



Social development in the world bank: essays in honour of Michael M. Cernea

edited by Maritta Koch-Weser and Scott Guggenheim, Cham Switzerland,
Open access publications by Springer Nature, Switzerland AG, 2021, xxi+368
pp., e Book, ISBN 978-3-030-57425-3; ISBN 978-3-030-57426-0

M.G. Chandrakanth

To cite this article: M.G. Chandrakanth (2021): Social development in the world bank: essays in honour of Michael M. Cernea, International Journal of Environmental Studies, DOI: [10.1080/00207233.2021.1983357](https://doi.org/10.1080/00207233.2021.1983357)

To link to this article: <https://doi.org/10.1080/00207233.2021.1983357>



Published online: 29 Sep 2021.



Submit your article to this journal [↗](#)



View related articles [↗](#)



View Crossmark data [↗](#)

BOOK REVIEW

Social development in the world bank: essays in honour of Michael M. Cernea, edited by Maritta Koch-Weser and Scott Guggenheim, Cham Switzerland, Open access publications by Springer Nature, Switzerland AG, 2021, xxi+368 pp., e Book, ISBN 978-3-030-57425-3; ISBN 978-3-030-57426-0

As a narrow-minded neoclassical economist, I regret that I did not adequately know earlier the work of Prof Michael M Cernea, but at least now I have the chance of understanding and admiring the role of non-economic social sciences in developmental projects. After reading the book, others may also find an explanation for several phenomena which economists may not be able to explain independently. For instance, in health economics, why does the number of years lived with disease or disability seem to be invariant with the per capita income worldwide? Why does an Indian with a far lower per capita income, live with disease or disability for almost a decade which is the same for a citizen of the US, UK, South Korea, or Brazil receiving a much higher per capita income? [1]

This book is an anthology of articles by admirers of Cernea, the first professional sociologist of the World Bank (WB), in four sections viz., Growing Social Science Demand at the WB, Social Development Work, Involuntary resettlement and Retrospective and outlook. There is an exhaustive list of publications by Cernea.

The first article by Leif E. Christofferson, focuses on the contribution of social knowledge to international development. This highlights how economic and social expertise was injected for developing policy to reduce poverty. This helped WB to recruit experts with ‘people skills’ (p. 7) well versed in rural institutions community organisations, co-ops, credit, marketing, behaviour of farmers and not merely agro-technical and economic skills. Perhaps, Cernea learned these skills by having to find ways to avoid direct criticism of Ceaucescu’s communist system and to maintain his own freedom for thinking and acting. Putting people first could have been an idea which would attract Ceaucescu’s attention so that fundamental economic points against his system could be raised in an effort to change things from within. Once Cernea had started the Bank’s sociological group, projects were gradually subject to social analysis of the impacted population and not merely economic analysis. Cernea’s *Putting People First: Sociological Variables in Rural Development* (1985) could be seen as an image of Ceaucescu’s pretence as well as the reality, in a country where the Orthodox Church occupied a remarkably active position (in contrast with the Soviet Union). Thus, emphasising the role of people in projects and a project’s social-cultural variables acknowledged the reality which a ‘development project’ appeared also to be opposing.

The best tribute to Cernea is that the WB now has the critical mass of social specialists forming 54% of the total, in an organisation dominated by economics. There was a move from criticism to ‘finding functional alternatives’ (p. 23) and conceiving doable solutions with social inventiveness with ‘unanticipated consequences’ (p. 23) by introducing groundbreaking social policies in development. The WB had therefore to think about distribution as well as economic growth. Joseph Molnar recognises these efforts of Cernea in applying the theoretical propositions, methods, and action-principles, derived from sociology in the formulation of development policies. Improving peoples’ livelihoods is what politics generally means. Again, Ceaucescu’s nominal goal may be apparent.

For Charles Weiss, Cernea proved what ‘soft sciences’ and ‘warm-hearted but cloud-dwelling people’ (p. 34) could contribute. Cernea convinced Weiss to write to the Vice-President that the highly skewed composition of economists and engineers at working and at managerial levels is the major long-run internal problem in the WB. Thus, the Bank began to engage social specialists from outside, according to their professional quality and suitability for WB work. So, Cernea may be seen as an ambassador for sociology.

