

**DEVELOPMENT AND POLICY OF MEETING
BASIC NEEDS: A NEED FOR APPRAISAL**

**FOR DISCUSSION
WAS ABDEL RAHMAN**



الجامعة الإسلامية العالمية ماليزيا
INTERNATIONAL ISLAMIC UNIVERSITY MALAYSIA
بُوتِنَبْرُؤِنْتِي اِسْلَامًا اِنْتِبَارًا اِنْتِجَابًا مُلَدِّسِيَا

DEVELOPMENT AND POLICY OF MEETING BASIC NEEDS:

A NEED FOR APPRAISAL

By

Wan Daud bin Wan Abdul Rahman

830115

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ABSTRACT

Economic approach has been the principal yardstick for measurement of development, especially to tackle the economic problem of Less Developed Countries (LDCs). Growth National Product (GNP), its components and their growth is used for national accounting since 1950s. The heavy emphasis on GNP per head and their growth rates as the principal performance test of development was based on the doubtful assumptions. The last 25 years experience has indicated that the thought of growth which has a tendency automatically to 'trickle down' to the poor, or government would take corrective action turned up to be generally invalid. Inequality and poverty instead were found not the necessary condition of growth and indeed were often an obstacle towards attaining a favourable development objectives.

A recent decades has witnessed a new and more realistic way to development. Eventhough the economic performance still being the sole measurement of development achievement, econimists now have put full concentration to eradicate the absolute poverty. The slogan is to meet a satisfactory basic human needs in nutrition, education, health and shelter via various combinations of growth, redistribution of assets and income and restructuring of production at internal and international structural levels. It is the fact that, eventhough the traditional model is under attack by the latter model, but so far, no clear and viable alternative has been devised.

Contemporary calamities like world recession, debt crisis and protectionism is trade by the developed countries become the negative issues in weakening the efforts to generate development in LDCs. More unfortunately, the new model itself directly or indirectly has helped

to create the hardship facing the LDCs and the Muslim world in particular. The resurgence of Islam is likely to be an open eye to Muslim economists and the policy makers to develop and to adopt the Islamic approach.

Materially speaking, the Islamic approach to development is quite similar to the Conventional approach. With regard to the basic needs approach, both approaches seem to concern much in wiping out the root cause of economic problems itself. They are possible trying to satisfy the fulfilment of every man's basic needs. In this respect, their population target is poor communities. However there are significant differences in both two approaches, especially the Islamic multidimensional outline which its fundamental nature is based on Tauhid. The target of Falah is the ultimate aim. The Islamic principles are divine in nature, it is thus likely to materialize an ultimate pleasure and successful in life, both material and non-material aspects. The call to actualize the Islamic type of approach is not simply due to the failure of Conventional approach per se but as a duty bound and the responsibility entitled to each Muslim, to highlight the Islamic principles based approach into reality.

It is the crux of the paper at the latter chapters to stress on the alternative modes of development approach; to be, in principal Islam. The paper beside that, will draw the attention to the prospect of the Islamic approach in Muslim countries. In spite of the fact that the Islamic approach is viable, few obstacles are ahead. In line with this statement, Malaysia's development strategies on the fulfilment of basic needs and Islamisation effort is highlighted as the example, in which a not very sound result of the policy has been attained.

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LIST OF ABBREVIATIONS

LDCs	Less Developed Countries.
GNP	Gross National Product.
LLDCs	Least Less Developed Countries.
UN	United Nations.
ILO	International Labor Office.
BMN	Basic Minimum Needs.
UNESCO	United Nations for Economics and Social Council.
QOL	Quality of Life.
BNA	Basic Needs Approach.
ESCAP	Economic, Social and Cultural for Asia and Pacific.
PHC	Primary Health Care.
NEP	New Economic Policy.
FELDA	Federal Land Development Authority.
RISDA	Rubber Industry for Smallholders and Development Authority.

CHAPTER 1

INTRODUCTION

1.1 Introduction

In this "Third Development Decade" as defined by United Nation, the new development strategy has been introduced for the eighties, namely the fulfilment of basic needs and aid to the Least Less Developed Countries (LLDCs).

