

ABSTRACT

Measuring The Social Impact of Adjustment: The Trinidad and Tobago Experience

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The thesis investigates the social consequences of structural adjustment in Trinidad and Tobago to determine the extent to which these policy prescriptions are compatible with human resource development. Interest in this area of research has grown worldwide as it has become obvious that IMF/World Bank-supported programmes have failed to restore economic growth and improve social conditions in the way initially predicted. One of the reasons postulated for the general failure of structural adjustment programmes (SAPs) is that their design takes no account of the differences in economic circumstance, political and social environment or the institutions (cultural, social and economic) existing in countries. Consequently where SAPs have been introduced as 'standard fare' they have not yielded the desired results and instead they have imposed a considerable 'social cost'.

The study attempts to trace the effects of macroeconomic adjustment on households. In doing this, the thesis looks at the limitations of macroeconomic analysis in assessing the impact of adjustment. The thesis therefore employs an eclectic approach in assessing the impact of structural adjustment on welfare. The

underlying methodology is the two stage approach and this is complemented by the use of trend analysis and multivariate regressions.

Since the welfare of individuals is believed to rely heavily on their income, a preponderant interest is therefore displayed in the markets and activities which affect the purchasing power of individuals and the quality of their life.

In general, it was found that structural adjustment measures did exacerbate economic and social conditions in Trinidad and Tobago. The study concludes that Government has done little to address the burgeoning social crisis. Partly responsible for this lack of effective action is the failure to conduct appropriate studies to identify the vulnerable groups in society. In order to alleviate the adverse effects of adjustment it is necessary to achieve more effective targeting in the design and implementation of social programmes so that those persons who are most economically and socially dislocated can obtain relief.