Macroeconomist Huw Evans argues for the necessity of social analysis to understand economic processes and the impact of economic change since the social dimension affects project outcomes, as it is crucial for the Bank to avoid unintended adverse social impact. Historically, the WB has ignored both environmental and social impact and hence has often been criticised for adverse environmental impact. The idea now is for the Bank to be a truly multi-disciplinary organisation with balance among complementary skills.

James Wolfensohn, former President of the Bank, confronts the trickle down approach and notes ‘People do not eat GDP’ (p. 54). Economic growth is essential, but not sufficient to ensure the reduction of poverty. For development to be effective local ownership and local participation are crucial. Economic advance needs social advance and for economic development to take root, social development is crucial through participatory strategies and programmes designed with discussions with governments, community groups, NGOs, and private businesses. The Bank has encouraged more than 600 anti-corruption programmes in member countries as corruption diverts resources from the poor to the rich, increases the cost of running businesses, distorts public expenditures, deters foreign investors, and erodes aid programs and humanitarian relief. Economic development is also building roads, empowering people, framing laws, recognising role of women, tackling corruption, women education, building sound banking systems, protecting environment, and vaccinating children. These points can now be related to the current confusion in Afghanistan.

Ismail Serageldin, a former Vice-President of WB, notes Cernea’s interest in Impoverishment Risks and Reconstruction (IRR), and contrasts this with the usual meaning of Internal Rate of Return. Cernea saw that the reason for failures of development programs was that they were sociologically ill-informed and ill-conceived, but in his view it was necessary to address social and cultural variables of projects. For example, India’s green revolution succeeded in part because the new agricultural technologies were neutral to scale in order that small, marginal farmers as well as large farmers were able to adopt and derive benefits without bias. Serageldin’s views on the investment appraisal highlight how Cernea’s IRR model enriched theory and methodology of resettlement research as the most influential social science analytical tool for analysing forced displacement and resettlement processes. (One would like to know when the WB will comment in such terms on Turkey’s hydraulic engineering; not to mention China’s.) It could be said that Cernea’s most crucial contribution to the WB is his concern with the common impoverishment risks from displacement as landlessness, joblessness, homelessness, marginalisation, increased morbidity, food insecurity, lack of access to common property, social disarticulation including predicament of the displaced women who endure far more severe impacts than men in addition to exposure to additional risks.

J.C. Brown, Chief of operational division of WB, deals with the question whether development agencies listen, understand and work with the stakeholders. In the private sector, this means knowing consumer preferences. From field experience, the Bank learned that people’s highest priority was access to labour intensive income-generating activities instead of capital-intensive endeavours.

From 1984, the WB introduced social, poverty, and gender analysis in its rule book as development was bypassing the poor. The analysis by Susanna Price, Australian National University, reinforces points already made. The WB worked before Cernea's arrival with limited knowledge of 'how people lived, worked, and networked, what they believed, valued, prioritised, and could access, and whether they had benefitted as intended'(p. 98).

Planners often treated social and cultural factors as irrelevant assuming that successful models are replicable everywhere. They never learned, for example, why still Africa could not experience Asia's green revolution. (But no-one in this collection appears to ask why Africa cannot have a green revolution. What are the endogenous factors preventing one from taking place?) Price cites A.O. Hirschman to the effect that each project is a synergy of experiences and consequences owing to interplay among 'structural characteristics' (p. 100). For Price, such matters and the 'social and political environment' are crucial.

The WB's operational manual on Incorporation of Social Dimensions in ADB Operations, (2018) now includes details of gender, ethnicity, race, caste, age, etc., as they influence people's decision making, access to services, resources, opportunities, and ability to cope with risks. These variables influence institutions shaping access and capability and also can help significantly in reducing poverty, inequality, and vulnerability promoting inclusion, equity, empowerment and social security.

In Cernea's view, as he explains in his Malinowski Award Lecture, the WB has to move social scientists (1) from a tail end project evaluation sort of post-mortem analysis, to project design and decision making; (2) from working on only projects to policy making; (3) from a segmented role to a comprehensive role; and (4) from mere data collection with static assessments towards designing social action. Those WB projects which understood the sociocultural reality showed a higher rate of return (of 18.3%) compared to those which did not (of 8.6%). Thus, for Cernea, social scientists must have 'knowledge for understanding and knowledge for action' (p. 128).

