature in Romanian sociology. His main work was on sociological methodology, social archeology, social history, and folk culture. Based on his sociological field investigations in villages founded upon common lineage undivided land ownership, on retrieved documents, and on the analysis of preserved cultural traditions, his capital three-volume work on ancient village communities (translated into English) changed and enriched the understanding of an important period of Romanian history. He continued and methodologically surpassed Gusti's work through his many postwar books, asserting the preeminence of empirical field research and resisting the ideological corruption of social sciences in postwar Romania.

3. The explosion in the use of computers and telecommunications is spectacular. There are more computers than cars in the United States, and the power of computers is growing every day. "Moore's Law," really a statement of Gordon Moore (founder of Intel and the micro-chip industry), states that the power of a chip doubles every 18 months and the cost keeps coming down. Virtual reality and forms of artificial intelligence technology are now available to a large number of computer users. See, for example, *Scientific American*, 150th ed.

4. For a discussion of these issues see, among others, Borchgrave (1996, pp. 159–78) and Serageldin (1995). For a scholarly tour de force of the current problems and their roots, see Bell (1996).

5. Many authors have described these processes and their implications. See, among others, Kennedy (1994, pp. 47–64).

6. There is a vast and growing literature on this topic. See, among others, International Monetary Fund (1996a, 1996b). For an earlier view on integration, see, among others, Henderson (1992, pp. 633–53).

7. In the United States the amount of e-mail exceeded the amount of regular mail in 1995. The volume of e-mail on the Internet is growing at 10 percent per month. For the origins and impacts of these phenomena and how to think about them, see, among others, the recent review in Rawlins (1997) work.

8. The globalization of ideas can be a very positive force. Hume noted that: "The boundaries of justice grow larger in direct proportion to the largeness of men's views and the force of their mutual connections. History, experience, and reason sufficiently instruct us in this natural progress of human sentiments and in the gradual enlargement of our regard for justice in proportion as we become acquainted with the extreme utility of this virtue." Cited by Amartya Sen in his Presidential Lecture at the World Bank, Washington D.C., October 18, 1996.

9. See, among others, Falk (1992, pp. 627–40); and Dahrendorf (1996, pp. 229–49).

10. Ethnicity and multiculturalism have become a central part of the contemporary debate in multiethnic and multicultural societies struggling to define or redefine their national identities. The academic debate has been joined by the involvement of post-modernist perspectives in domains such as literary criticism. In Australia, for example, literary critics such as Simon During (1992) have brought Foucault and Habermas to the fore. Among the perceptive debates on these issues is the exchange reported by the Australian media in During's reader (see Spivak and Gunaw 1993, pp. 193–202). For a compelling manifesto of the American perspective on multiculturalism, see West (1993, pp. 203–17).

11. See UNDP (1992) in which the authors highlighted these inequalities in a now-famous diagram of a champagne glass with 80% of humanity in the stem of the glass. See also Williamson (1996, pp. 1–44).

12. An annual listing of the top 500 companies in the United States published by *Fortune* Magazine.

13. See Krugman (1996) cited in *The Wilson Quarterly*, Spring 1997, pp. 124–25.

14. The idea here is that these values would respect what has come to be termed "human rights" as a universal right. The topic of human rights is vast, but easily accessible. On the concept of rights see, among others, Pennock (1981, pp. 1–28). The international community expressed its views in the Universal Declaration of Human Rights of December 10, 1948. These principles found

expression in a number of United Nations conventions and covenants, most importantly the International Covenant on Economic, Social, and Cultural Rights and the International Covenant on Civil and Political Rights. See UNGA (1948, 1967a, 1967b).

15. See United Nations (1995) and UNFPA (1995). There is also a vast literature on the subject of "population and development" (see, among others, World Bank 1994a).

16. See World Bank (1996b) and Serageldin, Cohen, and Sivaramakrishnan (1995).

17. See Anderson and Silver (1996).

18. See Moser (1996). For a more general overview, see Serageldin, Cohen, and Leitmann (1995). The issues are, of course, well studied in the classical sociological literature. See, for example, the works of James Coleman (1957, 1974a, 1974b). Yet, the current phenomena seem affected as much by the speed of change as by its magnitude.

19. These phenomena are not new, and the literature has many early examples of efforts to analyze them. See, for example, Sorokin and Zimmerman (1929). Subsequent work has tended to focus more on the rural presence in cities, such as Southall (1961) and Mangin (1970). More current work includes the excellent global view offered by Sowell (1996). The reverse effect on the rural world that is being wrought by changing urban and economic structures in the age of information is discussed in Allen and Dillman (1994) and Glasmeier and Howland (1995).

