Economic growth and human needs satisfaction across-socio economic groups in Peru. An illustration using the Human Scale Development Approach

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Introduction

It is common to argue for de-growth or a turn towards low carbon life styles in rich countries and at the same time support the continuation or acceleration of economic growth in developing countries to facilitate the satisfaction of the needs of the poor (WCED 1987, UN 2012). This argument does not account for the fact that many developing countries, particularly in Latin-America present a very unequal income distribution, and that an efficient fiscal policy could eliminate poverty for example, without resorting to economic growth (Lind and Moene 2011). Thus, the satisfaction of basic human needs, even in less industrialised countries, might not necessarily depend on continuous economic growth.

Human Scale Development

The Human Scale development (HSD) approach created by Chilean economist Manfred Max-Neef in 1989, consists, among other elements, of a participatory tool to support communities and groups of people to engage in a sustainable development path. The tool is based on a matrix listing nine fundamental needs (subsistence, protection, affection, understanding, participation, idleness, creation, identity and freedom) in the first column and four existential categories (being, having, doing and interacting) in the first row generating 36 empty grids. The latter are meant to be filled in a participatory manner with the elements or satisfiers that in each society are considered harmful, positive or necessary for the optimal satisfaction of needs. Satisfiers are usually defined as social practices, political models attitudes, values, or forms of organisation that can have beneficial or harmful effect on human needs. The more a society is characterised by the presence of harmful satisfiers, the less likely that its citizens perceive that their needs are satisfied (Max-Neef 1991). Hence, the goal of HSD inspired workshops is to unveil the satisfiers that contribute the most to meeting needs in a specific community or location and to identify strategies to put those satisfiers in place.

Methodology and data

Application of the HSD Methodology

This study was organised around 3-hour three participatory HSD workshops that were carried out in each of the five chosen Peruvian districts (a total of 15 workshops). The three workshops had the same structure in each of the districts. The first, revolved around discussions to fill the empty cells of the matrix with the satisfiers that made it difficult for participants to meet needs in their particular district (negative matrix). In the second workshop, participants filled another empty matrix with the satisfiers considered to enable optimal actualisation of needs (utopian matrix). The third workshop was devoted to encourage discussion around the satisfiers (bridging or synergic) that would enable a transition from a society characterised by the satisfiers in the negative matrix to a society where needs where optimally actualised as described in their utopian matrix. This resulted in the identification of local strategies for social transformation aiming at the improvement of needs satisfaction in each of the locations.

Data

The 15 workshops of the study were undertaken in October and November 2011 in Peru, an upper-middle income country[1] in South America with high levels of inequality and poverty that has recently experienced a decade of 5% average annual real GDP growth. The three districts in Lima (Miraflores, Breña and Huaycan) were selected for their diversity regarding their socio-economic level (from an upper-middle class district to an urban slum), the other two districts correspond to a large city (Huancayo) and a rural district (Acostambo in Tayacaja, Huancavelica) in the central Andean highlands.

Overall, there were around 63 people joining the discussions, 21 of whom participated in more than one workshop. The average number of participants in each workshop was 6; distributed unevenly across districts with Miraflores having an average of 3-4 participants per workshop whilst in Acostambo there were 9 participants on average. All participants were over 18 years of age and by and large groups were diverse regarding age and gender. This was not the case of Miraflores, where there was only one male participant, and Huancayo, where all participants were under 40 years of age. Workshops were audio recorded after participants had given their consent.

Findings

Hereby, I summarise the interrelated satisfiers that were found to hamper and promote human needs satisfaction in each district. The completed matrices from this study are not displayed in this summary but can be made available on request (in Spanish).

Miraflores: Lima (upper income district)

In Miraflores people identified as negative satisfiers institutional corruption, lack of respect for laws and norms, personal and social focus on status and competition, lack of public spaces open to everyone, an uncritical education system, social stratification, racism and lack of self-acceptance, among other factors. Their utopia was characterised by institutions that reward merit and not social class, egalitarian education systems, flexible labour market, critical media, 'healthy' natural environments, self-acceptance, valuing diversity, and the possibility for all to satisfy their basic needs. The instruments to facilitate a turn towards their utopia where mostly based on institutional reforms, a value change supported by psychologist ('support to learn to respect oneself and others') and greater interaction between people from different socio-economic and ethnic groups.