Cernea's Malinowski Award Lecture argues that a distorted project design based largely on (1) technocentric, (2) econocentric of (2) commodocentric models leads to mutilated representation of reality. Technocentric models focus on getting technology right, technology transfer, subsuming technological variables of development, missing social infrastructure. Econocentric models emphasise economic and financial variables, such as getting prices right, discounting social determinants of development. Commodocentric models focus more on commodities than on the social actors producing them, for instance, more on coffee production, and less on coffee growers, more on water conveyance, less on water users, where putting people first is an unfamiliar approach. Yet, development is not mere technology, commodity, information, but more about people, their institutions, their knowledge and their forms of social organisation. Non-economic social scientists should work hand in hand with economists and technical experts in teams in formulation of projects, policies and programmes. Cernea argues that in the team work 'winning requires intellectual wrestling and theoretical engagement'; because ignoring social variables is at a social cost (p. 131).

Is teaching development in India's universities fair enough? Perhaps not, asserts Cernea, as there is zero or little social science taught to students majoring in non-social science fields. Students are often informed that social sciences are not of great help. The current national orientation by the New Educational Policy (NEP) should bring liberal arts and social sciences into technical courses, but India is its own world, and things change very slowly if at all.

This reviewer graduated from the State Agricultural University in the National Agricultural Research System (NARS) in India during the period of the green revolution. Our teachers who taught sociology, psychology, agricultural extension, economics, and development, at the undergraduate level, were much more comprehensive in their views

on development. Thus, teachers and students in Agricultural Economics, Rural Sociology and Agricultural Extension went on to work with the farmers – but, in those days, the name of Cernea was unknown. Presumably, the example of a rounded approach came from the British who had applied that approach until Independence in 1947. In fact the current farmer agitation in India against India's new farm laws is also caused by the utter neglect of non-economic social sciences, such as agricultural extension highlighted recently [2].

Social organisation is actor oriented. So should development also be. But this is not the position with econocentric, technocentric and commodocentric models. They discount the human factor. In agricultural extension, we often confront, why and how a particular technology is relatively easily adopted by one community of farmers and not by another similarly placed. Cernea maintains that these issues follow from the treatment of key social actors of development as passive non-participating recipients. And therefore 'putting people first in projects is not a goodwill appeal or a mere ethical advocacy' (p. 136). It is a recognition of people as key social actors of development.

Dr Maritta Koch-Weser, the Bank's development anthropologist highlights how participant observation, an ethnographic method, helps show what development can look like. The job of a development anthropologist can be dangerous. Maritta provides her experience of visiting a female toilet in Karnataka, India: 'Another example ... was my own discovery during a field visit in Karnataka, India. Here, houses lacked toilets, and this had caused problems, especially for women who feared going down the snake-infested river at night. Their problem had been addressed in the World Bank financed project I had come to supervise. To provide more safety, a village female toilet facility had been built close by at the edge of the village. As a woman, I could interview local women – expecting, but not getting, nods of approval. Something seemed strange. I insisted – earning endless giggles – to personally visit the site of supposed improvement, the female toilet facility. I walked into a walled rectangle, followed only up to the entrance by a sizable crowd from the village. Inside there was absolutely nothing – no toilets, no water, no pipes – only clean, dry sand. Visibly, nobody had ever used this fraud as a toilet. I invited the hesitant Chief Minister of the State to come inside to inspect the place. I hope the crooks who had failed to deliver a true toilet facility were punished (p. 149).'

Maritta highlights that the learning curve for the Bank became steep when Cernea joined it. This is gratifying. And the future focus of anthropologists in WB may include 1.) salvaging and preserving indigenous knowledge, before it vanishes forever; 2) uncovering socio-cultural undercurrents in governance, religion, drug trade, and internet-based community formation helping societies overcome outdated labels, stereotypes and assumptions; 3) tasks related to migration: integration of migrants, patterns of remittances, and intercultural integration; and 4) task of fostering global co-operation in preserving this earth. And finally, Dr Maritta advises the next generation of development students to have field experience away from desk work, early on in order to help the neediest people.

The first Director of Social Development of the WB, Gloria Davis, shares her experience of oral history. Anthropologist Scott Guggenheim summarises Cernea's contributions that for development it is crucial to uncover how local institutions mediate and organise social action. Shelton H. Davis focuses on incorporating concerns of indigenous people in the development process in elements of the WB and in investment projects.