The basic needs and self-reliance approach was advocated to gear towards the satisfaction of needs, beginning with the eradication of poverty, and any effort in progress must in harmony with the environment.

Among major attention for the guarantee of this strategy are meeting the basic needs of the majority of poor group on material and non-material needs. There need the changes in the income distribution as well as the structure of production to reach the poor. Agricultural sector should be given priority in countryside to grow food for domestic consumption beside the industrial goods. To ensure the success, any possible facilities by appropriate institutions are needed. The effort also should be geared to apply technologies that economize the use of capital and sophisticated skills beside management. All these should be in appropriate for social, cultural and climatic condition of a country.

The strategy raised above seems does not too good to be in reality. As we enter the second part of Eighties and going through the first decade

of the 15th Century of Hijrah, the Muslim world especially were to be heading towards greater economic crisis, political turmoil and social discontentment. There are 12 million people are recognised refugees, with 7 to 8 million of them being Muslims. Rampant corruption, injustice, oppression, war, famine, unemployment etcetra have all left a pathetic trail of humen hardship. World Bank has estimated that there are about 800 million people live in the absolute poverty.

In view of the above situation, concerned Muslim scholars had expressed their worries about the world and future economic order. For them, both capitalists and socialists approaches to development have failed to create a world of peace and stability. Hence, there is the need not only for a New International Economic Order but a New World Order.

1.2 Project Procedure

1.2.1 Statement of Problems

For a through well-being of population, the new strategy namely the basic needs policy is introduced in which the function of growth rate of economic development is still recognised. But the most part of conten-tration is to improve the living standard in the most affected LDCs, especially at the root basis requirement. It implies also the need of participation of the participants indentified; the poor. However, the unfourable situation has brought about the hardship to the developing nations. Those nations then, started to blame on the existing policy they used to have agreed upon to adopt it.

Therefore, it will be of considerable interest to look into the problems incurred in contemporary world due to the latest strategy implemented in LDCs. There are on the other hand, a few significant difficulties in implementing and other unforeseeable technical part.

At the another extent, it is a foremost step to have a better approach. Eventhough the paper does not reject hundred percent the existing approach, the Islamic concept of basic needs requirement is apparently viable to replace the Conventional one. The question are will it be feasible and easily be adoptable by the governments of Muslim countries? Does Islamic base approach not jeopardize those rulers interest? Are their people prepared enough and have already been fostered to accept the Islamic ideal? The author will look into the matter for the justification of the potential of Islamic approach to Muslim nations in chapter 6.

1.2.2 Objective of Paper

The reason why the economic growth oriented did not benefit the poor were many. In turn, an alternative approach to reach the root course of man's problem has been designed. It is the basic needs approach. The so called man's basic needs is a country specific and dynamic concept over time. However, it is agreeable that, these needs are called basics, unless each one of them is satisfied, it is impossible to participate actively and with dignity in the human universality.

The existing basic needs approach is still in the process of debates. It is therefore important to understand not only the theoretical aspect of both Western and its empirical bases but the Islamic one as well. Hopefully, the approach lest it becomes yet, another fed to be discarded unceremoniously in due course of time.

Specifically, the objectives of the paper are :

- a. To examine the concept of the Conventional basic needs approach and the concept of development, in addition to the need for such approach.
- b. To explore and finally identifying the potential of this approach based on the conditions and the constraints of findings.
- c. To identify the such similar approach being highlighted in Islam and to examine the Islamic perspective about development.
- d. ~~The~~ highlight the nature of guarantee of a minimum level of living in an Islamic state as well as the ways and means of meeting this obligation.
- e. To identify its rationale and operational implication in contemporary situation.
- f. Attempt of highlight in brief the Malaysian way to development, her policies and strategies towards specific development objectives as well as to identify the rooms for rectifying it in prevalence to Islamic approach.

- g. To notify the need to portray an objective approach to the subject and to remind the need to further studies on it, particularly the Islamic approach to actualize a very effective alternative model for a right direction of development.