Breña: Lima (middle income district)

Participants from Breña also complained about social stratification and uncritical education systems, but they were clearer in stressing their disappointment with the current socio-economic system that was based on workers' exploitation and on a narrow definition of personal success based on money and possessions. Like their richer counterparts, participants from Breña described a situation where needs were satisfied as one where diversity is respected, there is increased interaction between social and ethnic groups and less work exploitation. There was more stress on proper housing and public spaces, the latter had to be free of advertising and greener. Synergic satisfiers that would allow a transition to human needs satisfaction were related to increased citizens' participation in education, political and economic institutions. They were also liked to reducing the rural-urban differences in terms of infrastructures and access to basic services and education. A suggested strategy was asking congressmen to become a rural citizen for a day and experience how rural people live, travel and work.

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1 Peru is classified as upper middle-income country by the Development Assistance Committee (DAC) of the OECD following criteria based on GNI per capita (*www.oecd.org/dac/stats/daclist*).

Huaycan: Slum of Lima (low-middle income district)

In Huaycan, participants highlighted violence and authoritarianism at the household and institutional levels, lack of public and private economic resources and racism and exclusion as the most important impediments for the satisfaction of human needs. A situation where needs were satisfied was mostly characterised by policies to support employability and job creation, broad availability of health care and health related knowledge, solidarity and respect at all institutional levels but also structures to promote and display local creativity. Synergic satisfiers or strategies to achieve these goals were associated to increased public funding through more people living in Huaycan registering as residents, jobs instead of social assistance programmes, reactivating neighbourhood libraries and filling them with books about the diversity of Peruvian peoples and changing the statutes of the local governing body so everybody residing in the district had a vote and not only neighbourhood representatives.

Huancayo: Urban Andean (middle-income district)

In the urban Andean district of Huancayo participants addressed similar problems to Miraflores and focussed on negative satisfiers as corruption, unfettered competition, social exclusion but they also addressed issues such as deficient public services as in Huaycan and work exploitation and materialist values as in Breña. The full satisfaction of needs would be facilitated by respecting diversity and being persistent, having quality jobs and education, flexible working time and norms adapted to the different socio-ethnic realities in addition to an increased willingness to cooperate. As it happened in Breña and Huaycan, participants stressed the importance of having proper housing and health care centres. Strategies to achieve this included investing in training social workers and better health care centres and hospitals, promoting local entrepreneurship through training instead of providing social assistance, providing public information in Quechua and establishing broader cooperation between schools, parents and researchers.

Acostambo: Rural Andean (low income district)

In Acostambo, the poorer district in the sample, competition for funds and resources were paired and probably related with lack of union and social fragmentation at the individual, community and district levels. Material poverty was directly affecting the satisfaction of most needs and together with social fragmentation and the functioning of social assistance programmes was generating an environment of dependence and conformism. People considered that human needs would be optimally satisfied if people and institutions were willing to coordinate their efforts with long term economic and social projects and were open to the official use of Quechua (the local indigenous language). They also stressed the role of locally tailored education and training and of more public funds to improve public infrastructures and housing. Some strategies or synergic satisfiers identified were linked to the production of organic vegetables, the establishment of an adults' school, the organisation of collective works and a reforestation project (for an extended report on the study in Acostambo refer to Guillen-Royo 2014).

Discussion and conclusion

The use of the HSD methodology based on the matrix of human needs in five diverse socio-economic districts in Peru suggests that, even in non-rich countries de-growth is a socially feasible alternative. This alternative is supported by the fact that Peru could probably eliminate poverty by transfers to the poor amounting to less than 1% of the total income of the non-poor (Lind and Moene 2011) but this is an unrealistic strategy since, as for now, there is a lack of support for redistributive policies from the wealthier population (Peru21 2012, Cardenas et al. 2011). However, as participants in the study highlighted, a change in values away from materialistic pursuits and competition supported by egalitarian and locally sensitive education systems, advertising restrictions, increased social, economic and political participation and universal access to public services that replace current

targeted programmes might be more effective in the long run to provide needs satisfaction than a mere focus on economic growth. In addition, it can even encourage a more positive take on redistributive policies by the rich. In sum, results suggest that through the HSD methodology, people across socio-economic groups in developing countries can devise and potentially engage in social, economic and political transformations that might reduce the need for economic growth.

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