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**BANKING ON FOODBANKS FOR  
POVERTY ALLEVIATION? A  
CRITICAL APPRAISAL OF  
PALMERSTON NORTH  
FOODBANKS' DEVELOPMENT  
PRACTICES**

A thesis presented in [partial] fulfilment of the  
requirements for the degree of Master of Philosophy in  
Development Studies at Massey University

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# ABSTRACT

Foodbanks entered New Zealand's voluntary welfare sector in the early 1980s when structural adjustment programmes, introduced by the fourth Labour Government, resulted in an increase in poverty amongst certain groups in New Zealand society and concurrently placed greater responsibility on the voluntary sector for the provision of welfare services.

While previous foodbank research has focused on examining the issues related to the utilisation, development and growth of this voluntary welfare provider throughout New Zealand, this thesis aims to take such enquiry a step further by analysing the effectiveness of Palmerston North foodbanks' development practice in the alleviation of poverty in New Zealand society.

It achieves this task through the application of a theoretical model utilising contemporary development theories and approaches to the data obtained through fieldwork with four Palmerston North Foodbanks. These are: the Salvation Army Foodbank, the Palmerston North Foodbank, the Saint Vincent de Paul Foodbank and the Saint Mary's Foodbank.

The conclusions deduced from this process will show firstly, that development theory (traditionally reserved for the analysis of development practice in developing countries) is appropriate to the analysis of Palmerston North foodbanks' development practice and secondly, that although the majority of these foodbanks display some features of the community development mode of development practice referenced in the theoretical model, the mode of development practice most dominantly used is a relief mode. This relief mode of development practice is ineffectual in the long term relief of poverty. The challenge issued is for foodbanks to move towards the articulation of an alternative development mode of development practice which seeks not only to effectively alleviate the very real poverty experienced by foodbank clients, but also to sustain this alleviation.

# PREFACE

During a period of overseas travel from 1989-1993, I experienced a type of political awakening which saw me, on my return to New Zealand, enrol at Massey University to study the issues of development and underdevelopment which I had observed throughout my travels. In time, however, these studies too became a journey. At the beginning I was fascinated by issues such as colonialism and multi-national penetration which I could see had clearly contributed to processes of underdevelopment in many countries in the developing world, but that was where my perception ended. It was not until half way through my post-graduate diploma in 1994 that I really began to identify political processes in New Zealand as part of the 'big picture' that is global development and underdevelopment. This was the stage in my academic journey when I came across the foodbank phenomena.

Although anecdotal evidence suggests foodbanks have existed on New Zealand's voluntary welfare landscape since the early 1980s, I was not aware of their existence until I returned from my travels in 1993. I was appalled that there were people in New Zealand who could not afford to feed themselves and their families and thus began to question the success story of the economic reforms of the 1980s and 1990s that had become part of every-day discussion in New Zealand society. Studying foodbanks appeared to be an ideal way to not only investigate the social effects of free-market policies, but also to link the study of development and underdevelopment to a New Zealand context.

As providers of food to those who cannot afford to feed themselves, foodbanks are a strong symbol of underdevelopment in New Zealand. The research I have completed on foodbanks has heightened my awareness of underdevelopment in my own country and indeed in the city of my birth and has put me in touch with situations I would never have believed possible. As a result of this I have immense respect for the courage of foodbank clients and for the tireless work done by foodbank volunteers and workers alike.



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# CHAPTER ONE

## INTRODUCTION

If you ask most New Zealanders whether they have heard of foodbanks, they will invariably answer 'yes'. Question them further, however, on the operations, roles and responsibilities of the same voluntary welfare providers and you may find that their responses are not quite so forthcoming. Considerable debate abounds in New Zealand communities on the necessity of foodbanks, but this is generally of a superficial nature and rarely extends to examining the important and perhaps contradictory position foodbanks hold in New Zealand's society in the 1990s. The primary aim of this thesis is to investigate the conjectured contradictory position foodbanks hold in New Zealand society by analysing the effectiveness of poverty alleviation strategies employed by Palmerston North foodbanks from a development studies perspective. Before this investigation begins, we need to understand what is meant by the term 'foodbank'.

## WHAT ARE FOODBANKS?

The provision of food by individuals and voluntary organisations to those in need in times of mass unemployment and social inequity is not a recent occurrence in New Zealand's history. Tony Simpson's award winning book *The Sugarbag Years*, written on life in New Zealand during the 'great depression' of 1927-1935, contains numerous accounts of individuals and organisations fulfilling such a role. The following narrative given by an unnamed informant in Simpson's book is a typical account:

*People used to help out a bit. The rabbit factory at Saltwater Creek used to give us bruised rabbits and the Chinese market gardeners would often toss in a few vegetables...There were always big bills at the grocer and the butcher which never got paid, but we weren't under too much pressure (1990: 97).*

In the 1990s, there are more people unemployed in New Zealand than there were in the great depression (Simpson, 1990: 9) and the provision of food to those in need is still an important function performed by individuals and voluntary organisations alike. How this provision differs from the years of the great depression and up until the early 1980s,

however, has become a powerful symbol of poverty in New Zealand in the 1980s and 1990s: the foodbank.

Foodbanks can be described generally as organisations which collect and distribute groceries in the form of food parcels. In this way they differ from more historical methods of food provision traditionally involved with the preparation of meals for specific groups, by working on the assumption that recipients are able to prepare meals for themselves (Whale, 1993: 109). A foodbank may form part of an existing voluntary organisation's programme of welfare provision but at the same time, it may also be an autonomous entity employing its own staff and making its own policy decisions. All foodbanks collect and distribute food but some, such as several of the foodbanks discussed in this thesis, have other functions.

As has been established, my thesis aims to discover these functions and to analyse their effectiveness from a development studies perspective. Next, I will explain the relevance of doing this.

## A FOODBANK STUDY WITH A DIFFERENCE

Development studies is primarily concerned with the study of development and underdevelopment. Traditionally this has resulted in extensive research on various countries in the developing world in an attempt to piece together possible reasons for their apparent underdevelopment and by the same token, concurrent strategies for development. This study, however, is not focused in the developing world. It takes place in a developed country and is concerned with a voluntary welfare provider commonly found in other developed countries such as Australia, Canada and the United States. How then, does research on foodbanks in New Zealand warrant analysis from a development studies perspective?

The answer lies with the concept of the global economy, which, since the early 1980s, has shifted its emphasis from the state as legitimate intervenor in the affairs of its own territory to the market as allocator of all resources in all territories of the globe. As Prendergast and Stewart (1994: xiii) stress, this emphasis,

*... reflected an ideological shift, in which first Keynesian thought, and later, more dramatically, Marxism seemed discredited, to be replaced by neo-liberal ideas. The powerful ideological revolution was accompanied by technological changes - particularly in communications - which made a*

*world-wide market an unavoidable, and to some extent uncontrollable, reality. In both developed and developing countries policy changes followed, enhancing the role of the market and reducing that of the state.*

It was structural adjustment, defined simply as 'increased reliance on market forces and reduced role of the state in economic management' (Ghai, 1994: 15), that would become the hallmark of these policy changes. Table One outlines the major tenets and features of structural adjustment.

**TABLE ONE: TENETS AND FEATURES OF STRUCTURAL ADJUSTMENT:**

<b>TENETS OF STRUCTURAL ADJUSTMENT</b>	<b>FEATURES</b>
Fiscal Discipline:	The maintenance of small government budgets with an operating deficit of no more than two percent of GNP.
Public Expenditure Prioritisation:	Shifting expenditure away from politically sensitive areas to economically productive areas.
Tax Reform:	The reduction of marginal tax rates as incentives for individuals and companies to earn more.
Deregulation:	The abolition of regulations which restrict competition or impede the growth of new industry.
Foreign Direct Investment:	Removal of barriers to foreign investment.
Financial Liberalisation:	The movement towards market-driven interest rates.
Exchange Rate Control:	The setting of a single exchange rate to assure continued competitiveness for exporters through the expansion of non-traditional exports.
Privatisation:	State assets and enterprises are privatised.
Trade Liberalisation:	The reduction of tariffs.

*Source, Williamson, 1994: 18.*

Structural Adjustment Programmes (SAPs) were initiated in both developing and developed countries due to such factors as the economic crisis following the oil shocks, and the globalisation of the world economy in the post-World War II period, and by the early 1980s had gained a firm foothold in the global neo-liberal economic agenda (Ghai, 1994: 16). Since then numerous studies have been completed on the socio-political consequences of SAPs in both developed and developing nations. Many of these have



found that SAPs have contributed to an intensification of poverty both nationally and internationally, and along with this, a myriad of other social problems (Ghai, (1994), Vivian (ed) (1995), Emeagwali (ed) (1995) and Bello (1994)). My thesis will argue this point, attempting to show that the process of economic reform first instituted by the fourth Labour Government in 1984, and further strengthened by the incumbent National government, has been an extreme form of structural adjustment and has contributed, as structural adjustment has in many countries in the developing world, to a process of underdevelopment in New Zealand.

Foodbanks are a symbol of this underdevelopment. They arose on New Zealand's voluntary welfare landscape in response to an intensification of poverty in the early 1980s, and they continue to exist because they fulfil important provider functions related to the New Right's agenda for welfare.<sup>1</sup> Development studies is concerned with these issues. Moreover, its relevance to the study of foodbanks goes even further when we consider that foodbanks are, in essence, Non Governmental Organisations (NGOs) involved with poverty alleviation in New Zealand society. Insofar as the roles NGOs play in poverty alleviation are of interest to students of development studies, then the approaches foodbanks take to alleviate poverty in Palmerston North are also of concern. Furthermore, if the inability to feed oneself and one's family leading to a reliance on foodbanks is seen as an issue of injustice, then the study of development which concerns itself with issues of justice and injustice will again be relevant to the study of foodbanks.<sup>2</sup>

Thus the linkage of development studies to issues pertaining to the existence of foodbanks in Palmerston North is essentially why my research is a foodbank study with a difference. The following section will outline areas of foodbank research to date and, by stating the question to be researched in this thesis, how my research will add to this existing body of knowledge.

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<sup>1</sup> Defining the New Right is problematic in that most literature concerning this political force or ideology focuses on certain strands of the multifaceted tapestry that encompasses New Right thinking. Nevertheless, it can be said that the world view of the New Right is permeated by three central themes. These are: economic individualism (associated with the ideology of neo-liberalism and the economic agenda of free-market capitalism), cultural traditionalism (emphasising Christian family values) and authoritarian populism (a belief in the need for strong political leadership) (Midgley, 1991: 8). For a detailed analysis of the New Right in New Zealand, see Jesson, Ryan and Spoonley (eds) (1988).

<sup>2</sup> The New Zealand justice and development NGO CORSO, for example, defines development in this light: 'Development is about justice; it is about people changing the world and creating their own future. Development is people, communities and nations gaining free and equal access to wealth, power, respect, knowledge and well-being. For the poor and powerless, development is about liberation (CORSO unpublished leaflet, 'Solidarity Together': 1994).



## FOODBANK RESEARCH EXPLORED

The study of the New Zealand foodbank phenomenon thus far has generally been initiated by two opposing ideological camps. The first camp consists of those individuals and groups who work directly with the poor, and as such are supportive of their need to utilise foodbanks. Their research has hence focused not so much on the debates concerning the necessity of foodbanks, but rather on more general issues surrounding the foodbank phenomenon in New Zealand. Areas of research to date have included: (i) foodbank growth and usage in New Zealand (Olds et al., 1991 and Mackay, 1994); (ii) the reasons why people seek assistance from foodbanks (Craig et al., 1992; Ward, 1991; and Young 1995b); (iii) the relationship between foodbanks and the New Zealand Income Support Service (McGurk and Clark, 1993; and Barwick, 1994); (iv) changes in government policy which have ensured the continued usage of foodbanks (Jackman, 1993; Young 1995a and Whale, 1993); (v) discussion on the effectiveness of foodbanks' operations, for example, the debates surrounding the utilisation of budgeting services for foodbank clients (Young, 1995b and Whale, 1993) and (vi) issues relating to foodbanks as voluntary welfare providers (Whale, 1993).

There has also been some commentary made on the foodbank phenomenon by those in the opposing ideological camp. This camp consists of groups and individuals who stand unconvinced as to the necessity of foodbanks as providers of emergency assistance to those in need. The following excerpt taken from an article by David McLoughlin (1994: 60) is typical of their stance:

*Foodbanks are the fastest-growing sector of the burgeoning welfare industry. Every town now has a couple and big cities have more foodbanks than Foodtowns...While some have been around since the mid 1980s, most appeared after the April 1st [1991] benefit cuts...Most beneficiaries continued to manage on their reduced income. Demand for food parcels was initially slow. As word spread, however, that changed. It's intriguing that demand for foodbanks has risen in inverse proportion to the economic recovery and falling dole queues. I'd never suggest some foodbank patrons can't resist a free meal, but its obvious foodbanks have enabled some people to rearrange their priorities.*

My research will not attempt to refute the debates posed by the latter ideological camp. This job has already been completed by those in the former camp who have proved, often through the voices of foodbank clients, that foodbanks are a necessary life-line for an increasing sector of New Zealand society. My research will, instead, journey past the areas of debate raised thus far by both the former and latter camps, towards a destination where one question will be ultimately answered: within the context of New Zealand's

changing political situation; how effective are the approaches to poverty alleviation employed by Palmerston North foodbanks? I will now map out the process by which this destination will be reached.

## OUTLINE OF THESIS

Because this thesis aims to utilise a development studies approach it will commence with an analysis of development theory. Chapter Two attempts to discover the development theories and approaches that are most relevant to the analysis of Palmerston North foodbanks' approaches to poverty alleviation. It will begin by outlining a wide range of historical and contemporary theories and approaches to development. Those which are deemed to be most appropriate to my research will then be selected and combined in the form of a theoretical framework to be used in Chapter Seven when the approaches Palmerston North foodbanks employ to alleviate poverty are analysed.