CHAPTER 2

METHODOLOGY

2.1 Methodology

With the framework of the objectives and the crux of the paper, the whole effort was done to explore the potential of the Islamic way on the basic needs fulfilment. The unfavourable and the chaotic issues created by the Conventional basic needs approach has immediately being of it's failureness to be a good measure. Only the ultimate alternative for a final solution is needed, that is Islamic base approach.

The above argument is mainly based on the information and empirical study by eminent authors; Muslim and non Muslim. No interviews of self-empirical work was carried out, but the author of this paper had instead plenty of useful consultation from supervisor as well as discussion with concerned students.

The data are mainly secondary in nature. Since the thesis is a sort of library research, the bulk of data collection and valuable information were gathered and rearranged. They include the collection of a bit quantitative and largely the qualitative materials. Hence, the author had concerned much on the full utilization of information from journals, bulletins, government and other organisation report, beside the main source from the well-known academic books. Among them are The World Bank Report, World Development bulletin and Malaysian Economic Report.

Data obtained particularly are used for analysis purposes. To examine the incidents and outcomes of the existing approach. The data will show the performance of the Conventional indicators approach over time and of different Third World Countries. Consequently, it comes to call upon in generating a better alternative of the so-called model but of different principles, namely Islamic approach. Ironically, the Islamic approach seems to be too ideal for modern spheres affairs, since it looks upon a dual balance of spheres of life, the worldly and the life after that. However this is possibly being materialized if the Muslims are ready to act as an "Islamic man" criteria instead of "Economic Man".

Muslims will continue their decadent life if they are more willingness to adopt a destructive system, they are adopting now. However, a further contemplation is needed as to what extent the Islamic base is ceremoniously welcomed to be adopted.

2.2 Scope of Paper

In line with the view of the well-know findings, it is agreed that the Third World is in need of basic needs policy to restructure their economic achievement, to attain a broad well being and faster economic balance. However, on the way to that objective, it pose great difficulties and problems; technically, and the result so far is not so desirable. Therefore an appraisal to the approach is needed, especially it's operational principles. Only Islam with it's firm principles and guidelines within

moderate way of operational course, is the good bet model to settle the question of alternative. This statement is the scope by which is this paper trying to explore.

2.3 Hypothesis

Within the framework of the objectives, it is contended that:

- a. Conventional approach whether the growth oriented programme or the basic needs approach have failed.

It is said to have failed if there is no correlation between the direction of the means and the outcome of the programme on target group in several sectors. The target group is poor communities and the sectors are health, nutrition, education, water and sanitation and shelter.

Empirically, there were events that the growth policy had neglected the core problem of absolute poverty facing the majority of people in a country. The result was, eventhough the aggregate income of particular country is high, but at the same time, the absolute poverty, unemployment and unequal distribution of income are high as well.

The basic needs approach eventhough is likely to be the better alternative policy of problem solving, does not show a great impact in the life of majority LDCs which are living in the below level of absolute poverty. This because, while

a global approach which is recommended may seem attractive, since it offers a well defined set of targets for planning purposes, it makes little practical sense. This due to the planning for meeting basic needs is necessarily country specific and the main burden of decision making fall upon the countries themselves. In this view, the approach is deserved to be evalvated and as possible to get a better alternative of approach to development.

b. Islamic approach is sound feasible to be the ultimate alternative.

The feasibility here is referring to the relative context of the basic needs approach portrayed by Islam, over the previous approach. It is meant like that because the Islamic principle is universal. It concerns the common target of the nature of among Muslim countries in particular. The common faith between the believers is the fundamental factor to create a feeling of togetherness and brotherhood. Consequently promoting the cooperative course. The broad meaning of Ibadah in Islam which is the core force enlightening the life of Muslims, become the main motivating force to actualize the objective of basic needs approach. Beside that, the comprehensiveness and it's wider difinition of multidimensional concept of development would bring about a very true achievement in the improvement of people's quality of life.

