Chapter-Five
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CONCLUSION & SUGGESTIONS

This chapter essentially summarizes the earlier deliberations of the thesis. The later part of the chapter takes up the issue of contribution of the World Bank in Human Resource Development in India and gives certain suggestions for more affective role of the World Bank.

The project at the outset evaluates the changing philosophy of the present day business world, tilting towards the Adamsmith’s derivation of free economy. There are ample evidences about India having business interaction with the world and was reported to be one of the most affluent societies of the world in older times. The British rule on India for over two centuries had forced the country to become skeptical towards globalization and the preacher of Vasudev Kudamkam (The whole world is our home – Globalization) shunned its’ economy to the out side world.

In early 20th century, the world experienced severe competition, saturating markets and increasing unemployment culminating into the world war-I followed by a world wide economic lull and later the world war-II. However, immediately after World War-II restructuring the world economy became indispensable.
In 1944, 45 countries set together and created the historic Bretton Wood agreement. The Agreement, treating trade as an engine of growth, has tried to facilitate free trade world over. It planned to convenience the world community for the virtues of reduced quotas, tariffs and exchange control etc., to facilitate free trade and nurture the economic interest through multilateral negotiations and agreement. Another issue restructuring the suffocating and weakest of the economies of the world, was also raised. To help them, a whole lot of institutional system was created through this agreement. Subsequent efforts were also made to strengthen on it to strengthen the said institutional group by giving it newer arms.

Most initially the Bretton Wood agreement provided for the establishment of two institutions, namely International Monitory Fund (IMF) and International Bank for Reconstruction and Development (IBRD). The IMF aims to provide mechanism of smooth settlement as well as assisting the countries facing balance of payment crisis in the short run. These economies also needed economic structuring requiring substantial investment and expertise. To achieve this objective of providing long term assistance for structural changes in the economies and to facilitate faster growth and development, IBRD was created.

The IBRD with a three-tier structure included Board of Governors, Executive Directors and a President. The Board of
Governors as represented by all the members, largely the Finance Ministers and the Governors of the Central Banks appointed by the members, giving it democratic character.

Four other institutions namely International Development Associations (IDA), International Financial Corporation (IFC), Multilateral Investment Guarantees and Assistance (MIGA) and International Credit the Bank for Settlement in Investment and Dispute (ICSID) were also added to the strength of IMF and IBRD. The idea is to address various issues facilitating the process of Globalization and Growth and Development. These agencies through different permutations and combination assist a member country. Thus, its multidimensional requirement are catered its comprehensively through its loan, policy advise, experience and technical assistance of the World Bank.

If the international community is serious about overall growth and development of the world in general and developing countries particularly, no countries shall remain poor and backward. It is said that poverty anywhere is a threat to prosperity everywhere. India is one of the founder signatories of the Bratton Wood agreement. The nation has in its early good period has contributed generously to the IMF and IBRD alike. Needless to say that the financial crises of late 80s and
early 90s required help. IMF and IBRD reciprocated and bailed out India for the crises to a large extent.

India housing largest population after China also have largest number of poor people. Thus, very logically the World Bank’s Poverty Elevations Programmes cannot go without India. Through its Millennium Development Goals (MDGs), the World Bank has fixed relevant targets for poverty elevations and for growth and development. However, up till the turn of the century, quantum wise the World Bank contribution in India at the most was modest. India received only 4% Bank’s resources when compared to China 12%, 10% for Argentina, 9% for Russia, 7% for Mexico and for many other smaller countries with generous funding.

In India the Bank has primarily invested in infrastructural activities. Its involvement in the area of human resource development is of much recent origin. The World Bank had been instrumental in advocating and providing technical assistance in building the reform agenda of India. It is significant to point out that when the net transfers from all sources from the world have taken a substantial dip during early 1990s, actual restructuring phase of India, the net transfers from the World Bank remain consistent. The consistency and flow of funds from the World Bank was a great help to the nation and was good enough for confidence building.
The World Bank had also been cheaper source of financing for India. The Bank has not only addressed the economic issues and fund raising for India but has also joined hands in combating more pertinent issues like corruption, environmental issues, social issues and HIV/AIDS control. For the last five years the bank has started taking interest in HRD related issues namely health and education.