20. See Van Zyl, Kirsten, and Binswanger (1996).

21. See Schiff and Valdes (1992).

22. Despite the many differences, there are also some similarities in the need to urgently address rural issues. The World Bank has been working on reaffirming the importance of rural development. See, among others, World Bank (1996d).

23. See, among others, Zietz and Valdés (1990) and Valdes (1988).

24. The classical literature on rural sociology is rich in meticulous descriptions of rural life. See, among others, Wolf (1955, 1966) as well as Redfield (1947, pp. 292–308).

25. See the classical monographs of rural sociology such as Wylie, *Village in the Vaucluse*, 1964; or the Redfield classic, *The Little Community*, 1955. See also Lewis' *Life in a Mexican Village*, 1951; or the monographs of Gusti and Stahl, or Ammar's *Growing Up in an Egyptian Village*, which was written in the 1940s and reprinted in 1973. All these works describe a world that no longer exists. The contemporary phenomena are partly described but less well understood (Allen and Dillman 1994, and Glasmeier and Howland 1995).

26. See Serageldin (1996a).

27. See World Bank (1996d).

28. See World Bank (1996a).

29. See, among others, Rhyne and Otero (1994) and Serageldin (1997, pp. 120–24).

30. The Consultative Group to Assist The Poorest (CGAP), organized by the World Bank and 24 other donor agencies, aims to support the spread of sustainable microfinance to support the poorest. The effort benefits from the advice of some of the leading practitioners in the field and has been establishing proper benchmarks for the nascent industry and defining and disseminating best practices.

31. Over a century ago, Henry George noted in his 1879 work *Progress and Poverty* that: "Everywhere, the vice and misery attributed to over-population can be traced to the warfare, tyranny, and oppression which prevent knowledge from being utilized and deny the security essential to production."

32. This has long been the sociological view of poverty, enunciated in a rich and distinguished literature on the culture of poverty, starting with the classic work of Lewis (1996a, 1996b).

33. See, among others, Jazairy, Alamgir, and Panuccio (1992).

34. See World Bank (1990) and Serageldin (1993, pp. 46–9).

35. In a recent study the World Bank showed that systematic policy discrimination against agriculture and the rural world transferred 46 percent of agricultural GDP out of the rural sector during the period 1960–84. See, for example, Schiff and Valdes (1992, pp. 4–15) and Binswanger and Deininger (1997).

36. See Yaron, McDonald, and Piprek, *Rural Finance* (forthcoming).

37. See, among others, Atkinson and Micklewright (1992).

38. The transformations are nothing less than revolutionary, and in that sense recall much of the earlier sociological literature, such as Eisenstadt (1978).

39. This is a very difficult topic and requires both an in-depth understanding of the linkages in a society and reasonable measures of the degrees of inequality and the likely links between expenditures, consumption and price relativities, as well as the coping mechanisms of the poor. See, for example, the discussion in Demery, Ferroni, and Grootaert (1993).

40. In a different context, that of involuntary resettlement, Michael Cernea (1995, 1996) and colleagues showed the importance of the family and community bonds in enabling the poor to cope. See also Laumann and Pappi (1976).

41. See World Bank (1996g, p. 66).

42. See World Bank (1996g, ch. 2) and Rose (1995, 1996).

43. It is not only in these countries that inequality has been rising. In the United States, for example, it is an issue that raises important concerns for many. See, for example, Kozol (1992).

44. See World Bank (1996g, p. 69).

45. See World Bank (1996g, p. 70), Milanovic (1995), Klugman (forthcoming), and Patil and Krumm (1995).

46. See World Bank (1996g, pp. 66–7) and Milanovic (1995).

47. See World Bank (1996g, p. 71) and Milanovic (1995).

48. See James (1994).

49. See World Bank (1996g, p. 7) and Moser (1996).

50. The health effects of transition are discussed in Feacham (1994, pp. 313–14), Shapiro (1993), and Klugman (forthcoming).

51. See World Bank (1996g, p. 72).

52. Migration, however, poses different sociological problems. See, among others, Sowell (1996).

53. See World Bank (1996g, pp. 74–7).

54. The issue of inequality and transfers is clearly also linked to the power relationships that affect transactions. This is not a new issue in sociology; see, for example, Blau (1964).