As Prof Amir Kassam says: 'In sum, development anthropology demands sharp insight and character.' (p. 205) Discussing in detail the WB's influence on ICRISAT research, he says how pervasive was Cernea's *Putting People First*. Further, the Rocky Doc programme of the Rockefeller foundation enabled several young scholars pursue higher studies in social

sciences. I remember my classmate, the brilliant Montgomery Pereira who was chosen by Dr Hans Peter Binswanger, ICRISAT to pursue graduate studies in North Carolina State University in 1975.

Cernea's concerns on scarcity of funding for social science research resemble those of Professor A.W. Ashby, often quoted by my beloved Professor R. Ramanna in the Ag Econ 101 course in the University of Agricultural Sciences, Bangalore. Prof. Ashby, the then Director, Institute for Research in Agricultural Economics, University of Oxford, visited India in 1949–50, and referring to the sad neglect of Agricultural Economic remarked: 'Having regard to (a) the area of agricultural land, (h) the size of the agricultural population, (c) the importance of agriculture in the national economy its actual and potential contributions to national wealth I am appalled at the small provision made for investigation and research in Agricultural Economics. Recognising that India is a relatively poor country; it is still true that in comparison with other applied sciences of agriculture, Agricultural Economics has been starved' [3].

Cernea denounced the 'shrinkage of human and financial resources allocated to social research in various centers on the grounds that behavioral and social cultural variables of resource management are no less important for sustainability than physical parameters. The actual human capacity for social research in the CGIAR system at large and in some centers in particular, he wrote, is either long-stagnant or has been severely depleted (p. 215).' Kassam's view that CGIAR must strengthen and broaden social research expresses Cernea's

Poor governance of projects is a severe problem. William Partridge's article on fighting poverty and combating social exclusion looks at how social scientists transformed the organisational culture of WB. He worked in the field on the Maharashtra Composite Irrigation III project, which displaced 18,000 farmers owing to flooding. These complained to the WB that they had not been re-settled, although the Government of India said that 90% were resettled. Partridge's field surveys indicated that only 5% of farmers received compensation and 95% were made landless and impoverished. The field report to the WB resulted in disciplinary measures. But were they effective? The Government of India ignored the WB's request to settle farmers. They were left impoverished, as the loan was entirely disbursed. There was no leverage to force the issue.

Part III features Cernea's IRR – Impoverishment Risks and Reconstruction. What is crucial to appreciate is how this IRR subsumes many non-economic crucial after-effects of certain projects that lead to landlessness, joblessness, homelessness, marginalisation, morbidity, mortality, food insecurity, loss of access to common property, social disarticulation, risks to Women and Children and the like. The distinct functions of IRR in addressing them include: a diagnostic – explanatory and cognitive – function; a predictive – warning and planning – function; a problem-resolution function for guiding and measuring resettler's re-establishment; and a research function for forming hypotheses and conducting theory-led field investigations.

The IRR is the model for the socioeconomic re-establishment of the displaced. Cernea clearly explains the Ill-Logic of Cost-Benefit Analysis as (1) costs of displacement are excluded and unaccounted fully in CBA; (2) assumption that harm due to displacement is compensated by cumulative benefits of development, independent of the allocation of these benefits, is flawed. As he said, 'The key to development-oriented resettlement is to adopt a people-centered approach, not a property-compensation approach (p, 253).' A very comprehensive principle indeed!

Robert Wade illuminates the conflicts in India and the WB about the Narmada Irrigation and Resettlement Projects. This reflects the debate over the environment and also the degree to which the WB needs to take into consideration the views of NGOs. Narmada Valley Project

is an inter-state development project harnessing Narmada River, for hydropower and irrigation through Sardar Sarovar. The Sardar Sarovar Project is the third highest concrete dam (163 metres). It benefits four States, viz., Maharashtra, Madhya Pradesh, Gujarat and Rajasthan with the third highest spillway discharging capacity (30.7 lakhs cusecs) providing 40,000 cusecs. Spread over a length of 532 kms, the Narmada main canal is the largest irrigation canal in the world. This project initially had no resettlement plan for displaced people.