The Bank largely participated in India through Government, be it the national government or the state government. The bank has also promoted the innovative Public Private Partnership (PPP) for infrastructural development.

In the social sector, mainly to address the HRD issues, the World Bank largely implemented its project through respective governments, invited and used the local community as a resource base and took help of powerful monitoring agencies.

To ensure larger resources the World Bank group has coordinated the efforts with other external agencies like ADB, JBIC, DFID, USAID, EC, WHO and various UN agencies etc. Generally, coordination has worked well.

The third chapter essentially concentrates on the aspects of benefit of growth and development in general and the social benefits in particular. It deals with the Human Resource situation in India where even after 60 years of Independence, the vicious circle of poverty is
tightening its clutches. The situation calls for specific intervention if Human Resource is to develop. In order to assess and understand the World Bank role in the development of human resource, this chapter essentially evaluates conceptual part of Human Resource Development.

The Human capital theory explains amply that economic growth in advance countries is not only the outcome of growth of physical capital stock. The theory supported by large number of authors emphasize that it is not only the quantity of labours but the quality, which lead to higher growth. The quality of human capital has been closely established as a direct outcome of health and education. Consequently, the world has shifted its emphasis from computing increase in national income as a measure of growth and development. This concept is being increasingly replaced by measuring the Human Development Index (HDI), which is a mean as well as an end in itself.

The analysis suggest that health and education are the most powerful tools in contributing towards HDI. The health aspects influences longevity of life, infant mortality, maternal death at the time of birth, spread of diseases and prevention from under nutrition/malnutrition so as to ensure healthier life. Simultaneously, various researches have also established direct impact of education on the increasing level of income at the micro and macro levels. Education also contributes modernization of attitudes and the ability to adopt
changes. These assertions have forced the bank to invest pro-actively in the area of health and education recently. In India health and education both are state subjects the states are responsible for health and education related facilities to its inhabitants. Simultaneously the central government may decide and help in developing coordination, national policy and at times may also provide financial aid and support. Thus the World Bank funded and coordinated various health and education related projects with the central government as well as various states government.

The fourth chapter has endeavored to work on contribution of the World Bank in these two areas in India. Attempt has made to assess the growth pattern in the area of health and education. Trend Analysis have been made to gauge, the width and depth of country investment in these sectors. Investment trend of the World Bank into these areas have also been identify. The aid analysis clearly established that India has been consistently investing into these two areas. However, the investment was never commensurate and sufficient to meet the growing requirement and demand in both the sectors.

For over the last one-decade the World Bank have also started investing into these two areas. It is pointed out that the bank’s contribution into these areas have been very limited. However, there advocacy efforts seem to have transformed the government opinion
during the period. Though the World Bank have increased its investment only marginally but it has been able to convenience the government of India to setup its investment. This led to quantum jump in both health and education sector investment.

Support to a broad range of program aimed at reducing poverty and improving living standard in the developing world without threatening the environment. In the process the bank collaborates with a number of national and international agencies to garner more resources and ensure effective implementation. Other agencies like IFC, MIGA largely concentrate on promoting the private sector of an economy. Sharing its experience the world bank also help the national government of a country to develop an effectively implement the economic reforms. The World Bank group also assist to the poorest countries along with countries in conflict.

It is important to highlight that the World Bank group largely works in close co-ordination with the government of India and state governments and thus Bank’s policies are largely facilitative in nature rather than conflicting. In its approach the World Bank has most strategically weaved in a number of international agencies thus multiplied its limited resource many fold. Further to address special needs of each of the members, the Bank has very rightly evolved the large number of disbursement instruments. These instrument normally
of vary in terms of interest rates, terms and condition and period of repayment. To address the very need of the each of the member nation, the Bank provide them funds and help in a package form through these instruments.