55. See World Bank (1996g, p. 84).

56. See World Bank (1996g, pp. 77–8) and Barr (1992, pp. 741–803).

57. See World Bank (1996c, p. 79) and O'Brien and others (1993, pp. 11–21).

58. See World Bank (1990) and Kapoor (1993).

59. See World Bank (1996g, p. 84); and Crawford and Thompson (1994).

60. The Gini-Index is a measure of inequality, ranging from zero to one, and is equal to one minus twice the area under the Lorenz curve (which plots cumulative income shares against cumulative population shares). For formulas and further discussion, see Kakwani (1980).

61. Alternative inequality measures have been proposed by Atkinson (1970) and Sen (1970). See also Shorrocks (1995).

62. The perspective of sociologists on what drives the socio-economy is different from the view espoused by economists over a long and distinguished history, from the works of Durkheim (1915, 1938) and Weber (1978), through Mead and Parsons to the present time. See also Mead (1934, 1938), Erikson (1950), Parsons and Shils (1951), and Alexander (1987). This rich tradition must be further enhanced and harnessed to guide current decisionmaking in public affairs.

63. See World Bank (1997).

64. See Serageldin and Steer (1994) and Steer and Lutz (1994).

65. The call to pay attention to the social dimensions of adjustment is explored in Addison (1990a) and Demery and others (1993).

66. See, for example, Lipton (1988) and Lipton and Ravallion (1993).

67. A key question in this domain is the nature of social choice and the exercise of that choice. Many of the profound contributions in the area of social choice have been made by economists, notably the classic presentation by Kenneth Arrow (1976). Recently, progress has been reviewed and literature assembled in Arrow, Sen, and Suzumara (1996), of which another volume is forthcoming.

68. See Rawls (1971).

69. See Sen (1979, pp. 183–201). See also Sen's profound *On Ethics and Economics*, 1987. Sen's classic *On Economic Inequality*, was reissued by Clarendon Press, Oxford, in 1997 with an extensive appendix written jointly by Sen and Foster.

70. See Etzioni (1988).

71. See, among others, Coleman (1974, pp. 739–64).

72. See, among others, Blau (1977).

73. See particularly Dasgupta (1993).

74. The problems of cultural identity and its relation to roles and social behavior have been much studied in sociological and anthropological literature. See, for example, McCall and Simmons (1966) and Weigert, Teitge and Teitge (1986). The nature of migration and its cultural dimensions is very well presented by Sowell (1996).

75. See Serageldin and Taboroff (1994).

76. See World Bank (1991).

77. See World Bank (1995).

78. See Serageldin and Landell-Mills (1994).

79. See Paul and Israel (1991).

80. Struggling with the role of institutions in society is an important part of current sociological theory. See, for example, Turner (1997).

81. See Coleman (1990).

82. See World Bank (1996f).

83. See Chenery and others (1974).

84. See, for example, African Development Bank, United Nations Development Programme, and World Bank (1990) and Serageldin (1989).

85. See Serageldin (1996b, 1996c).

86. See World Bank (1994b).

87. See World Bank (1994c).

88. See Shihata (1994).

89. See, among others, Malena (1995).

90. See Cernea and Adams (1994).

91. See World Bank (1978).

92. See World Bank (1994b).

93. See Davis (1995).

94. See World Bank (1988).

95. See Malena (1995b).

96. See Cernea (1991).

97. See World Bank (1986).

98. See Serageldin and Taboroff (1994).

99. See World Bank (1996f).

100. See Serageldin (1996c).

101. See Moser (1996).

102. See Gwilliam and Shalizi (1996).

103. See, for example, Serageldin (1996b) and Grootaert (1996).

104. See World Bank (1996e).

105. The profession has been challenged from within as much as from the other disciplines. See, among others, Alexander (1987) and Giddens (1979).

106. Questions of quantification have been tackled in many forms in the sociological literature, and both the limits and possibilities have been recognized. See, among others, Blalock (1964) and Collins (1984, pp. 329–62). This does not mean that sociological analysis lacks rigor or formality. See, for example, Coleman (1972, pp. 145–63) and comments on Coleman's work such as those in Braun (1990, pp. 271–76).

107. Some sociological theorists have been grappling with the issues of coherence and rigor in addressing the macrodynamic structure of society, as well as the interactionist basis for understanding society. See for example, Turner (1988, 1995).

108. See Hirschman (1970).

109. See Bronowski (1990).

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