2.4 Framework of Analysis

The paper is to examine the extent by which the failure had been incurred by growth rate oriented and purposely on the conventional basic needs approach in contention to development. In this regard, the sources of material are mainly of qualitative in nature. Statistic figures will also be provided in the form of absolute figures, percentages and averages. This can be done through reproducing the reported figure by relevant international or national organisation and bodies.

The duration by which the paper will highlight is the period around the late 1970s and in the early 1980s. The rationale is, this is the period whereby the basic needs approach first being introduced broadly by international bodies like International Labour Organisation (ILO) and accordingly the period by which the outcome is produced.

For the Islamic one, it's approach will solely be highlighted in form of qualitative basis. The author will show it's idealistic and it's practicality into modern world in achieving the Islamic multidimensional concept of development.

2.5 Limitations

Lack of data for comparison purposes. It is the aim to show the distinct performance of two approaches; Islam and the conventional; on

similar subject, namely the basic needs policy. However due to a few factors, which resulting from inadequate data available, has insufficized the outcome of analysis. However in view with the contention of the hypothesis that Islamic way is feasible⁽¹⁾ to tackle the problems of the poor people, the author will firmly stand on that point. The author thus, will highlight the principles and concepts which has made the Islamic way is badly needed to purify and to recorrect the secular technical step. The principles which had already tested during Muslim golden ages long time ago.

In view with the topic and crux of the paper, the conventional approach would not be 100 percent rejected. However with regard to it's incompetence to materialize objectives, the approach needs to be appraised. On holding much of it's operation and technical side, Islam come to inject it's valves to supplement the said lacking space.

Eventhough there exist limitations, it is hoped that analysis and conclusion derived will provide immediate and valueble insight of the competence approach to save the 3rd world and the Muslims world especially out of all calamities and the suffers.

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1. Islam during the Prophet (PBUH) time and during the golden age of the followers had succeeded to observe the Almighty's principles and had at the same time able to wipe out the same difficulties facing the unfortunate communities of the recent days.

CHAPTER 3

REVIEW OF LITERATURE

3.1 Introduction

A major challenge confronts the world today; the third world nations and world of Islam is particular : The challenge of reconstructing their economy in a way that is commensurate with their own world, role, ideological, political and economical spheres. Does this statement demand the economic development with the view to "catch up" with industrial countries approach which so far has proven suit only and in favour of developed countries? Or does it demand a total different model and rather still the basic needs in the light of a basically prevailing their own set of assumptions, ideals and congruent with local problems which is also unique and value specific?⁽¹⁾ Hopefully, the Islamic framework of development will provide the satisfactory answer. Hence the practicality of Islam which will be highlighted in this paper would give us some insight as to the problem orientation the nature as well as the potential of Islamic principles in perspective.

3.2 Western Views on Development

Economic development is only a part of development of society which encompasses political, social, economical and other spheres of

1. Khurshid Ahmad, Economic Development in Islamic Framework, Leicester, The Islamic Foundation, 1979,

development. Gerald M. Meier, under the issue of misconception of development, concludes several views on the definition of development. Economic development implies something more than just economic growth, "Development is taken to mean growth plus change; there are essential qualitative dimensions in the development process that may be absent in the growth or expansion of an economy through a simple widening process. This qualitative difference is especially likely to appear in the improved performance of the factors of production and improves techniques of production. It is also likely to appear in the development of institutions and a change in attitudes and values".⁽²⁾ To further quote, he defines economic development as the process whereby the real percapita income of a country increases over a long period of time - subject to the stipulations that the number below an "absolute poverty line" does not increase, and that the distribution of income does not become unequal.⁽³⁾

A.P Thirwall seems to uncover the fact of the situation facing LDCs, in 1960s,⁽⁴⁾ by reminding the world that, despite the attention mostly given on the depression and underemployment in the developed countries, the development of the third world, meaning above all the eradication of primary poverty, is now regarded as one of the greatest

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2. Gerald M. Meier, Leading Issues in Economic Development, 3rd. ed. Oxford in Asia College text, 1975, p. 6.
 3. Ibid.
 4. A.P Thirwall, Growth and Development, 2nd. ed., Professor of Applied Economics, University of Kent, English Language Book Society.