In terms of outcomes, it is also shown that given various efforts of states and central government of India and with the help of the world bank and international agencies, India had been able to beat the Millennium Development Goals (MDGs) on economic front as the reported fall in the percent population of poor people has actually reduced faster than given targets. However, on rest of the seven Millennium Development Goals, account the progress is not commensurate to the desired targets. Thus the World Bank as to step up its efforts if the Millennium Development Goals (MDGs) are to be achieved.
SUGGESTIONS

1. Good health is a fundamental rights of the child that only the mother can ensure. The maternal education and sensitization shall necessarily help in intensifying the preventive vaccination during and after pregnancy. This in turned will reduce burden on curative medicines and will save huge money for the family that otherwise would have been required for curative medicine. The educated mother is the first teacher for inculcating hygiene practices to the child. This will ensure healthy hygiene practices in an individual throughout his life. A sensitize mother will also understand and administer breast-feeding to the child and will also be able to promote good food habits for increasing / balancing nutritional intake for the child. Therefore it is desired that the World Bank should primarily concentrate on educating mothers.

2. The Education and sensitization of mother will generate demand for pre birth and post birth vaccination and other medical facilities. The World Bank should workout a strategy in collaboration with the government in creating facilities that efficiently provide pre birth and post birth medical facilities. These sentences may also provide the most basic health facilities required by one and all from time to time.
3. People living in the urban slums and also those living in an around industrial cities including rural habitants, are exposed to contaminated underground water. Even those getting supply of running water, the leakage and contamination from such broken points speaks of careless attitude at macro level towards this most basic need of getting potable water. The World Bank has rightly identified and started working in this area. Yet the magnitude of problem is much bigger and need more intensive intervention in terms of advocacy and investment from the World Bank.

4. Having the experience of working with many government of various countries the world Bank must deliberate and help developing a comprehensive health policy toward transmitting diseases. Considering cultural affinity and close bonding between the members of the families and society exposes the whole community for transmitting diseases.

5. India being a country of a culture where sex and family education is a taboo, the challenge to address family education issue more often is challenging. The World Bank and the government should workout a strategy where without hurting anybodies emotions, the education should be imparted.
Experience shows that NGOs and community organization can better handle the issue.

6. It is not only the family education but the World Bank should involve more often serious NGOs, private sectors partners along with community health in designing and implementation of various health oriented programmes. Their active participation may also be used for creating demand oriented health care system and affective monitoring of the same.

7. Sensitization of gender issue is also a major challenge. Neglect of girl child and over emphasis on the birth of male child is not only creating disproportionate ratio between the two but also lead to neglect of girl child leading to under nutrition /malnutrition, ill health, early marriage, early motherhood, ignored motherhood and much more complexities of this kind. Therefore gender issue need to be focused while creating a comprehensive health care policy.

8. The government and the World Bank should together chalk out a strategy to evolve an effective public distribution system for cost effective immunization and availability of basic life saving drugs at affordable prices. At higher prices, the availability of clinical facilities will still lead to denial of access for poor masses of health care facilities.
9. India is a country of poor masses who are uneducated, less sensitive and ignorant toward their own health and the health of families. This leads to absence of demand and consequently absence of monitoring pressure on the supply chain of the medical facilities. The government has tried to facilitate basic health facilities at most of the levels, yet many of them abscond while those who shall demand remain ignorant. This calls for awareness and sensitization programs so as to make the system demand given. This will create the demand pressure and hence, accountability and monitoring of the supply points.

10. India particularly lacks in providing medical facilities in certain critical ailments like HIV/AIDS. The doctors and other medical staff do not have the most basic facilities including technology and equipments to health and treat the patients. On the other hand they are also not sensitive and responsive to the requirement of such patients. The problem gets more complex when even the attendants get their wards admitted and then just push off. Therefore specific technologies, facilities and extensive sensitization programmes are the call of the day if the patients are really to be treated and masses are to be benefited.

11. It may further be pointed out that there are certain other critical ailments which are more general in nature where large number of
people, specially the villager suffer. The World Bank in collaboration with the government need to workout a strategy where they facilitate treatment of those ailments in all health centers.

12. It is further recommended that we need to develop at least gradually the system of managing public health informatics. The system needs to have elaborate database pertaining to the reported ailments, the availability of medical facilities, the public distribution system along with informations relating to preventive and curative health care issues. In the long run this will help the World Bank and the government in developing more comprehensive health care policy.

13. Despite the best of relations between the World Bank and India, the role of the World Bank in developing India’s Human Resource had been at the best limited and of recent origin. Considering the geographic spread and its diverse requirements, the Bank needs to step up its investment in health sector in India. It is understandable that the world bank can not meet India’a total health requirements but shall at least invest enough to meet software need of the programmes that provide training, creating awareness and sensitization to make the system demand driven
and also advocate on behalf of community for more rationalized and comprehensive national health care policy.