Chapter Three will move away from discussions pertaining to development in general, to review the literature concerned with the rise of poverty in New Zealand. Poverty, it will argue, has increased in New Zealand since an SAP was instigated in 1984, and this has led directly to the utilisation and the increased growth of foodbanks on New Zealand's voluntary welfare landscape. Foodbanks are a symbol of poverty in New Zealand, and as such, any analysis concerning their operations must be conducted within the political context in which they arose. By the end of Chapter Three, this political context will be well established.

Chapter Four will continue the process of reviewing literature on general themes relating to the operations of foodbanks. Instead of focusing on poverty, however, it will examine the voluntary sector in relation to the changing face of welfare provision in New Zealand. The deliberate policy of devolution, instigated by those advocating a New Right face for welfare provision, has, it will argue, placed considerable strain on the voluntary sector for the provision of welfare services. The example of foodbanks will be used to reinforce this notion and general discussion will also be undertaken on foodbanks' operations and on the contradictory position they hold within New Zealand's society.

Chapter Five signals a move away from general discussion on the background issues relating to my research with foodbanks, to discussions on my fieldwork specifically. By outlining my research philosophy and methodological techniques to be employed, Chapter Five will show how I will research the effectiveness of Palmerston North

foodbanks' approaches to poverty alleviation. By way of maintaining reflexivity in research, Chapter Five will then consider how my research philosophy and chosen methodological techniques operate in practice. Some comment will also be made on the impact that I, as a researcher, may have on the various foodbank communities involved in my fieldwork.

While Chapter Five will have provided an understanding of the tools needed to conduct my fieldwork, Chapters Six and Seven will outline the results of my fieldwork. Chapter Six will establish the background in which my fieldwork took place by firstly, drawing themes surrounding the existence of foodbanks in New Zealand generally to the Palmerston North context, and secondly, by profiling the individual foodbanks involved in my study. These profiles will include discussion on the operations, utilisation and client base of the two main Palmerston North foodbanks as well as several other smaller Palmerston North foodbanks.

Chapter Seven will then begin the process of analysing my fieldwork results. The theoretical framework developed in Chapter Two will be applied to each foodbank involved in my study, and its subsequent analysis should reveal not only the existence of differing modes of development practice operational in Palmerston North foodbanks but also some initial conclusions as to the effectiveness of such modes in poverty alleviation. These initial conclusions will then be expanded, when general conclusions relating to my entire thesis are fashioned in Chapter Eight.

This thesis should provide a landmark piece of research on a crucial development issue. It is only when we understand the operations of complex social phenomena such as foodbanks, that we can hope to find ways of improving the very important functions they perform in the social development of New Zealand society.

# **CHAPTER TWO**

## **DEVELOPMENT THEORY**

### **INTRODUCTION**

The analysis of the operations of voluntary organisations, or non government organisations (NGOs),<sup>1</sup> has been given considerable coverage in the literature concerned with social work practice and social policy issues in New Zealand.<sup>2</sup> There has been little reference, however, to the operations of NGOs in New Zealand from a development studies perspective. This chapter will show how an important feature of development studies - development theory - can be used to analyse the operations of NGOs working in a New Zealand context and, more specifically, the operations of foodbanks in Palmerston North.

It will begin with an explanation of development theory before moving to examine a wide range of both historical and contemporary theories and approaches to development. This exercise will allow the reader to gain some understanding of the changeable and complex nature of this theory. Those theories and approaches most relevant to my research will then be selected and combined into a theoretical model which will be used in Chapter Seven for an analysis of foodbanks' approaches to poverty alleviation in Palmerston North.

### **DEVELOPMENT THEORY: A DEFINITION**

Development theory refers to the distinct science developed after the Second World War. The growing number of newly independent countries, with their economically disadvantaged status, gave rise to the notion of underdevelopment. Development theories

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<sup>1</sup> Throughout this thesis the terms NGO and Voluntary Organisation (VO) will be used interchangeably to denote organisations which are involved in development related pursuits aside from the government. The term NGO will be used in this chapter because the literature on development does not generally refer to the term VO, while in Chapter Four, the term VO will be used. Reference to NGOs in a New Zealand context usually refers to those organisations involved with environmental issues and overseas aid (Robinson, 1993; 102-104). In reality, however, the terms VO and NGO are more or less the same.

<sup>2</sup> I will draw on some of this literature in Chapter Four when I discuss general issues of relevance to the voluntary sector in New Zealand.

such as modernisation and dependency, were a way of explaining underdevelopment, with the definition of development and thus the remedy for underdevelopment defined according to the world view of its theoreticians.

Development theory was important in the years after World War II and remains important today because of the way it informs development practice. Theory aids in development practitioners' understanding of underdevelopment and allows for development strategies to be formulated in accordance with this understanding. As Korten (1990: 113) stresses, theory is important to development agencies because,

*...in the absence of a theory, the aspiring development agency almost inevitably becomes instead merely an assistance agency engaged in relieving the more visible symptoms of underdevelopment through relief and welfare measures. The assistance agency that acts without a theory also runs considerable risk of inadvertently strengthening the very forces responsible for the conditions of suffering that it seeks to alleviate through its aid.*

It is thus of vital importance that development agencies have a clear understanding of the processes of underdevelopment so that their development practice will be both effective and appropriate. This formula seems particularly relevant when we consider development organisations working to alleviate the more visible forms of underdevelopment in countries of the developing world, but perhaps less relevant when analysing the effectiveness of development practice in a developed country such as New Zealand. So, how is development theory relevant to the analysis of foodbanks' operations in the Palmerston North?

Development theory is relevant to the analysis of foodbanks operations in Palmerston North because, as Chapter One has argued, development studies is concerned with issues such as the effects of SAPs which are related to the existence of foodbanks. Insofar as development studies is relevant to my research, then development theory - an important feature of development studies, will also be. Discovering the particular kind of development theory that is most relevant, however, involves an understanding of both the wide range of development theory in current use throughout development practice and an understanding of how this theory has changed through the decades post-World War II. It is to this wide range of development theory that I will now turn.



## DEVELOPMENT THEORY: AN HISTORICAL OVERVIEW

Theories of development which emerged after World War II to explain the notion of underdevelopment were subject to certain socio-political circumstances and intellectual traditions which allowed for constant change in their formulation. This constant change rendered the subsequent theory generation rather contradictory at times. The vast differences between the grand development theories, modernisation and dependency, is one case of point.

### Modernisation Theory

Post-World War II, the United States (USA) had emerged as the most dominant core player in the capitalist world system.<sup>3</sup> Central to this dominance was the weakened state of European powers following two major wars and the ability of the USA to maintain a relatively self-sufficient economy, one which had survived the great depression of the 1930s and had benefited from wartime dealings (Chirot, 1977: 96,148). The USA began to exert its influence as a dominant core player in the capitalist world system through the mechanism of foreign aid. The success of the Marshall Plan<sup>4</sup> which restored economic order in a European world devastated by World War Two was, however, largely motivated by an anti-communist ideology.

The USA, desperate to overtake the Soviet Union in the re-establishment of Europe, injected billions of dollars into the Marshall Plan. It was felt that Europe could act as a buffer zone to the spread of communism throughout the emerging independent periphery. As Chirot (1977: 151-152) points out:

*...the continuing rise of nationalistic, anti-core revolutions in peripheral areas ultimately produced a large-scale American aid programme whose main purpose was to contain the rise of such movements and to make the peripheral world safer for American investment and security interests.*

---

<sup>3</sup> If the world can be seen as a system, then it is a predominantly capitalist world system. Inherent in this system are (in the view of most world systems theorists, only the words differ) core, semi-peripheral and peripheral societies. Core societies are 'economically diversified, rich, powerful societies that are relatively independent of outside control,' semi peripheral societies are 'societies midway between the core and periphery that are trying to industrialise and diversify their economies' and peripheral societies are 'economically over specialised, relatively poor and weak societies that are subject to manipulation or direct control by core powers' (Chirot, 1977: 13).

<sup>4</sup> The Marshall Plan has been defined by Welsh and Butorin (1990: 669) as 'the U.S. plan to assist the reconstruction of post-World War II Europe, conceived when it became clear that the resources of the World Bank were likely to be inadequate for this purpose'.

This pervasive anti-communist ideology which sowed the seeds for the proceeding Cold War<sup>5</sup> with the Soviet Union also had its economic benefits for the USA. Where intervention became necessary in the periphery, aid and private investment were not necessarily centred where they were most needed. Intervention opened the markets for American manufactured goods and provided an enormous source of raw materials: 'American private investment in the periphery tended to concentrate in certain colonial endeavours... this reinforced the tendency toward over specialisation that characterised peripheral economies' (Chirot, 1977: 152). Hence post-World War II the USA was gaining financially out of its bid to stop the spread of communism.

Communism was seen as a plague in USA foreign policy and the spread of McCarthyism<sup>6</sup> in the USA during the 1950s reinforced this anti-communist ideology. In the context of this ideological climate it was difficult, in intellectual circles, to develop theories independent of this anti-communist theme. As Chirot (1977: 4-5) explains:

*Liberal theories about remedying regional underdevelopment in the 1950s and 1960s were largely discredited...Americans care to hear only a certain amount of derogatory information about their country; beyond this they experience a feeling of apathetic futility.*

Modernisation theorists such as Talcott Parsons<sup>7</sup> embraced the anti-communist ideology with gusto and incorporated it with the interventionist policies of the USA federal government to develop theories which were conducive to continuing USA investment and presence in the peripheral world. Along with the influence of these socio-political circumstances, modernisation theorists also called upon certain intellectual traditions which further reinforced the particular way they viewed the world.

These intellectual traditions include the Classical school of economic thought, with Richard Cantillon's work on the role of the entrepreneur particularly influential in the modernisation theorist Rostow's 'five stages of economic growth'. The five stages Rostow formulated were described as the route all countries must take if they were to achieve economic growth. They were (i) traditional society, (ii) the precondition to take off, (iii) the take off, (iv) the drive to maturity and (v) high mass consumption (Rostow, 1956: 25-48).

The value-based explanation of capitalism employed by sociologist Max Weber was

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<sup>5</sup> A Cold War can be described as 'a state of political hostility and military tension between two countries or power blocs, involving propaganda, threats, etc' (Collins Shorter English Dictionary, 1993: 217).

<sup>6</sup> Named after the late US Senator Joseph McCarthy whose penchant for incarcerating artists, filmmakers and free-thinkers became world renowned, McCarthyism refers to the practice of 'making unsubstantiated accusations of disloyalty or Communist leanings' (Collins Shorter English Dictionary, 1993: 679).

<sup>7</sup> Parsons is said to have viewed communism as a disease of the early stages of development (Chirot, 1977: 3).

another contributing intellectual tradition to the modernisation paradigm. David McClelland, basing his theories on Weber's work with Protestants in Western Europe, believed that motives of individuals could influence economic growth. The most important motive singled out was the need for achievement, which McClelland (1970: 179) defined as 'the desire to do well, not so much for the sake of social recognition or prestige, but to attain an inner feeling of personal accomplishment'. This need for achievement was important for society as it necessarily produced energetic entrepreneurs and thus contributed to economic development.<sup>8</sup>

Drawing on the intellectual traditions outlined above and under the influence of certain socio-political circumstances, modernisation theorists formulated a grand theory of development which included these major tenets: an emphasis on beliefs and values as causal factors; a traditional-modern dichotomy; the employment of strategies to remedy underdevelopment which consisted of replicating the experience of Western Europe and North America - where development is endogenous to the Third World; the belief that underdevelopment is a pre-existing state; the belief that for underdeveloped countries to develop they must adopt rational Western thought and its corollaries - literacy, democracy, bureaucracy, industrialisation and the nuclear family; and a primary appeal to sociological and psychological factors (Webster, 1984: 53-54).

All the above tenets of modernisation theory stem from an underlying belief that traditional society is 'primitive' and therefore less developed than modern society. Traditional society, according to modernisation theorists, displays the crucial features of traditionalism as a dominant discourse, kinship as a decisive reference point for social practices, and a superstitious or fatalistic approach to the world as a credence held by its members. Conversely, modern society displays the exact opposite features. Not only are its members free from enslaving tradition and kinship, but they are also rational, and display a strong entrepreneurial spirit (Webster, 1984: 49-50). The belief by modernisation theorists that 'modern' is developed and 'traditional' is not, has led to the basic premise that '...development... depends on traditional, [and] primitive values being displaced by modern ones'(Webster, 1984: 49).

A modern society, moreover, is also an industrialised capitalist society. This vision of industrialism is based on Western models of economic growth and translates into top down macro-economic development practices that rely on the fruits of development to 'trickle down' to the poorest. One such example of top down development practice is the rural development policy popularised after the mid 1960s whose programmes became the

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<sup>8</sup> For further information on other intellectual traditions which informed the work of modernisationists, see Taylor, (1979), Preston, (1987), Webster, (1984) and Harrison, (1989).



backbone of the so-called 'green revolution'. These programmes, which introduced agricultural technology and high yielding crops to Third World farmers, had, however, both covert and overt intentions. Overtly, they sought to satisfy world wide food demand, but, on a covert level, they aimed to weaken the mandate of radical political activists whose questioning of the status quo could not be sustained aside prosperity and poverty alleviation (Webster, 1984: 160).

The theories and practices of modernisation have received considerable criticism since their inception after World War II and much of modernisation theory has been discredited. None of the criticisms levelled at modernisation theory, however, received as much audience as the criticisms espoused by theorists of the dependency school of development theory. These theorists found fault in the modernisation approach whose major paradigms promoted a distinctly neo-classical approach to economic development.

Neo-classical economics, defined as 'a theory which purports to show that a competitive market economy, subject to certain conditions, will generate equilibrium outcomes in which resources are efficiently allocated' (Stilwell, 1993: 31), experienced a resurgence in the 1970s when stagnant economic growth, coupled with rising inflation, cast doubt on the effectiveness of Keynesian policies to effectively remedy underdevelopment (Shirley, 1990: 362).<sup>9</sup> Underdevelopment, with its outcome of poverty, was seen in the neo-classical tradition favoured by some modernisationists, to result from conditions within developing economies and societies. Underdevelopment, in the modernisation tradition, was thus understood as a fixed state cemented through such vagrancies as ignorance and communalism, with capitalism and its emphasis on individualism offered as the ideal route forward.