Cernea incessantly made efforts to convince India's Ministry of Water Resources to pay attention to resettlement as villagers were not informed about resettlement options and rehabilitation packages. The WB cleared the Sardar Sarovar loan in 1986. But because India did not comply with the resettlement agreement, it was recommended that the WB threaten India with cancellation. With the intervention of the then Prime Minister Rajiv Gandhi, the forest land was made available to resettle around 3000 ousted families, a breakthrough for the WB. By September 1992, about 250 organisations from 37 countries that included the voice of the leader of the main opposition to Narmada, Medha Patkar, demanded that 'The World Bank must withdraw from Sardar Sarovar immediately (p. 289).' This ultimately led the WB to cancel or for India to not submit requests for disbursements and the Government preferred the latter to the former. The Narmada experience prompted the WB to review resettlement aspects of all projects for the period 1986 to 1993.

But what is notable is that India demonstrated that it could undertake the Narmada project with its own funds. The Government of India cancelled the \$450 million World Bank loan as it could not meet the environmental and resettlement conditions. While environmentalists construe this as the victory for Narmada Bachao Andolan, it is crucial to appreciate the remarkable achievement of India's economic self-reliance as a lesson in the development process regarding the weightage for public critique and the tradeoff. The Prime Minister of India dedicated the project to the nation in 2017 bringing water to the dry Kutch district. Now, the dam provides drinking water to 40 million people and irrigates 2.2 million ha.

Hari Mohan Mathur in his tribute to Cernea discusses change in the role of social scientists in India's development. In the mid-1970s, India's non-economic social scientists had no role in policy making, planning, or implementation of resettlement. This changed after 1984, because of the WB's emphasis. The opposition to Narmada exacerbated the predicament. The WB then appointed Cernea, William Partridge, Scott Guggenheim, Thayer Scudder, and Maritta Koch-Weser to work on resettlement projects in India; which formulated a National Rehabilitation and Resettlement policy in 2007. In 1979, in my Institute (ISEC) the WB sponsored a settlement seminar where Dr Scott Guggenheim elaborated on Cernea's IRR model and this seminar developed recommendations for preparing a National Resettlement Policy. India brought out *Resettlement News* edited by Hari Mohan Mathur, to disseminate practical experience with those in resettlement research and training.

The final paper by Anthony Bebbington notes that Cernea grew up in a Jewish community, saw fascism affect Romania, and saw his father lose the job of an engineer for being a Jew. The turning point for Cernea was his nomination by a visitor to Romania for a fellowship at the Center for Advanced Studies in the Behavioural Sciences at Stanford. This led to his career in the WB.

In a discussion with institutional economist Prof Daniel Bromley during my visit as DAAD scholar in Humboldt University, Berlin I raised the paradox of how and why in several developed countries, roads, buildings, infrastructure, trains, buses, are kept so clean with no rubbish, no filth, while individual families continue to suffer from high divorce rates, broken hearts, broken families, with aged parents left to mercy of old age homes and so on. What is the use of living in luxury with broken families? Does this bring us contentment, satisfaction,

peace and tranquillity? The response was – they can afford this. But technocentric, commo-
docentric and econocentric ideas are shaking the family as an institution resulting in
fragility and social chaos. It is time to incorporate Cernea’s thoughts towards healthy,
happy, calm, sustainable family life.

Perhaps, the most gratifying achievement for Cernea is the social development projects of
the World Bank dealing with involuntary resettlement. There has been a major change in the
involuntary resettlement of settlers, in planning, financing, resettlers’ entitlements, influen-
cing insensitive bureaucracies. These changes have improved the lives and fates of concerned
people worldwide through improved protection and creation of additional opportunities.
This achievement by Cernea fully reflects the Jewish tradition that ‘One who saves a single life
is as one who saves an entire world (p. 142).’

References

- [1] *Times of India*. <https://timesofindia.indiatimes.com/blogs/economic-policy/is-healthy-living-cost-free-what-do-world-data-suggest-2/> (accessed 11 September 2021).
- [2] *Times of India*. <https://timesofindia.indiatimes.com/blogs/economic-policy/neglect-of-agricultural-extension-responsible-for-misinformation-on-farm-laws-and-policies/> (accessed 11 September 2021).
- [3] Nanavati, M.B., 1950, Foreword to *Readings in Agricultural Economics - Nature and Scope*. Bombay: The Indian Society of Agricultural Economics. <https://vdocument.in/1950-readings-agri-economics-1950-prof-ramanna-first-class-ag-econ-101-students.html> (accessed 11 September 2021).

M.G. Chandrakanth
Institute for Social and Economic Change, Bangalore, India
 mgchandrakanth@gmail.com

© 2021 M.G. Chandrakanth
<https://doi.org/10.1080/00207233.2021.1983357>