Further education is one of the fundamental child rights and is a basic requirement to multiply the dynamic properties of a human as a resource. Researchers have proved over and again that on average the earning capacity of an illiterate and that of a primary graduates differ significantly. The one with education is more likely to have more income and consequently is often able to break the vicious circle of poverty.

Therefore, in order to contribute in the Human Resource Development in India, the World Bank may also contemplate and adopt the following suggestions.

1. Large number of awareness drives, availability of schools within a periphery of one and a half kilometer in plains and within one kilometer in hilly regions, strict regulation on caste and creeds prejudicial have contributed a lot in increasing access to the poor masses. Yet much more need to be done on this account. Even the government / Official data confirm that till date universal access in actual sense could not be ensured across the nation. For one reason or the other, the child is denied of access to the school education. Some times it is the poverty and child labour, at time is a sibling care or may be it is the culture of the
family to not to provide education at least to the girl child. The latest initiative of fixing up the responsibility on parents and thus compulsory enrolment and attendance is a step in the rights direction. The World Bank needs to further advocate on this account and share its experience in the effective implementation of the same.

2. Quality even today is an elusive concept for Indian education system. Many researches clearly show that dropout is consequent to the poor quality of education being given to the child. After spending 5-8 precious year of childhood, our education system at the best help him/her to become literate while comprehension and development of psychomotor domain is nowhere insight. This calls for improvement in pedagogic interventions. Having deep understanding and experience, the Word Bank should help the policy makers and educationists of India on this account.

3. The Word Bank may also intensify its efforts in the area of technology training of teachers and educational administrators. The teacher may tend to use the modern pedagogic intervention. They should be enabled to develop child’s effective and psychomotor domain along with the cognitive domain. This will only lead to multi dimensional comprehensive development of Human Resource. Training to educational managers and
administrators will help in the formulations of appropriate policies, affective implementations, supervisions and monitoring etc. to facilitate smooth functioning of the education system.

4. The Indian education system is mostly examination oriented. The teacher teaches only with the intention to complete the book/syllabus while the child put in all his/her effort to pass the examination. Neither of them attempts on quality learning outcomes and the related assessment. The World Bank may help the policy makers and teachers to understand and implement continuous and comprehensive evaluation of the child. This will ensure better learning and its application in practical life that in turn will boost demand for education.

5. Many of the government school do not have even the minimal school infrastructure inhibiting the class rooms transaction and required learning environment. It is understandable that the World Bank may not be able to provide infrastructure to all. In case in place of this the World Bank at least may try to create a few models and impress upon the policy makers to take a note of it.

6. Indian education system is rusted due to corruption and wastage. The funds allocated for school development and for other purposes of the kind, find way to the pockets of individuals.
Schools have also been politicized. The teachers of the schools have strong liaison with the politicians. These factors put together derailed the total educational management system. The system is ailing with non accountability. The World Bank may attempt, to help in better management and may motivate the policy makers to establish clear-cut accountability and responsibility of each individual working in the system.

7. Awareness programmes are still required in India. People here are ignorant, poor and often illiterate. Therefore, the parents do not understand and appreciate the importance of education. It is further recommended that the awareness programmes should also aimed to create demand for quality education.

8. The World Bank may also continue to stress on decentralization educational planning. The process of educational planning by the stake holders has conceptualize justification for all expenditures on the one hand and on the other hand instilled sense of belongingness and ownership of the schools. This strategy of the Bank is highly appreciated and need to be consolidated further.

9. The Human Resource need to be developed not only through good education but by inculcating a sense of responsibility in the community. Therefore it is recommended that the World Bank should intensify its effort in convincing the educational
authorities to further decentralize monitoring and control of primary and upper primary level, the community people and village education committee should be made responsible and accountable for the performance of local areas school.

10. The World Bank may also endeavor to extend its efforts and share expertise with the private sectors and NGOs. There are large numbers of non government school that are also the part of the process of Human Resource Development. Therefore, Bank should workout the strategy to help these institutions to build up further and provide quality education so to nurture balanced and multifaceted competent individuals. Such individuals shall indispensably be able to put India on the newer trajectory of growth and development in the long run.