Theorists of the dependency school who found fault in the modernisationists' explanations for underdevelopment were influenced by different socio-political circumstances and intellectual traditions. Their theories of development, or, as they are sometimes called, underdevelopment, stemmed from a distinctly Latin American world view and thus differed fundamentally from the theories offered by modernisationists.

## **Dependency Theory**

Dependency theory, otherwise known as underdevelopment theory, was the name given to a particular paradigm of thought which emerged in Latin America when dissatisfaction

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<sup>9</sup> For discussions on the resurgence of neo-classical economics, see also Bollard and Buckle (eds), 1987, Rees, Rodley and Stilwell (eds) (1993) and Todaro, (1994).

with modernisation theories was paramount. This, coupled with disappointment with the unsuccessful import substitution policies offered by the Economic Commission for Latin America (ECLA), saw theorists of the dependency tradition looking closer at their Latin American worlds for a more viable explanation of underdevelopment. In doing so they responded to the prevailing ideologies permeating Latin American society in the 1960s and 1970s, that of anti-imperialism and socialism.

The years after World War II saw an emergence of many newly independent peripheral countries. In those countries where educated elites had successfully adapted Western techniques to their own needs, nationalist revolutionary struggles were ultimately successful. Strong leaders such as Nkrumah in Ghana and Ghandi in India questioned the legitimacy of colonial policies in their respective countries during colonial rule and carried this questioning through once independence was gained. The new catch phrase became neo-colonialism.<sup>10</sup> Neo-colonialism was, to the periphery, imperialism, be it with or without colonial bonds. With its rejection came a desire to reform the kind of society promoted during colonial bondage. Capitalism was thus forfeited and socialism became its ideal replacement.

Although the independence experience of many Latin American countries differed from most other countries in the periphery,<sup>11</sup> its processes of underdevelopment could still be attributed to the colonial policies of the conquistadors, as well as the recent neo-colonial experience of USA intervention (Chirot, 1977: 152). Thus having embraced these dominant ideologies of anti-imperialism and socialism, along with certain intellectual traditions such as Marxism, (influential in Cardoso's explanation of the importance of class alliances to underdevelopment), Neo-Marxism, (entrenched in Baran and Frank's analysis of society<sup>12</sup>), and Lenin's work on imperialism,<sup>13</sup> dependency theorists formulated a grand theory of underdevelopment that was far removed from the theory offered by modernisationists.

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<sup>10</sup> The essence of neo-colonialism, as defined by Nkrumah, 'is that the state which is subject to it is, in theory, independent and has all the trappings of international sovereignty. In reality its economic system and thus its international policy is directed from the outside' (cited in Webster, 1984: 79).

<sup>11</sup> Most Latin American countries had theoretically been independent since the eighteenth century (Chirot, 1977: 34).

<sup>12</sup> Although Baran and Frank employed certain Marxist intellectual traditions such as surplus and a material view of the world, they were neo-Marxists because of the particular economic perspective they used in their analysis. For Marx, the mode of production was paramount but for neo-Marxists such as Baran and Frank, the means of economic exchange was most important (Taylor, 1979: 71).

<sup>13</sup> The ECLA built on Lenin's theme that imperialism hindered capitalist development in the periphery (Seers, 1981: 220) and analysed, in the 1950s and 1960s, their particular Latin American economic situation from an unorthodox economic perspective. The basis of this perspective was the critique of the conventional theory of international trade. The ECLA believed that the international division of labour which the theory of international trade said was naturally produced, was of much greater benefit to those countries in the core than it was to those countries in the periphery (Seers, 1981: 51).

Despite the fact that the dependency school drew on a diverse range of intellectual traditions, the following main tenets typified dependency theory: the fact that underdevelopment is an historical process and not a condition which is necessarily inherent in the Third World; the idea that the world is a capitalist system made up of dominant and dependent countries; and the notion that the concept of underdevelopment is a consequence of the functioning of this world system. This occurs because the periphery is plundered of its surplus, resulting in development in the core and subsequent underdevelopment in the periphery (Schuurman, 1993: 5).

Theorists of the dependency school assert that underdevelopment is a complex process which occurs within societies as a result of external and internal capitalism. Underdevelopment thus can occur within societies alongside the kind of development promoted by the capitalist mode of production, and indeed this is the understanding of underdevelopment which I have utilised throughout this thesis. Underdevelopment, for the purpose of this thesis, refers to a complex process which has occurred in New Zealand society as a result of the implementation of extreme free-market capitalism, the outcome of which has seen an increase in poverty amongst certain groups in New Zealand society, and concurrently the development and growth of foodbanks.

Most dependency theorists, however, explain underdevelopment by employing one general axiom: underdevelopment is a direct result of development, and development will never be attained in the Third World until complete withdrawal from the capitalist world system is achieved. In this way they stand side by side with modernisation theorists in their gross simplification and generalisation of complex dynamic societies in both developed and developing countries. Although the bulk of criticism on the theories of development has traditionally come from theorists of the dependency school and has been directed at the modernisation paradigm, in the late 1970s and early 1980s the dependency school of thought also received criticism.

Bill Warren (1980: 9-10), an orthodox Marxist, led the onslaught of criticism levelled at the dependency school of thought by arguing that the 'prospects for successful capitalist development in many underdeveloped countries are quite favourable' and that:

*Within a context of growing economic interdependence, the ties of 'dependence' (or subordination) binding the Third World and the imperialist world have been and are being markedly loosened with the rise of indigenous capitalists.*

This orthodox Marxism was also substantiated in the criticism of the dependency school raised by those espousing a Marxist analysis of the modes of production. Laclau (1971)

an early player in the modes of production debate, argued that the world capitalist system had articulated elements of several modes of production from as early as the seventeenth century and that Frank, in his analysis of the world capitalist system, had confused the issues of production and exchange (Laclau, 1971, cited in Booth, 1985: 768).

The heavy criticism levelled at the dependency school, coupled with the failure of its critics to formulate a viable alternative to the theory of underdevelopment, resulted in an impasse in the generation of development theory.<sup>14</sup> Other major factors which contributed to this crisis in development theory have been summarised by Schuurman (1993: 1) as: the fact that theory formulation in the social sciences was subject to considerable post-modern criticism at this time; the awareness that economic growth, which had always been awarded a crucial role in development theory, placed too large a burden on the natural environment; and the failure of the socialist paradigm as a viable link between theory and development practice.

This impasse has now been superseded but the debate which has emerged is on a completely different level to the theories offered pre-impasse. Post-impasse development thought has been concerned with finding practical solutions to underdevelopment, and in this way, the solutions which have been posed can arguably not be labelled development theories but rather, approaches to development practice. Schuurman (1993: 1) prefers to call such approaches 'scientific tools which could be used to construct a post-impasse development theory'. It is to these scientific tools or approaches to development that I will now turn.

## CONTEMPORARY APPROACHES TO DEVELOPMENT

The 1980s saw a crisis in development unparalleled since the inception of development theory after World War II. Countries which had previously experienced an improvement in such development indicators as child mortality, literacy rates and life expectancy were now reversing these trends. Growth rates plummeted and gross inequity between the First and Third Worlds increased alarmingly. Schuurman (1993: 9-10) claims that in 1978 the Third World received 5.6 percent of the world's income, in 1984 that had fallen to 4.5 percent. The trickle-down process which relied on the fruits of macroeconomic development to trickle down to the poor had apparently failed.

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<sup>14</sup> See Booth (1985) for criticisms of post-dependency theories and an introduction to the impasse in development theory.

These factors, coupled with Third World debt, falling commodity prices, and the effects of euphemistically titled structural adjustment programmes, produced a situation which was difficult for even governments and major lending organisations such as the World Bank to ignore. One World Bank economist observed, '...it became increasingly clear that a large proportion of the rural population lived and would continue to live on a near subsistence level unless development policies and lending for development were explicitly redirected' (Adler, 1977: 34). The challenge rang out to materialise an alternative approach to development that would not only eradicate underdevelopment but sustain this eradication.

The contemporary approaches; participation in development and empowerment, were two alternative models which responded to this challenge. They will be explored now systematically.

### **Participation In Development**

Participation, as it is defined in development practice, has a myriad of meanings. These include,

*...starting from the peasant, what he [sic] knows, what he [sic] knows how to do, how he [sic] lives and what he [sic] wants (Ouedraogo, cited in Harrison, 1987: 280).*

Although participation in development is pragmatically defined, it does draw on certain intellectual traditions and perspectives which were the inspiration, as well as the building blocks of this contemporary approach to development. These traditions include populism, neighbourhood democracy, community development and the contribution of Paulo Freire.

Populism forms the very essence of participation. It picks up where other theories, such as dependency and modernisation, have failed, by recognising 'the culture and motivations of the peasant family as meaningful, their lifestyle purposeful, their knowledge valuable and their constraints real' (Maiava, 1989: 3). Populism is a force referring to movements which arise from the depths of inequality. In this way, participation can be seen as a 'populist response to underdevelopment' (Maiava, 1989: 6). Other perspectives which exude populist ideals, and which in turn form the building blocks of participation, are community development and neighbourhood democracy.

Neighbourhood democracy arose as a criticism of classical liberal democracy, and it



involved 'small scale institutions for the realisation of political aspirations' (Midgely, 1986: 15). Midgely asserts that the more radical side of neighbourhood democracy - Kropotkin's version of anarcho-communism (an insistence that cooperation and mutualism are natural human instincts and characteristic of primordial social organisation) - is perhaps the closest to contemporary community participation ideals.

Community development, however, can be seen to be quite divorced from contemporary participatory approaches. Brokensha and Hodge (1969) cited in Midgley (1986: 17), define community development as an approach which,

*...focused on small communities, seeking to establish democratic decision-making institutions at the local level. It attempted also to mobilise people to improve their social and economic circumstances through undertaking a variety of development projects.*

Advocates of community participation have criticised community development stating that it '...stifled the innate capacities of ordinary people to determine their own destiny but perpetuated the structures of oppression and inequality at national and local level' (Midgely, 1986: 19). Community participation therefore arose more out of a reaction to community development than as a proponent of it.

In the contribution of Paulo Freire, however, we see a more pertinent perspective to the development of contemporary participatory approaches. Freire, a Brazilian and a socialist, worked with literacy campaigns in Brazil in the early 1960s. Freire believed that before people can become controllers of their own destiny, they must be aware that they are oppressed. Freire used literacy as a tool to enable people to reflect on their position in the world, so that once they had reflected and realised their oppression, they would then be able to act (Freire, 1972). Freire called this process 'conscientisation', and today, in participatory development practice, conscientisation often forms the cornerstone to participatory development.

Some theorists would argue, however, that the rhetoric of participation in development has been co-opted by development planners to fulfil their own agendas.<sup>15</sup> In this way, participation in development practice often falls short of its populist ideals of giving power back to the recipient community. As Korten (1990: 44) stresses, participation in development often results in people's participation in the implementation of basic needs

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<sup>15</sup> Rahnama (1992: 118) suggests that governments and development institutions do not perceive the concept of participation as a threat but instead a tool 'easily transformed into manipulative designs totally opposed to what people want it for'. Participation has become an attractive slogan politically, not only because it 'creates feelings of complicity between the public manufacturers of illusions and their consumers', but also because 'peacefully negotiated forms of participation can take the heat out of situations where development policies create tension and resistance on the part of the victims'.

strategies:<sup>16</sup>

*There tends to be considerable discussion of people's participation in the implementation of basic needs strategies. The focus, however, is usually on how to get people to participate as co-producers in implementing service delivery projects initiated and controlled by government. This form of participation is more accurately described as mobilisation than empowerment.*

Empowerment then, in its truest form, moves beyond the notion of participation in development by households or communities to the level of control of development by these groups. Empowerment is an alternative approach to development which, like participation in development, responded to the challenge issued at the time of the impasse in development theory. Empowerment aims not only to eradicate underdevelopment but to sustain this eradication.

### **Empowerment: An Alternative Approach To Development**

John Friedmann is one development planner who argues for an alternative approach to development enshrined in the politics of empowerment. This alternative approach, fought also for by scholars, development professionals and the collective actor in the form of social movements, stresses the need to approach development from the perspective of the household.<sup>17</sup> Households in their day to day pursuits require access to three kinds of power: social (financial resources, involvement in social organisations, knowledge and skills), political (collective action, the power of the voice and the power to affect one's own future), and psychological (personal potency) (Friedmann, 1992: 1-2; 32-33). An alternative development model would seek, as Friedmann (1992: 33) stresses, 'the empowerment of households and their individual members in all three senses'.

Within this household model of empowerment, Friedmann recognises the importance of the empowerment of women who suffer disempowerment due to the structure of such households:

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<sup>16</sup> The emphasis on meeting basic needs in development practice was popularised in the 1970s when dissatisfaction with growth-oriented development (which measured development success solely on the growth of a country's Gross National Product GNP) resulted in a radical rethinking on the nature of Third World development and poverty alleviation. Rather than wait for the fruits of development to trickle down to the poor, basic needs strategists, such as Seers (1977), argued for a redistribution of income to the poorest households. Thus basic needs strategies sought to relieve absolute poverty in the Third World by meeting the basic needs (shelter, food, fuel and clothing) of the poor directly (Webster, 1984: 34).

<sup>17</sup> Households have been defined by Friedmann (1992: 32) as 'a residential group of persons who live under the same roof and eat out of the same pot. Each household forms a polity and economy in miniature; it is the elementary unit of civil society'.

*Despite a certain lability of gender roles, the overall structure of household relations throughout the world openly discriminates against women and keeps them in a state of permanent subordination vis-a vis males, both inside the household and in the wider public domain. The result is women's double disempowerment as members of poor households and, within the household, by virtue of their sex (Friedmann, 1992: 109).<sup>18</sup>*

Within the alternative development model poverty is seen as disempowerment and in this sense it is both descriptive and prospective. It is descriptive because poverty is described by the disempowered themselves and it is prospective because it implies that the disempowered, after reflection on their position in the world, will then engage in a process of empowerment to better their situation (Friedmann, 1992: 71). With this in mind, it is obvious Friedmann's model of alternative development is firmly rooted in grassroots politics. It recognises, however, the need for an agile, responsive and accountable state. Such a state would then allow the policies associated within the alternative development model to be implemented .

Friedmann concedes that the universal implementation of an alternative model of development may seem 'Pollyannish', but stresses that its implementation could act as a global movement toward a new just world (Friedmann, 1992: 35-36). The empowerment and participatory approaches to development, sometimes seen to be 'linked like hand and glove' (Halcombe, 1995: 17), provide appropriate strategies for development which return power back to the disempowered and, in doing so, effectively alleviate their poverty. Such a vision, however, is becoming more and more difficult to sustain in the face of an approach to development which is experiencing far greater popularity in the field of contemporary development practice than most other approaches: neo-liberalism.

### **Neo-liberalism: The Counter Revolution<sup>19</sup>**

It is disarming to discover that despite considerable change in the arena of development theory in the 1970s, 1980s and 1990s, the driving force of world development today still resounds in modernisation discourse. The neo-liberal approach which emphasises the limited role of the state and a liberal economy employing strict monetary policy, can be seen to most closely resemble the well known modernisation paradigm of post-World

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<sup>18</sup> Because the contemporary approaches to development which focus on gender and sustainable development are not directly related to my research, they will not be discussed in this chapter. For discussions on contemporary approaches to development incorporating gender see Moser, (1989); Rathgeber, (1990) and; Wieringa, (1994): and for sustainable development see Adams, (1990 and 1993).

<sup>19</sup> John Toye (1987) is given the credit by Schuurman (1993: 11) for labelling neo-liberalism the counter-revolution in development thinking.



War II development theory (Schuurman, 1993: 11-12). Neo-liberalism is a philosophy that is 'rooted in... orthodox neo-classical theory - the notion that there is only one body of economic theory with universally applicable concepts' (Brohman, 1995: 126). A neo-liberal remedy for underdevelopment would thus be,

*...simply a matter of promoting free markets and laissez-faire economics within the context of permissive governments that allow the 'magic of the marketplace' and the 'invisible hand' of market prices to guide resource allocation and stimulate economic development (Todaro, 1994: 85-86).*

Both the modernisation paradigm and the neo-liberal approach to development employ universalistic and eurocentric theoretical constructs based on assumptions that are often unrealistic and which show total disregard for culture and the heterogeneous nature of Third World social formations (Brohman, 1995: 126). It is ironic therefore, that neo-liberalism is now received so favourably in the world of development practice,<sup>20</sup> considering the discrediting of its close cousin, the modernisation paradigm, by social scientists in the 1960s and 1970s.

Brohman stresses that the resurgence of the neo-liberal approach to development must be seen in the context of the general anti-Keynesian ideological wave that engulfed the West in the 1980s.<sup>21</sup> The neo-liberal approach, ideologically linked to the increasing power of transnational capital and the interests of the USA, dissolved the Western guilt complex associated with certain alternative development frameworks, by turning attention away from international inequalities and planting the blame for Third World underdevelopment firmly in the Third World's soil (Brohman, 1995: 134).

This notion of assigning blame for a process of underdevelopment on the 'victim' country implies a belief in the discourse of individualism. The neo-liberal approach emphasises the freedom of the individual to 'receive whatever rewards are determined as appropriate by the market...The value of their skills or services reflects a market value, not an "artificial" value determined by the state' (Jesson, Ryan and Spoonley, 1988: 15). Thus, free from the shackles imposed by the state, there should be no reason for individual 'players', or even countries, to lose in any 'game' played on the 'level playing field' of the free market.<sup>22</sup>

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<sup>20</sup> Neo-liberalism is a major development policy option promoted by the IMF and the World Bank in the form of SAPs as a pre-condition to the provision of development finance and is often received favourably by the power-base of world development: governments of developed countries, development banks and the international business community.

<sup>21</sup> This issue will be explored more closely with regard to the New Zealand context in Chapter Three.

<sup>22</sup> Rosenberg (1993: 146) argues that metaphors are used by propagandists of liberalisation to create false pictures in people's minds and thus warp their thinking. He cites the examples of the terms 'players', 'game' and 'level playing fields' which are used in the media and by politicians to denote 'any parties in any dispute': 'The whole metaphor of the game and of players who win or lose...deprive the hearer and reader of an

The free market, however, is not the level playing field some neo-liberal protagonists would have us believe. Carey (1987: 15) argues that the freedom allegedly inherent in the market is not necessarily available to all individuals. Instead, because the market is controlled and directed by powerful groups, the freedom inherent in the market is freedom for those powerful groups or corporations which control the economies of Western societies. In addition, the market is not necessarily free for those groups of people such as homosexuals, lower socio-economic classes, women and minority ethnic groups, who challenge the patriarchal and European values espoused by the moral wing of neo-liberalism (Jesson, Ryan and Spoonley, 1988: 15). The market is only free for those individuals whose interests it ultimately serves.

It is clear to see, therefore, that the neo-liberal approach to development enjoys such popularity because it fulfils powerful ideological biases related to the economic interests of the USA, trans-national corporations and the maintenance of a European patriarchal hegemony. The ideological biases of neo-liberalism become even more dangerous, furthermore, when they become socialised into the world views of development scholars from both the North and the South. This socialisation allows for the labelling of alternative views of development as unscientific and abnormal, while at the same time obscuring the ideological biases of neo-liberalism under the blanket of objective scientific study (Brohman, 1995: 136).

Bearing in mind the covert use of development theory suggested above, we need to consider how NGOs reconcile the need to incorporate theory into their daily development practice (as Korten stresses they must). Theories such as neo-liberalism seem to be at odds with the kind of development practice favoured by these organisations.

This chapter thus far has focused on historical and contemporary theories and approaches to development. The next section will examine how NGOs can reconcile the dilemma of incorporating theory into practice by using 'appropriate theory'<sup>23</sup> to aid their understanding of the people they profess to serve and, in this way, most effectively plan for development.

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appreciation of the seriousness of society's problems. There must be winners and losers in the game and if you are the loser you cannot complain'.

<sup>23</sup> For a useful analysis on bridging the gap between theory and practice through the application of appropriate theory, see Knippers Black, (1991).

## NGO STRATEGIES FOR DEVELOPMENT PRACTICE: FROM RELIEF TO ALTERNATIVE DEVELOPMENT

The inclination of governmental aid programmes to contract out service delivery, coupled with the nature of NGOs themselves, has led to a prolific increase in NGO practice in the field of development in the past two decades (Knippers Black, 1991: 75). David Korten has written extensively on such organisations and has formulated a useful model for their analysis, centred around their use of theory to aid in the strategic choices they make in development practice. In his model, Korten divides the development strategies of NGOs into generations, and my theoretical model is derived from these ideas.

### Four Generations Of NGO Strategies

A first generation strategy for NGO practice can be most accurately described as a relief strategy. NGOs working within this generation build on a long history of humanitarian assistance, often with a religious impetus, in the field of disaster relief, welfare services and assistance to the victims of conflict. The provision of food aid is a good example of a NGO practice which falls under the umbrella of a first generation strategy.

As in many relief strategies in development practice, food aid has been subject to considerable controversy. Debates feature largely in development literature and include the following: (i) that the provision of food aid benefits donor countries more than its recipient countries in the Third World <sup>24</sup>; (ii) that food aid does not reach those who really need it and actually works to disadvantage the poor <sup>25</sup> and; (iii) that the provision of food aid from rich countries to poor countries is a 'tragedy of the commons' and will lead to the eventual destruction of us all.<sup>26</sup>

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<sup>24</sup> When agricultural protectionism in the USA after 1930 resulted in an accumulation of food stocks, food aid was a rational political move not only to justify farm policy to the American taxpayer but also to reduce the costs of surplus production (Cathie, 1982:11).

<sup>25</sup> In Bangladesh, for example, food destined for the rural poor is mostly sold by the government at local markets. Along with this, ration cards designed to enable the rural poor to buy subsidised foreign grain often fall into the hands of those with the most political power, civil servants, the military, the police and employees in big factories. Food aid provides disincentives for local food production and obscures what is really needed to increase food production, land reform (*The New Internationalist*, 1981: 6).

<sup>26</sup> Hardin (1974: 38-43) stresses that because the two thirds of the world which are less provident are growing at a much faster rate than the one third of the world which displays providence, humanitarian concerns by the provident one third are futile. There is only limited room on the lifeboat. Food aid does not encourage poor countries to plan for emergencies and while it continues, 'poor countries will not learn to mend their ways'. Left to their own devices, the population in poor countries will eventually decrease and this will lead to a more equitable stabilisation of populations between rich and poor countries. For further discussions on debates relating to food aid see Thompson, (1992).

The provision of food aid, as in all other first generation NGO strategies, builds on a theoretical assumption that needs must be met rather than examining why these needs exist in the first place. NGOs of the first generation operate as 'doers' in the field of development practice. The recipients or beneficiaries of their aid are passive in this whole process, their participation is neither required nor sustained (Korten, 1990: 115-118).

Second generation strategies employed by NGOs recognise, however, that relief measures can only be temporary and cannot alleviate the root causes of underdevelopment. Second generation strategies are commonly referred to as community development strategies, as they require the NGO to develop the capacities of the community to meet their own needs. The NGO employing a second generation strategy will be working with an understanding that development should be focused at a village level, the assumption being if local inertia is broken in the village (through the implementation of communication systems, health care and education), the village will realise its potential. A second generation strategy, however, requires the experience of an outside agent as a mobiliser to this process. Thus a second generation strategy is one which is often overtly simplistic in nature. Not only does it ignore the innate ability of the village community to shape its own destiny, but it also fails to recognise the effects of local, national and international power structures within this development process (Korten, 1990: 118-120).

A third generation strategy, on the other hand, does recognise such power structures and works on the theoretical assumption that local inertia is sustained by unjust structures which maintain control over resources and facilitate exploitation of the poor. An NGO employing a third generation strategy for development practice would thus aim to change specific policies and the power structures that maintain inequality at local, national and international levels. Such action is usually targeted at two groups involving the capacity building of local people to push for change, along with alliance building with enlightened power holders who have a vision of a more just system. NGO practice in the third generation would not only involve catalytic change in policy and institutions but also the facilitation of public awareness of the need to transform institutions (Korten, 1990:120-122).

After some discussion with development theorists and practitioners, it was clear to Korten that NGO strategies for development practice did not end at the third generation. Isagani R. Serrano of the Philippine Rural Reconstruction Movement suggested that NGO practice had moved to a fourth generation level and it was this fourth generation that should now be of central concern to development practitioners. Basing its action on

a theoretical model which suggests that development failure is the result of an inadequate mobilising vision, the fourth generation strategy aims to mobilise social movements with a vision of an alternative development. The fourth generation strategy can thus be seen as a step beyond the third generation. While third generation strategies focus on changing specific policies and institutions, fourth generation strategies aim to mobilise an alternative development movement (Korten, 1990: 123-128).

The development framework I will utilise for my analysis of foodbanks' development practice in Palmerston North will not be dissimilar to Korten's generational model. It will analyse the strategies employed by foodbanks using a relief-to-alternative development continuum, employing as it does the most appropriate theoretical tools available from the body of development theory and approaches outlined in this chapter.

## **A THEORETICAL FRAMEWORK APPROPRIATE TO THE ANALYSIS OF FOODBANKS' DEVELOPMENT PRACTICE**

The theoretical framework I have formulated to employ in my analysis of foodbanks' development practice is as follows:<sup>27</sup>

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<sup>27</sup> Considering the methodology employed during my fieldwork in several Palmerston North foodbanks was a qualitative one emphasising, '...the emergence of concepts from data rather than their imposition in terms of a priori theory'(Henwood and Pidgen, 1993: 16), the following framework was formulated after my fieldwork rather than before it began. The nature of the data induced, however, lends itself to analysis from some theories and approaches more than others. Hence the theories and approaches I have chosen are those which I feel are most appropriate to the foodbank context which I observed.



**TABLE TWO: THEORETICAL FRAMEWORK**

<b><i>MODES OF DEVELOPMENT PRACTICE:</i></b>  <b><i>FEATURES:</i></b>	<b>RELIEF</b>	<b>COMMUNITY DEVELOPMENT</b>	<b>ALTERNATIVE DEVELOPMENT</b>
(A) Theoretical Base/Approach to development	Neoliberal	Participation	Empowerment
(B) Foodbanks' Role in Development Process	Emergency Relief through the provision of food only	Facilitators for self-help through the provision of food and self-help strategies	Coordinators of social movements through the provision of food advocacy and empowerment strategies
(C) Clients' Role in Development Process	Passive	Some participation required	Controllers in the development process

### **Modes Of Development Practice: Relief-Community Development-Alternative Development**

The relief mode of development practice employed in my framework bases itself on Korten's first generation NGO strategy. The foodbank operating within this mode of development practice operates as a 'doer' in the field of development practice. Foodbank clients are seen as passive to this process, with participation in their own development a requirement which is neither sought nor sustained.

The community development mode of development practice employed by foodbanks does, however, require the participation of foodbank clients. Basing itself on Korten's second generation NGO strategy, it recognises that development practice should focus on developing communities' or individuals' capacities to meet their own needs. In this way, it falls short of recognising the innate abilities of communities or individuals to determine their own needs and to shape their own destinies, an understanding which is the focus of my third mode of development practice - alternative development.

The alternative development mode of development practice employed by foodbanks is based not only on Korten's third generation NGO strategy but also on his fourth. It incorporates both these strategies because it aims to empower individuals and communities to fight specific policies and institutions, (a feature of a third generation strategy), while at the same time keeping in mind the need to mobilise or coordinate an alternative development movement, (a feature inherent in Korten's fourth generation strategy).

These modes of development practice, however, are neither static nor discrete. In reality, foodbanks may articulate two or three of the above modes in their development practice. As shown in the framework, the dotted vertical lines separating the modes of development practice represent the difficulties associated with confining development practice to one distinct mode. Like theory, development practice is a complex and changing process and must be accorded true and appropriate analysis rather than expecting it to 'fit' within the boundaries of any framework. This factor will be taken into consideration when I apply my framework to analyse foodbanks' development practice in Chapter Seven.

This analysis will involve looking at three specific factors of foodbanks' philosophy and operations as listed in the model: theoretical base (A), foodbanks' role in the development process (B), and foodbank clients' role in the development process (C). These features will now be discussed.

### **Theoretical Base: (A)**

Foodbanks which operate within a neo-liberal theoretical base employ an implicit and sometimes explicit understanding of underdevelopment which centres around the belief that underdevelopment is a temporary state. The cause of such underdevelopment does not lie in the specific policies and institutions of the neo-liberal economic system at local, national and international levels but with the individual actors who have failed to adapt to this system. Resembling the credence of some neo-liberal adherents who will only tolerate the notion of welfare in the form of a minimalist safety net for those in desperate need,<sup>28</sup> foodbanks which operate within a neo-liberal theoretical base will recognise that

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<sup>28</sup> Hayek, a well-known neo-liberal theorist, argues in this light, that the duties of a minimal state include relief for 'those who for various reasons cannot make their living in the market, such as the sick, the old, the physically or mentally defective, the widows and orphans - that is all people suffering from adverse conditions which may affect anyone and against which most individuals cannot alone make adequate provision' (Hayek, 1982, vol. 3: 55, cited in Pierson, 1991: 44). Hayek does stress, however, that such relief should not be awarded by virtue of an individual's citizenship rights, but rather its provision should be needs-based and discretionary (Pierson, 1991: 44).

some individual actors such as those who are between employment, for example, may require emergency relief to facilitate their entry back into the system but from then on the onus rests with these actors to respond positively to their environment. In this way, foodbanks which display a neo-liberal theoretical base make explicit distinctions between those who deserve assistance and those who do not, or, put another way, the deserving and the un-deserving poor.

Foodbanks which take a participatory approach to development do, however, recognise political and societal structures as a contributing factor to underdevelopment. They operate under a community development mode of practice because they take as their term of reference the experience of their clients within a particular political context and build strategies for development based on such experience. This approach is enshrined in populism as it recognises as quoted earlier in this chapter, '...the culture and motivations of the peasant family [or in this case the poor of New Zealand] as meaningful, their lifestyle purposeful, their knowledge valuable and their constraints real' (Maiava, 1989: 3). Given that populism forms the essence of participation, approaches by foodbanks which employ populist ideals can therefore be described as participatory.

To recognise the knowledge of marginalised or poor people as valuable, and to take action based on this recognition, does not necessarily mean that this group of people will be empowered to take control of their own destiny. Foodbanks which operate under the alternative development mode of practice would recognise the cause of poverty as disempowerment, and would therefore take action to empower their clients at social, psychological and political levels. Foodbanks which employ a theoretical base of empowerment would also actively campaign for a responsive and flexible state, recognising that without the support of the state, the empowerment of households may not be sustained.

### **Foodbanks' And Clients' Roles In The Development Process:(B) and (C)**

Foodbanks which operate within a relief model of practice have an active role in the development process. They are the doers while the clients are the takers. Their strategies are motivated by a relief approach to development and involve the provision of food only. Clients are therefore passive in the development process, their input is neither actively sought nor required beyond the level of their physical need. This is not the case, however, with foodbanks operating within a community development model of practice. They see themselves as facilitators in the development process with the participation of clients a pre-requisite necessary for sustainability. Their strategies include budgeting and



other self-help services such as life-skills courses. Participation of clients is required, however, at a self-help level rather than at a controlling level.

Clients' participation in an alternative development model moves beyond the self-help level to the controlling level. Clients plan, implement and control their own development, with the foodbank acting as a coordinating body to this social movement. The strategies necessary to facilitate such a social movement include the provision of food so that clients are then able to concentrate on political needs, along with empowerment and advocacy (for example, in dealing with the New Zealand Income Support Service (NZISS)).

Following a description of the utilisation, operations and client base of Palmerston North foodbanks in Chapter Six, the theoretical framework which I have outlined above will be applied to assist in my analysis of their development practice. This exercise will provide a unique opportunity to employ development theory, which is more typically used in the analysis of NGOs working in developing countries, to analyse the operations of foodbanks working in a distinctly New Zealand context.

## SUMMARY

The formulation of theories of development to aid in the understanding of underdevelopment has been a complex and changing process. Despite such complexities and changes, however, the role of development theory is as relevant and as important today as it was at the time of its inception after World War II. Development theory is essential for development practitioners to aid in their understanding of underdevelopment and, by the same token, it is of utmost relevance to the analysis of NGOs working in the field of development in New Zealand. Applying development theory to the analysis of foodbanks' operations in Palmerston North will not only assist in our understanding of their strategies for development and their likely outcomes, but also allow the necessary links to be made to international processes of underdevelopment.

Certain theories of development, however, will be of more relevance to the analysis of foodbanks' operations than others. Hence in this chapter I have outlined a wide range of both historical and contemporary theories and approaches to development so that the theories and approaches selected for my own analytical framework can be seen to be those which are most relevant to the context of my study.

This chapter has shown how development theory can be used for the analysis of foodbanks' operations in Palmerston North. Chapter Three will add weight to this discussion by showing how the structural adjustment package of the fourth Labour Government and the incumbent National Government's economic reforms have contributed to a process of underdevelopment in New Zealand. The growth of poverty in New Zealand, a clear indicator of underdevelopment, is one important theme related to the existence and growth of foodbanks.

# **CHAPTER THREE**

## **STRUCTURAL ADJUSTMENT AND THE RISE OF POVERTY IN NEW ZEALAND IN THE 1980s AND 1990s**

### **INTRODUCTION**

This chapter will review literature on the New Zealand political context of the 1980s and early 1990s, which witnessed the development and growth of a voluntary welfare provider previously unknown prior to this period: the foodbank. It will begin by summarising the political context of the late 1970s and 1980s, showing the ease with which structural adjustment was imposed on New Zealand society. It will then outline certain economic and social features of this SAP before moving to a conceptualisation of one of the key outcomes of its imposition - poverty. This discussion on poverty will take place within an international and New Zealand context so that there will be no confusion as to the meaning of poverty in a developed country such as New Zealand.

Once a clear understanding of poverty has been established, the last section of this chapter will concentrate on the specific policies of the fourth Labour Government and the incumbent National Government which have contributed to the entrenchment of poverty in New Zealand society. This entrenchment of poverty is one reason for the development and growth of foodbanks throughout New Zealand in the last two decades. Subsequent chapters will discuss further reasons.

### **BEFORE 1984: THE NEW ZEALAND POLITICAL CONTEXT OF THE 1970s AND EARLY 1980s**

#### **The Fordist Experiment**

In 1984, the fourth Labour Government inherited a country which had remained relatively unchanged in political terms for more than half a century. Since the 1930s, New Zealand had been characterised by an almost exclusive reliance on Great Britain for international trade, and by a domestic social security system or welfare state, born of the

passing of the 1938 Social Security Act by the incumbent Labour Government. This period in New Zealand's history has been described by O'Brien and Wilkes (1993) as the 'Fordist experiment'.

The foundations of the Fordist paradigm can be described as mass consumption, mass production, and full employment (Lipietz, 1992:11). Its class relations are dependent on capital accumulation from industrial production and a moderately sized middle class, while its political culture is one of collective settlements based on state led settlement. Universal coverage for citizens in areas of health, education and housing prevail, and are available to all citizens as a right (O'Brien and Wilkes, 1993: 14-16).

The New Zealand of the late 1930s and 1940s, it has been argued, fitted relatively neatly into this Fordist prescription with, however, a few exceptions. Universal coverage was sought for all citizens in areas of education, health care and housing, and the concept of mass production manifested itself in the delivery of social services in a highly bureaucratised fashion. Equity was sought by an emphasis on economic distribution, through a gradual taxation system at one end of the scale, and a social security mechanism at the other (O'Brien and Wilkes, 1993: 53). Equity in gender and ethnic relations, however, was not quite so advanced:

*The state-driven vision of family life was predicated on the cult of domesticity, women at home and men in paid work. In ethnic relations, the state was equally paternalistic, offering material support in housing and employment in return for gradual assimilationist policies for Maori (ibid.) .*

The Fordist emphasis of smoothing over the cracks of fundamental social divisions is reflected in the somewhat cynical lyrics of this song written on New Zealand society in the Muldoon years:

*There is no depression in New Zealand, there are no sheep on our farms,  
there is no depression in New Zealand, we can all stay perfectly  
calm...We have no dole queues, we have no drug addicts, we have no  
racism, we have no sexism...Everyone's talking about world war  
three..but we're as safe as safe as can be, there's no unrest in this country  
(Blam Blam Blam, 'There is no Depression in New Zealand': 1981).*

New Zealand through the 1950s and 60s, despite being governed by the National Party (in the years 1949-1957 and 1960-1972), continued in this Fordist fashion, but by the 1970s, domestic and international pressures began to take their toll and the Fordist experiment, which had seen New Zealand through decades of prosperity, was on a path to self-destruction. Seminal to this decline was New Zealand's changing terms of trade with Britain, the first oil crisis of 1973, and the growth of the global economy.

## Muldoonism And New Zealand's Mounting Debt<sup>1</sup>

Prior to the advent of the free market economy in New Zealand, Britain had traditionally been New Zealand's primary source of export-led capital. New Zealand was Britain's farm in the South Pacific and it supplied the 'mother country' with top quality dairy and meat products. By 1970, however, New Zealand's terms of trade with Britain had altered dramatically. In 1960, 53 percent of our exports went to Britain, but by 1970 this figure had reduced to 36 percent and went on still to decline to 9 percent by 1985 (Jesson, 1987: 56).

Along with our declining terms of trade with Britain, New Zealand, like the rest of world, was suffering from the effects of the oil crisis of 1973.<sup>2</sup> Under most circumstances, such a crisis should have had a devastating effect on New Zealanders. However, Prime Minister Robert Muldoon, who led the National Government from 1975 to 1984, was able to soften, partially, the impact of this global economic crisis by his commitment to the welfare state and through excessive borrowing of foreign capital for domestic expenditure (ibid.). In 1974 New Zealand had an external debt of only \$500 million, but by 1984, New Zealand's international debt, both public and private, had risen to \$16 billion (Shirley, 1990: 358).

Muldoon's authoritarian style which emphasised heavy handed state intervention in the economy, was not, it seems, in line with an international swing at this time towards the kind of free-market capitalism, and neo-classical economic style associated with the philosophy of neo-liberalism:

*Global capitalism, facing a serious crisis in profitability, had begun to restructure. A new generation of liberal economists blamed the decline of profitability on the effects of government intervention and the institutional arrangements of the welfare state. Their blueprint for change required less government, the privatisation of state assets and businesses, increased economic efficiency, reduced public expenditure, and the rolling back of the welfare state (Kelsey, 1993: 15-16).*

As Muldoon's term in office was nearing its close, it became more and more difficult for his government to ignore this restructuring of the global economy. Some authors have argued, however, that Muldoon was not quite so unwelcoming of free market economics

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1 Because anecdotal evidence suggests that foodbanks, as definitive institutions, did not arrive on New Zealand's voluntary welfare landscape until the early 1980s, discussion on the rise of poverty which signalled the growth of foodbanks will focus mainly on the political context of the 1980s and 1990s. Mention of the policies and practices of the Muldoon Government will, therefore, be rather brief.

2 For more details on how the oil crisis effected New Zealand, see, Gould, (1985) and Rankin, (1984).

as the history books would have him be. In fact the champion of free market economics, The International Monetary Fund<sup>3</sup> (IMF), which New Zealand had become a member of in 1967, had already exerted considerable influence in Muldoon's economic policy (Consedine, 1984: 54). Consedine (1984: 55-67), to this effect, has outlined ten IMF requirements which were firmly in place by the end of Muldoon's term in office in 1984: (i) abolition or liberalisation of import controls; (ii) control of wage rises so far as the government is able; (iii) devaluation of the exchange rate; (iv) dismantling of price controls; (v) greater hospitality to foreign investments; (vi) abolition of consumer subsidies; (vii) an increase in prices charged by public enterprises; (viii) increases in taxes; (ix) curbs on government spending; and (x) control of government deficit.

By outlining the New Zealand response to these IMF requirements, Consedine presents an excellent antithesis to the apparent benign indifference of Muldoon and his National Government to the ideology and implementation of free-market economics. Consedine argues further that had Muldoon not embraced so fully the ten IMF requirements above, the New Zealand economy would not have been in such a weakened state and so ready for take-over by the neo-classical buccaneers of the fourth Labour Government in 1984. The IMF requirement of controlling government deficit, for example, saw New Zealand's debt servicing as a percentage of government spending rise from 8.9 percent in 1975 to 14.4 percent in 1984. This effectively left few options open to Government for planning domestic expenditure and resulted in a situation where New Zealand had little control over its economic destiny (Consedine, 1984: 65-66). Whether Consedine's argument was correct or not, by 1984 the New Zealand economy was indeed suffering considerably. As Clark and Williams (1995: 35) describe:

*By 1984 it was clear that the economic direction of what has come to be called the Muldoon years could not continue. Between 1975 and 1984, unemployment rose from 5,000 to over 83,000, net public debt multiplied six times and the proportion of government expenditure required to service this debt mushroomed from 6.5% to 19.5%. With economic growth averaging only 0.9%, less than half the OECD average, New Zealand was clearly in serious economic trouble.*

Thus by 1984, the economic climate was set for the imposition of free market style structural adjustment policies in New Zealand. Jesson (1987: 8-9) suggests, however, that it was not only economic factors which allowed this to happen, but rather a combination of economics and the political awareness of ordinary New Zealanders at this time:

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<sup>3</sup> The International Monetary Fund is a financial institution which was set up in 1944 at the Bretton Woods conference with the purpose of controlling global economics through the provision of monetary loans to governments for development related activities (Swift, 1994: 4-7).



*The disintegration of the British Empire in the decades after the war indicated the shape of things to come, but it had little effect on the mass consciousness or on public discussion...New Zealanders carried on as though everything had remained the same, and refused to discuss or consider the problems that were building up in the New Zealand economy. This wasn't simply because of the prevailing anti-intellectualism, although that was a large part of it. There were large numbers of literate and intellectually curious New Zealanders, but in the sixties they weren't considering the problems of their own country...They weren't accustomed to thinking of New Zealand as an entity separate from Europe, with specific problems of its own.*

Not only were ordinary New Zealanders unaware of the forces of political change which were to evolve within the fourth Labour Government, but actual party members were also unaware, or had little concept, of the effects that a change to a neo-classical style of economic policy would have on the Labour Party. Jesson (1987: 9) paints a picture of a 1984 Labour Party that was rather polarised in nature. On one pole, which seems clearly to be the left, the party was made up of socially concerned liberals. They were the feminists, the peace activists and the anti-racists who had joined the Labour Party in the hope of bringing down a much detested authoritarian government. On the opposing right pole, the party was made up of the intellectuals dedicated to a free market style of economic policy.

Jesson argues that the reason the right pole of the Labour Party could gain such ascendancy within the party was because the left or liberal pole was largely apolitical when it came to debating economic policy. The liberals added a much needed moral dimension to the politics of the day, but when it came to policies that would really influence change they were left floundering:

*Politics is about more than economics, but economics is nevertheless basic to it. The bulk of the Labour Party proved unable to participate intelligently in these discussions, and many members were reduced to accepting the Government's policies on trust (Jesson, 1987: 9).*

Thus in 1984, when the Labour Party defeated Muldoon's National Government in landslide victory, the stage was set for a seemingly unchallenged transformation of Fordist, colonial, and welfare oriented New Zealand, to a free-market Post Fordist and globally oriented state. Further analysis is now required of how this transformation of the New Zealand state influenced or affected the lives of ordinary New Zealanders.

## THE FOURTH LABOUR GOVERNMENT

### Policies and Practices of Structural Adjustment

Following their election into power in 1984, the fourth Labour Government led by Prime Minister David Lange, set about 'reforming' economic and social policy at a pace unparalleled anywhere in the developed world. This reform affected every sector of New Zealand society, and most importantly, entrenched an economic style of government which came to be seen as the only alternative.<sup>4</sup> It was a system which, by its own admission, would disadvantage a large sector of New Zealand society and create in its wake a new breed of poverty (Kelsey, 1993: 19).

The reforms adopted have been likened by some authors to the kind of SAPs encouraged in developing countries by such institutions as the World Bank and the IMF as preconditions for the provision of development finance.<sup>5</sup> *The New Internationalist* magazine (July, 1994) has recorded New Zealand's level of structural adjustment at the same severity as countries such as Brazil, Mexico and Kenya. The significance of New Zealand's SAP, however, lies in the fact that it,

*...was not implemented by a 'third world' government as a condition of securing credit...but was unilaterally undertaken by a democratically elected government within an advanced capitalist country (Kelsey, 1995: 1).*

The overall goal of the fourth Labour Government's SAP has been described as '...a radically deregulated economy, driven by market forces' (Kelsey, 1993: 19). What this signified in terms of government objectives was: (i) capital investment shifting from domestic and protected productivity to export-based enterprises; (ii) a demand for cheaper and increased productivity; (iii) lowering taxes, especially for companies, to encourage investment and increase profits; (iv) cuts to government spending to achieve this lower tax burden; (v) state sector administration streamlining and; (vi) debt repayment achieved through the sale of state assets (Kelsey, 1993: 19).<sup>6</sup>

The most seminal of the government's objectives to achieve a radically deregulated economy driven by market forces was, however, the monetarist goal of controlling

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4 As Shirley (1990: 382) explains, New Zealand politicians and economists when having to describe why the deflationary strategy which was at the centre of the New Right's economic programme was implemented, will often refer to the 'TINA' option (there is no alternative).

5 See for example, Kelsey and O'Brien, (1995: 3, and Kelsey, 1995).

6 For a succinct listing of Labour's programme of economic reform, see also Kelsey and O'Brien, (1995: 3).

inflation. As Kelsey (ibid.) goes on to explain:

*A rate lower than New Zealand's trading partners would give exporters an advantage over producers in other countries. In the long term low inflation would also lower interest rates and encourage investment for growth.*

Controlling or lowering inflation became the exclusive domain of the Reserve Bank and this independence in influencing monetary policy culminated in 1989 when, under the Reserve Bank Act, the Reserve Bank was made independent of government intervention (Clark and Williams, 1995: 37). The act accorded the Reserve Bank with the sole objective of price stability (Kelsey, 1995: 160), whereas prior to this period the Reserve Bank was required to promote '...the highest level of production and trade and full employment' as well as maintain 'a stable internal price level' (Reserve Bank Act, 1964 cited in Whitwell, 1990: 101).

Along with the Reserve Bank, the Treasury, by 1984, had also become 'fundamentally committed to the renewal of unfettered markets and to the wholesale dismantling of the collectivist State' (Denemark, 1990: 282). The Treasury team produced a document known as *Economic Management*, which not only provided a blueprint for the imposition of Labour's SAP, but would also go on to inform almost every aspect of Labour's reforms (Jesson, 1987:124-125). *Economic Management's* central tenet was the belief in the prosperity and efficiency of the unregulated marketplace:

*Most of the responsibility for New Zealand's economic crisis was blamed on the restrictions and regulations distorting the marketplace. Economic Management didn't analyse the structure of the economy, our dependence on pastoral exports, the nature of our industries, our relationship with the world economy. Instead it moved systematically through the economy and society advocating an end to government interference wherever it encountered it (Jesson, 1987:125).*

This economic revolution that engulfed the Labour Party in 1984 has been popularly labelled 'Rogernomics', after the then Minister of Finance, Roger Douglas. Notwithstanding his commitment to the principles of structural adjustment and the speed at which he engineered its application, Douglas was only one member of a powerful force in the Labour Party, all of whom were committed totally to economic revolution. This core group of people has been labelled the 'Libertarian Right'. They were a group which were not only influenced by key players from the Treasury and the Reserve Bank but also by prominent and powerful members of the business community, including the Business Roundtable (Jesson, 1987: 130).

The agenda of the Business Roundtable, it can be argued, was almost indistinguishable

from the economic policy of the Labour Party itself. Its members held key positions in Treasury and the Reserve Bank and vice versa. Roger Kerr for instance, one of the forces behind Treasury's *Economic Management* document, was made executive director of the Business Roundtable in 1986 (Jesson, 1987:131). Thus the push toward a deregulated economy extended throughout the most influential sectors of New Zealand society, justifying its pervasiveness by yet another crucial tenet of the Libertarian Right, individualism.

Individualism, at its best '...is associated with a vision of society consisting of informed individuals intelligently participating in public affairs and influencing the issues of the day' (Jesson, 1987:134). In reality, however, individualism is an ideology which works to exclude the interests of certain groups in New Zealand society. Its assumption that individuals will act to benefit themselves is particularly untenable to Maori; who traditionally view themselves not so much as individuals but as family (whanau), sub-tribe (hapu) and iwi (tribe);, and to feminist communitarians, who assert that individualism is based on 'male' values such as competition, autonomy and self-reliance (Peters, 1993: 180). These values are seen to be problematic because they are '...incapable of human attachments based on mutuality and trust... [and because they result in]... creating social institutions which tolerate, even legitimise violence and aggression' (Friedman, 1989: 280).

Individualism became central to the Labour Government's economic revolution and can be seen quite clearly in the Treasury's concurrent changes to certain social policy arrangements.<sup>7</sup> *Economic Management* contained two fundamental assumptions in the area of social policy. The first was that the state should only intervene in social policy if all else had failed, a kind of last resort approach, and the second was that the primary focus or unit of society should not be the collective or the community, but the individual (Treasury, 1984: 250-254).

An area where individualism manifested itself particularly was that of income distribution. While Treasury did concede that there could be some cause for state intervention in this area, this did not stem from a concern that a poor sector of New Zealand society needed extra help and were thus entitled to some degree of assistance from a sector of society which earned more than it needed. Rather, Treasury's interest in income distribution stemmed from a New Right concern that the benefit system inherent

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<sup>7</sup> Social policy is concerned with such issues as work, women's role in society, income maintenance, the equality of races and the position of special groups. Social policy has a goal of social wellbeing and cannot be seen in isolation. Social policies are affected by economic policies and in turn effect economic policies (Durie, 1994: 65-66).

to the welfare state provided disincentives for poor people to seek paid employment (O'Brien and Wilkes, 1993: 80).

Targeting, that is the provision of social assistance on the basis of the wealth, income or socio-economic status of an individual, couple or family (Boston, 1992: 77), became the new catch phrase of income distribution. According to Treasury, targeting was the vehicle by which income could reach 'those with the greatest need' (Treasury, 1984: 225). Targeting meant a fundamental shift in the Labour Party's ethos from a Fordist principle of universality in benefit distribution to a distinct Post Fordist principle of less eligibility and concomitantly a system of targeting benefits (O'Brien and Wilkes, 1993: 80-83). Targeting, however, was only one of the changes to social policy arrangements in the fourth Labour Government's SAP which characterised a shift towards a Post Fordist state. This next section will discuss four distinct features of Post Fordist social policy which were implemented by the fourth Labour Government.

### **Post Fordism And The Fourth Labour Government**

A Post Fordist society is generally described as one based on flexible production, niche-market consumption, authoritarian politics,<sup>8</sup> a dual labour economy, competitive individualism, class relations based on a skill flexible core of labour<sup>9</sup> and mass unemployment, and a political culture of the market-led state (O'Brien and Wilkes, 1993: 19-21 ). More specifically, in the area of social security, four distinct features of the fourth Labour Government's SAP which characterise a Post Fordist emphasis can be identified.<sup>10</sup>

The first key feature is that of 'participation'. The government, in a bid to reinforce its traditional Labour tendencies and also perhaps to quell the tide of discontent with its free market SAP, undertook a series of reviews in the areas of social security and income distribution. These reviews, including the well known Royal Commission on Social Policy (1988), aimed to convince the public that they were being consulted, and in turn, were participating in these crucial areas of government policy. This consultation,

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<sup>8</sup> Although authoritarian politics is a feature of post-fordism, it was not as pervasive in the fourth Labour Government as it appeared to be in such governments as Margaret Thatcher's Conservative Party in Britain. An authoritarian style of politics did emerge in the fourth Labour Government, however, through the avoidance of political accountability. Roger Douglas, avoided his responsibilities to the New Zealand public and to the Labour Party by manufacturing the cult of the economic expert whose policies were not only untouchable but also unrepachable (O'Brien and Wilkes: 23).

<sup>9</sup> A skilled flexible core of labour can be described as those highly trained workers who have negotiated contractual arrangements aside from the traditional union based wage relations (O'Brien and Wilkes, 1993: 20).

<sup>10</sup> See also Burrows, R., and Loader, B (eds) (1994) for a thorough analysis of Post Fordism in relation to the welfare state.



however, was of a nominal nature because in reality,

*...the Government hoped to avoid the criticism that people had not participated, while largely ignoring any changes proposed from below. Indeed, the Government was to go further, and actually blamed community groups for weaknesses in later policies, thereby visiting a double insult on those groups who had taken the trouble to participate (O'Brien and Wilkes, 1993:67).*

The second key feature of the fourth Labour Government's Post Fordist emphasis with regard to social policy is that of a 'moral tone'. In effect this meant that instead of the Government providing universally for those in need, it was emphasised that the family' should take on more responsibility when it came to caring for their members, especially the young and the elderly. This moral tone manifested itself in the social security area with the abolishment of the unemployment benefit for those under eighteen and with the decline of state support for the elderly (O'Brien and Wilkes, 1993: 86-87).

The third key feature is that of a return to class-based politics. Here we see the Government responding to increasing unemployment and inequity by encouraging beneficiaries to move to paid employment rather than assessing the adequacy of benefits. Fundamental to this particular concept, as I have discussed above, is the move towards targeting of benefits. Furthermore, to encourage beneficiaries to move out into the workforce, the gap between benefits and wages had to be maintained to the latter's advantage (O'Brien and Wilkes, 1993:87-88). This move signalled a major turn around in traditional Labour policy:

*...ironically the party that had been born to fight poverty became implicitly, a strong critic of the poor. The substantial increases in unemployment meant that movement to paid work was unlikely for most beneficiaries. The Government's frequent references to securing paid work implied that those who 'failed' to find paid work were somehow inferior...policy decisions at various points reduced the income levels of beneficiaries and, the evidence indicates, increased inequality (O'Brien and Wilkes, 1993:88-89) .*

The fourth Post Fordist initiative emphasised by the fourth Labour Government in the area of social security was that of 'privatisation'. Privatisation, in keeping with the Labour Party's monetarist agenda, extended into the domain of social security through the scaling down of government support for national superannuation for the elderly. As an alternative to direct state intervention in this crucial area of income support, the Government aimed to encourage the private sector to take on the role of supporting the elderly. However, the extent to which the Government was able to enforce its Post



Fordist initiatives was somewhat undermined by a historical pretext in which it had vowed to support the very people it was now trying to discard <sup>11</sup> (O'Brien and Wilkes, 1993: 89-90).

What remains clear is that the economic revolution, which swept the fourth Labour Government from 1984-1990, did little to stem the tide of poverty in New Zealand. Interestingly, it can also be seen that the move by the fourth Labour Government towards a Post Fordist emphasis in social and economic policy exposed the social divisions previously hidden by the Fordist paradigm and forced issues such as poverty into the public arena. Nonetheless, the fourth Labour Government can be held directly accountable for increasing poverty in certain sectors of society and most importantly, for setting in place an inequitable system of government that would be seen to be irreversible.

Before I move on to discuss the specific policies, (as opposed to the more general changes outlined above), of the fourth Labour Government's SAP which directly increased poverty in New Zealand, it is first necessary to understand what is meant by the concept of poverty. This next section will thus discuss the meaning of poverty, firstly in a more general sense, and secondly, in relation to a New Zealand context.

## **DEFINING AND UNDERSTANDING POVERTY**

### **What Is Poverty**

Poverty is an emotive and often alarming concept. It is difficult for many New Zealanders to accept that there exists in this country a large sector of society that can be rightly defined as poor. Discussions on poverty will, for most people, conjure up images of starving children in Africa, or of Brazilian squatter settlements, but rarely will visions of foodbanks in suburban New Zealand streets, or images of the homeless in Wellington, feature in our discussions. This may be because poverty is essentially misunderstood. Conceptualising, defining and understanding a more complex picture of poverty, that is, poverty which exists in a developed country like New Zealand, seems to be the almost exclusive domain of academics, while the majority of people still see poverty in its more popular and traditional conception.

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<sup>11</sup> The fourth Labour Government also made considerable changes to other areas of social policy such as accident compensation, health, education and treaty issues which inadvertently worked to further disadvantage the poor. For discussion on these issues see Holland and Boston, (eds) (1990), Kelsey, (1993 and 1995) and Sharp, (ed) (1994).

This confusion in understanding what poverty means stems partly from a debate that has raged for centuries amongst poverty specialists on the most appropriate way of conceptualising poverty. This debate centres around the concepts of 'absolute' and 'relative' poverty. Absolute poverty can be understood as,

*...the idea that being in poverty is being without the minimum necessary requirements of life or subsistence within life. If we do not eat, we starve, therefore those without the resources to acquire food fall below the absolute standard for life, and, unless they can escape this state, by theft or begging, they will starve (Alcock, 1987: 3).*

The measurement of poverty in the absolute tradition has generally relied on setting a price on the basic necessities of life, drawing up a poverty line in accordance with this price, then defining poverty as those who fall beyond the line (Haralambos and Holborn, 1991: 192). Amongst the most famous example of this absolute approach is the work of Seebohm Rowntree. Rowntree's 1899 study of poverty in New York and subsequent studies in 1936 and 1950, involved the use of a poverty line set as the minimum weekly sum of money which was necessary to enable families to secure the basic necessities of life. Such necessities included clothing, food, shelter, rent, light, fuel, household and personal sundries (ibid:193).

Some absolute poverty protagonists, have gone beyond the idea of defining poverty in terms of physical or material needs. Drewnowski and Scott in their "Level of living Index" include education, security, leisure and recreation in their basic cultural needs category (ibid.). Even this attempt to broaden the understanding of absolute poverty, has been criticised widely. The basis of this criticism comes from theorists of the relative tradition, and stems from the assumption made by absolute protagonists that there are minimum basic needs for all people in all societies.

Theorists of the relative tradition such as Townsend (1979), criticise the use of subsistence to define poverty because it stems from an approach whereby human needs are interpreted as being predominantly physical needs, that is the need for food, shelter and clothing, rather than as social needs. The notion of defining subsistence in terms of food is even more problematic when you consider that,

*...the amount and cost of the food which is eaten depends on the social roles people play and the dietary customs observed as well as the kinds of foods made available socially through production and availability of markets (Townsend, 1979, cited in Alcock, 1993:31).*

To counter such problematic treatises, relative theorists argue that poverty should be

measured and conceptualised, not by a fixed subsistence level, but by a measurement of relativity. Relative poverty can thus be described as;

*...the idea that the measure of poverty and consequently the numbers of people deemed to be living in poverty, can only be determined in relation to the standard of living of all members of any particular society (Alcock, 1987:7).*

Central to this relative measurement is the notion of disposable income. Holman (1978: 14) points out that in the relative tradition, 'the poor are defined as those...whose incomes are considered too far removed from the rest of the society in which they live'. Townsend, however, argues for a relative deprivation approach to poverty measurement which extends beyond the perception of poverty as related to access to income, to the notion of access to resources generally (O'Brien, *Study Guide One*, 1993: 375). Relative deprivation, therefore, is:

*...the absence or inadequacy of those diets, amenities, standards, services and activities which are common or customary in society. People are deprived of the conditions of life which ordinarily define membership of society. If they lack or are denied resources to obtain access to those conditions of life and so fulfil membership of society, they are in poverty (Townsend, 1979:915).*

When used operationally, the measurement of relative deprivation involves the drawing of an income threshold which varies according to the differing size and type of family. The level at which families withdraw from active membership of society is directly related to this income threshold (Townsend, 1987:100). Townsend has labelled the point in which membership or participation in society fell markedly, the deprivation threshold (O'Brien, *Study Guide One*, 1993: 375).

A relative deprivation approach to conceptualising poverty is also advantageous in that it makes the necessary links between poverty and inequality. Inequality is the

*...unequal distribution of income and wealth as well as status and power. It is a feature of all contemporary societies irrespective of economic development, political system or anything else (George, 1980:115).*

Relative deprivation allows us to see that poverty is part of inequality because of its dual premise that, 'people are poor on a number of indicators and their poverty is systematically linked to their economic position' (O'Brien, *Study Guide One*, 1993: 376).

Despite its obvious advantages, Townsend's relative deprivation approach to defining poverty is not without its critics. Piachaud (1981: 420) argues that Townsend's index of

relative deprivation is of no value as an indicator of deprivation, and states:

*If all the components of the deprivation index were unambiguous indicators of some form of deprivation, then you might argue that those on high incomes with high deprivation scores are, despite their incomes, deprived. But this is not the case. A large part of the variation in deprivation scores is merely due to diversity in styles of living wholly unrelated to poverty.*

Mack and Lansley (1985) also criticise Townsend's indicator method on the basis of his use of customary behaviour to select items for his deprivation index. Instead Mack and Lansley offer a consensual approach to measuring poverty which opts for a measurement of poverty defined by a consensus of public opinion (Stitt, 1994:70). This perceived breakthrough in poverty measurement led Mack and Lansley (1985:10) to boldly proclaim: 'For the first time ever, the poor in Britain have been identified on the basis of those who fall below the minimum standard of living laid down by society'

Piachaud, however, does not share their enthusiasm. His criticism of the consensual approach offered by Mack and Lansley is centred around his view that people's needs, problems and opinions are social constructs and are therefore influenced by broader ideological forces (Stitt: 71):

*...there may be no real social consensus - the opinions of those who are poor, of the majority, of tax payers, and of those who are rich may be at odds; which opinion prevails depends on the distribution of power in society (Piachaud, 1987: 151-152).*

Despite its shortcomings, the consensual approach does offer a worthwhile extension to the relativist tradition of measuring poverty. In recent years poverty theorists have incorporated this consensual approach with other approaches to formulate alternative poverty measurement methodologies. Walker, for instance, offers a consensual approach to the budget standards approach advocated by Bradshaw (1987). The budget standards approach usually involves, as Walker (1987:222) explains:

*...a panel of experts, informed by evidence from a range of sources including expenditure and consumer surveys but relying on normative judgements, to devise and cost a basket of goods and services which they believe equate with an adequate standard of living.*

Walker instead advocates a 'democratisation' of this method whereby the panel of experts are replaced by a mixture of group and individual interviews, thus determining a socially approved budget standard through a consensus of public opinion (ibid.).

Several more alternative methodologies which build on the relativist, budget standards,

and consensual approaches to poverty measurement and definition have been advocated by poverty theorists in the last decade.<sup>12</sup> Even though such approaches incorporate a mixture of measurements and definitions of poverty, they are all clear in their outright rejection of the pure absolute or subsistence approach to poverty definition and measurement. It is not surprising, then, to discover that the approach taken to define and measure poverty in New Zealand by leading poverty experts is an inherently relative one.

### **A Relativist Approach To Measuring Poverty In New Zealand**

A relative approach to conceptualising poverty in New Zealand is well defined in the guiding principles of the Royal Commission on Social Security (1972). The principles state that:

*...dependent people should have a standard of living approaching that enjoyed by the majority' and further that everyone should be 'able to enjoy a standard of living much like that of the rest of the community and thus be able to feel a sense of participation in and belonging to the community' (1972, cited in Easton, 1980:20).*

Elsewhere in its report the Commission goes on to state that;

*No-one is to be so poor that he [sic] cannot eat the sort of food that New Zealanders usually eat, wear the same sort of clothes, take a moderate part in the activities in which the ordinary New Zealander takes part as a matter of course (1972: 62, quoted in List et al., 1992:4).*

Poverty in New Zealand is, therefore, seen in a relative sense because it is understood as the inability to 'belong' and 'participate' in the benefits of New Zealand society relative to the way other New Zealanders participate and belong. A person in New Zealand would be poor, for example if he or she was unable to afford to eat meat, an item of food which the majority of New Zealanders generally enjoy on a regular basis.

This definition of poverty offered by the Royal Commission has been used extensively throughout New Zealand by poverty specialists. The actual measurement or operationalisation of this definition, however, has received little attention. Brian Easton is one person who has formulated a clear way of measuring poverty in New Zealand.

Albeit with some caution, Easton (1980:22) argues for a relative poverty line to measure poverty based on the level set by the Royal Commission on Social Security, that is, a

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<sup>12</sup> See for example Brownlee, (1990).



basic benefit for a married couple or, as it is sometimes labelled, the Benefit Datum Level (BDL). The BDL, however, is not necessarily the actual social security benefit level for a married couple, but rather a representation of the amount of income required for a standard of living that is equal to the married couples' benefit. In regard to other types of households, calculation of the BDL is possible through the use of the Household Expenditure Equivalence Index which calculates the income required for an adequate standard of living as a percentage of the rate required for married couples.<sup>13</sup>

Using this approach Easton (1986: 21) calculated in 1975 that 18 percent of the population of New Zealand were poor, and that between the years 1989 and 1992, the number of people below the poverty line in New Zealand had increased by 35 percent (cited in 'The poor pay to benefit the rich,' *Evening Post*, April 4: 1995).

A further approach to measuring poverty in New Zealand has been referenced by economist Bob Stephens. Basing his poverty level on the measure of 60 percent of median equivalent household expenditure, Stephens placed in 1990-1991, 20 percent of households or 611,000 people (17.8 percent of the New Zealand population), below the poverty line (Stephens, 1994: 32).

But who are these poor? Before I move on to discuss how certain government policies have effected a rise of poverty in New Zealand, it would be a useful to identify who the poor really are in New Zealand society.

### **The Poor Of New Zealand**

Easton (1986: 21-26) has identified the elderly, working families with children, social security beneficiaries, ethnic minorities, the unemployed, invalids and the sick as those groups of people who were most likely to be poor in New Zealand.<sup>14</sup> To this listing Stephens (1994: 33) adds the single elderly and Kelsey (1995: 285-289), women and single parent families. Waldegrave and Coventry (1987: 15) reiterate their claims but stress that poverty in New Zealand has a distinctly racist and sexist bias. These biases deserve special attention at this point.

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<sup>13</sup> See, Easton, (1980: 34-35) for a full discussion on the calculation of the Household Expenditure Equivalence Index.

<sup>14</sup> As can be seen in this listing, employment is not necessarily a pathway out of poverty. Easton (1986: 43) stresses, however, that a 'social wage' which involves policies that consider wages-as-income, worker conditions, and the benefits and services government supplies, could reduce the level of relative poverty in New Zealand society.



The prevalence of poverty amongst the indigenous people of New Zealand is related to the existence of institutionalised racism and stems from non-ratification of the Treaty of Waitangi<sup>15</sup> signed by the Crown and Maori Chiefs on and after February 6, 1840. The Treaty promised Maori full and undisturbed possession of land, forests, fisheries and other treasures, as well as guaranteeing Maori the right to be treated as British citizens and the right to exercise their own chieftainship (Waldegrave and Coventry, 1987: 63).<sup>16</sup> Since 1840 however, these promises have been systematically broken and as Waldegrave and Coventry (ibid.) explain, 'The dishonouring of the treaty is the basis of Maori land alienation and loss of self-determination and, consequently, is the basis for the poverty cycle'.

High levels of poverty amongst Pacific Island people also accounts for the ethnic bias in New Zealand poverty statistics. Pacific Island people were sought as immigrants in the 1960s to supply the New Zealand economy with cheap labour. Years of recession and increased unemployment from the late 1970s to the present day has, however, seen a heightened sense of prejudice and racism directed toward them. This factor coupled with the increasing numbers of unemployed (by the end of 1988 the jobless rate among Pacific Islanders was 16.2 percent as opposed to 15.1 percent among Maori and 4.7 percent among non-Maori (Kelsey, 1993: 340)) among their people has led formerly self-sufficient communities to plunge deeper into poverty cycles (Waldegrave and Coventry, 1987: 67-70).

The gender bias in New Zealand poverty statistics stems from the fact that women, especially Maori and Pacific Island women, suffer from the despair and injustice of poverty more than any other group. This feature is consistent internationally and has become to be known as the feminisation of poverty (Waldegrave and Coventry, 1987: 114). As Else (1992: 240) outlines:

*Women make up the majority of the elderly, particularly the frail elderly, and they are the front-line guardians of children's health and welfare. As workers, they are clustered in those occupations and situations where they are most in need of safeguards against exploitative wages and conditions, including unequal pay and sex harassment.*<sup>17</sup>

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<sup>15</sup> See Appendix I to view an English translation of the Maori version of the Treaty of Waitangi.

<sup>16</sup> The two versions of the Treaty - the Maori version (signed by the chiefs) and the English version (signed by the crown) vary considerably in their definitions of certain crucial concepts. The first article of the Maori version grants governorship of their land as opposed to chieftainship or sovereignty, which is guaranteed to Maori in the second article of the Maori version of the Treaty. The English version of the treaty however, takes away Maori sovereignty in its first article but guarantees full and undisturbed possession of lands, forests, fisheries and other properties in its second (Durie, 1994: 34-49). For a detailed analysis of both Treaty texts see Orange, (1987).

<sup>17</sup> For further discussions on the 'Feminisation of Poverty', see, Scott, (1984).

Maori women have the highest rates of unemployment, the lowest rates of income and are more likely to be solo parents, while Maori girls are more likely to leave school without formal qualifications and are over-represented in statistics on suicide, unemployment and teenage pregnancy. Women in general are more dependent on public services such as benefits, and public transport than men, and even in employment they are dependent on the state sector for 'women's work' such as teaching, nursing, clerical and social services (Kelsey, 1993: 338-340). It is easy to see how a major restructuring of the state could have serious consequences on the relative poverty of women and the other groups mentioned above.

Any analysis of poverty, therefore, must be contextualised within the particular political context which has witnessed its entrenchment. As Alcock (1993: 13) stresses:

*Poverty is a political problem, and thus the nature of the problem is the result of the particular political context within which it has developed. This means that discussion of the extent of poverty largely takes place within one particular political context.*

Thus I will now turn to examine the specific policies and practices of the New Zealand governments which provided the context for the weakening of the position of the poor in New Zealand

## **LINKING GOVERNMENT POLICY AND POVERTY**

### **Poverty And The Fourth Labour Government**

Earlier in this chapter, I outlined in a general fashion the changes imposed on New Zealand society by the fourth Labour Government's SAP. These changes signified not only a move towards a free market economy but also a distinctly Post Fordist style in social policy arrangements. It can be said that within these all encompassing changes, certain policies stand out clearly as those which have increased poverty in New Zealand, especially among the groups mentioned above. The change in benefit structures and subsequent relations to income distribution is one such example. Consider Table Three:

**TABLE THREE: SUMMARY OF CHANGES IN BENEFITS AND SOME KEY ECONOMIC INDICATORS, 1984-1990**

VARIABLE	% CHANGE
<b>BENEFIT RATES</b>	
National Super (single)	65.87
UEB (single < 20)	72.70
DPB (1 child)	63.79
 <b>PRICE INCREASES</b>	
Consumer Price Index	81.9
 <b>AVERAGE GROSS INCOME - FULL TIME EARNERS</b>	
First Quintile	75.79
Second Quintile	78.31
Third Quintile	82.28
Fourth Quintile	80.87
 <b>REAL DISPOSABLE INCOMES - FULL TIME EARNERS</b>	
First Quintile	-3.69
Second Quintile	-2.26
Third Quintile	+2.76
Fourth Quintile	+0.2

*Source: O'Brien, Study Guide Two, 1993: 921*

Table Three shows clearly that the percentage change in benefit rates from 1984-1990 is some ten to fifteen per cent below inflation (as measured by the Consumer Price Index). If we use the Royal Commission on Social Security's (1972) definition of poverty, it is clear from this disparity that beneficiaries were less able to participate and belong in the community than other groups during this period. This is also true of low income earners. Table Three shows a percentage increase of average gross income among low income earners (those in the first quintile) which is markedly lower than the percentage increase of high income earners (those in the third quintile). The percentage change of real disposable incomes for full-time earners also reiterates this point. Between 1984-1990 real disposable incomes for full-time earners in the first quintile decreased by -3.69 per cent while full-time earners in the third quintile experienced an increase of +2.7 percent

(O'Brien, *Study Guide Two*, 1993: 921).

If the changes to benefit structures and income distribution can be seen to have increased poverty and inequality during the fourth Labour Government's two terms in office, then so too have the changes to the tax system. In 1986 the Labour Government introduced the Goods and Services Tax (GST). GST was initially levied at a rate of 10 percent on all goods and services provided within New Zealand, but by July 1989 this levy had increased to 12.5 percent (Newby, 1993: 164). Along with the introduction of this indirect tax system, direct taxes were also cut across the board in a most inequitable fashion. Tables Four and Five expose these inequities:

**TABLE FOUR: AVERAGE TAX RATE CHANGES (INCOME TAX AS A PROPORTION OF GROSS INCOME) FULL TIME WAGE AND SALARY EARNERS**

	First Quintile	Third Quintile	Fifth Quintile
June 1984	16.4	24.2	31.3
June 1990	17.9	23.5	28.0
% change	+9.1	-2.9	-10.5

*Source, O'Brien and Wilkes, 1993: 95*

**TABLE FIVE: TOTAL TAXATION - DIRECT AND INDIRECT TAXES (TAX AS A PERCENTAGE OF EQUIVALENT MARKET INCOME)**

	Direct	Indirect	Total
First Decile	22.1	25.9	48.0
Second Decile	18.6	18.8	37.4
Third Decile	18.4	18.6	37.0
Fourth Decile	21.0	19.0	40.0
Fifth Decile	24.7	16.6	41.3
Sixth Decile	27.3	15.5	42.8
Seventh Decile	28.7	13.8	42.5
Eighth Decile	30.0	14.1	44.1
Ninth Decile	31.6	13.2	44.8
Tenth Decile	37.9	10.3	48.2

*Source, O'Brien and Wilkes, 1993: 95.*

Table Four shows, by examining the average tax rate changes for full time wage and

salary earners from June 1984 to June 1990, that taxes for those earners in the fifth quintile (the highest income bracket in this table) have decreased by 10.5 percent. Those earners in the first quintile however, have had their taxes increased by 9.1 percent, clearly increasing inequity in income distribution. This point is even more shocking when we consider the effects of total taxation, that is, direct and indirect taxes. Table Five clearly shows the regressiveness of the tax system implemented by the fourth Labour Government. Total taxation for those in the tenth decile is 48.2 percent (the highest income bracket for this table), a figure which is virtually the same as total taxation for those in the first decile.<sup>18</sup>

Along with these general changes to income distribution, the increase in unemployment during the fourth Labour Government's two terms in office also worked to entrench poverty in New Zealand. With an immediate objective of restraining inflation, the fourth Labour Government, at the beginning of their first term in office, reduced wages and other price increases to slow them down to the rate of increase of productivity, while at the same time pushed business to become more competitive and productive through a stimulus of lower taxes. The result was a major increase in unemployment in formerly subsidised state enterprises and formerly protected industries such as television assembly and shipbuilding (Collins, 1989: 189-191).

Tables Six and Seven highlight these points:

**TABLE SIX: EMPLOYMENT SHRINKAGE 1985 (DECEMBER) TO 1990 (DECEMBER)**

Manufacturing	65,400
Agriculture	25,400
Construction	25,300
Transport	8,300
Power, Water Mining	2,500
<b>TOTAL</b>	<b>126,900</b>

*Source, Rosenberg, 1993: 17*

<sup>18</sup> It is interesting to note that according to a Statistics Department Survey (Department of Statistics, 1990, cited in O'Brien, 1993: 927), beneficiaries, the retired, single parents, and Maori are over-represented in the lower deciles and under-represented in the higher deciles.

TABLE SEVEN: THE COSTS OF DISINFLATION

	Disinflation Period	Reduction in Inflation	Excess Unemployment
Japan	1980-83	-6.1	+3.1
France	1980-86	-8.9	+40.2
New Zealand	1985-88	-8.9	+19.7
Ireland	1981-87	-17.2	+58.1

*Adapted from Collins, 1989: 203*

Table Six outlines employment shrinkage in key formerly subsidised state enterprises and protected industries. Agriculture, for example, suffered an employment shrinkage of 25,400 from December 1985 to December 1990. Carrying on the example of unemployment, Table Seven shows in a more general fashion the overall impact a monetary target of low inflation can have on a country's economy.<sup>19</sup> Disinflation can be seen as a cost to a country's economy resulting in heavy casualties in the area of employment. Table Seven shows that between 1985-1988, a reduction in inflation by 8.9 in New Zealand, resulted in excess unemployment of 19.7 percent.

Again in general terms it can be said that between 1986 and 1989 the percentage of persons who were out of work for more than six months (the long term unemployed), increased from 15.1% of the total unemployed to 43.0%. In 1989, 19.8% of those labelled long term unemployed had in fact been unemployed for more than a year. Also significant of this period, was the increase in part-time employment. As a proportion of total employment, it increased from 20.5%, to 21.9% (1991 OECD Economic Survey - New Zealand Basic Statistics: Labour Market Indicators, cited in O'Brien and Wilkes, 1993: 163).

As with lowering wages and benefits, and increasing taxes, increasing unemployment experienced during the fourth Labour Government's two terms in office further worked to ensure that certain sectors of New Zealand society could no longer belong and participate in their society to the same degree as other groups of New Zealanders. Using the latter definition of poverty (as laid down by the 1972 Royal Commission on Social

<sup>19</sup> In Table Seven Excess Unemployment is defined by Collins (1989: 203) as 'a cumulative excess of person-years of unemployment as a percentage of the total workforce, above the average unemployment rate between 1968 and 1978'.



Security) we can clearly see that the fourth Labour Government, from 1984 -1990, increased poverty in New Zealand. In 1990, however, their 'great experiment' came to an end when the general election in October saw the New Zealand National Party, led by Prime Minister Jim Bolger, victorious.

### **Poverty And The Incumbent National Government, 1990 -1996**

If the fourth Labour Government's policies and practices can be seen as setting the stage for an irreversible system of government that effected an increase in poverty amongst certain sectors of New Zealand society, then the policies and practices of the incumbent National Party can be seen to have fed on this irreversibility, and in turn worked to further increase poverty in New Zealand. In some areas of reform, especially social reform, Labour had been uncomfortable with pursuing a totally market-oriented track, but the National Party did not have such qualms. As the analysis below will show, the National Party's economic and social policies have resulted in the formation of an underclass in New Zealand society that has become dependent for its very survival on voluntary sector agencies, such as foodbanks.

Boston (1992: 8) argues that the policy initiatives instituted by the National Party seem to have been based on certain propositions. These were that: (i) the state is some kind of monstrous spending machine and is laden down with the burden of overspending; (ii) the state owes too much money in terms of overseas debt and budget deficits and this must be combated through cuts to social spending, since increasing taxes would only reinforce the heavy hand of the state; (iii) social assistance is poorly targeted and must be realigned so that those who can afford social services (that is the top third of all income earners) should pay for them themselves; (iv) benefit rates must be reduced so that the margins between benefits and wages are increased (this will encourage people to go out and look for work), and; (v) assistance will then be redirected to those in real need while at the same time enabling New Zealanders to have greater choice.

These propositions manifested themselves in a macroeconomic strategy based on the fourth Labour Government's SAP, but there were significant changes as well. The first of these was a modification of the Reserve Bank's medium-term inflation targets. The Bank was now required to achieve 0-2 percent inflation by the end of 1993, whereas Labour had opted for an earlier deadline of 1992. Secondly, National stated that it would not continue with any form of income policy, but that the informal wage accord reached between Labour and the Council of Trade Unions would stand. Lastly, fiscal policy would be significantly tightened. This would include major cuts to social welfare

expenditure in 1990 with further cuts in 1991 (Boston, 1992: 10).

Along with these macroeconomic initiatives, the National Party has made, and continues to make, significant changes in the areas of health, education, the labour market, income maintenance, superannuation, accident compensation, Treaty issues and housing (1992: 10-12).<sup>20</sup> The changes made in all these areas, have had significant effects on the ability of low income earners and beneficiaries to belong and participate in New Zealand society. Because the scope of this chapter does not allow me to comment on all these areas, I will instead focus on three areas of policy changes which can arguably be seen to have had the most significant effects on the poor of New Zealand. These areas are labour market reform, housing reform and income maintenance reforms. They will be addressed now systematically.

### **Labour Market Reform**

In mid 1991, the National Government passed the Employment Contracts Act. This act, as O'Brien and Kelsey (1995: 38-39) explain, was to radically deregulate the labour market through the abolition of the national award coverage and compulsory unionism. Its provisions included: the negotiation of individual contracts between workers and employers; the right for workers to represent themselves during such negotiations, or if they so wished, to choose an agent to negotiate for them; and the abolition of the right of one worker to know what another worker has negotiated. The passing of this act could be described as an assault on unions, which lost over a quarter of a million members from 1984-1994 (1995: 40). It was also, however, an assault on low income earners and more especially, women.

The Employment Contracts Act was passed soon after the government had repealed the Employment Equity Bill (1990). The latter bill, passed by the fourth Labour Government, required that equal pay be paid for work of equal value. The repealing of this bill meant 'that woman were left to rely on the market to provide pay equity' (Kelsey and O'Brien, 1995: 46). Relying on the market meant working within the realms of the Employment Contracts Act, and this in turn signalled the potential for further exploitation of women. As Kelsey (1993: 339) explains:

*Women's Affairs Minister Jenny Shipley claimed that the Employment*

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20 For a detailed analysis on changes in the areas of health, superannuation, accident compensation and Treaty issues (I will not be exploring these areas in any detail) see: Kelsey, (1993 and 1995), Boston and Dalziel, (eds) (1992), Sharp, (ed) (1994), O'Brien and Wilkes, (1993), Clark and Williams, (1995), and Novitz and Willmott, (eds) (1992).

*Contracts Act had done more to provide equity for working women 'than any other development for a long time'. A study published in February 1993 told a different story. Pay rates, overtime, and penal and productivity payments in women's contracts were consistently inferior to men's. It was predicted that the pay gap between women and men would widen again in the future.*

Because women, and especially Maori women, are over-represented in discussions and statistics on poverty in New Zealand, (see for example Waldegrave and Coventry, 1987; Kelsey, 1993; Du Plessis, ed., 1992; and Briar, Munford, and Nash, eds., 1992), any mechanisms which increase their marginalisation can be held responsible for an overall increase in poverty.

### **Housing Reform**

The same rationale can be applied to changes in housing policy which disadvantage the poor. As Waldegrave and Coventry (1987: 19) explain:

*Housing is a key indicator of poverty, because it reflects the choices people have about where and how they can make themselves a home. Poverty limits these choices, or removes them altogether...shelter in Maslows' 'Hierarchy of Needs' is, along with food, one of the basic and fundamental needs which must be met before any 'higher' needs can be fulfilled.*

Waldegrave has also commented in a later article that 'housing costs were the single biggest cause of poverty', ('Housing rent rises force urgent review', in *The Evening Standard*, 1995: 19 April).

The National Government's housing reforms have replaced the traditional Fordist approach to housing provision whereby all citizens are accorded the right to affordable and appropriate housing. As explained by the New Zealand Council of Christian Social Services (NZCCSS) in their report *Housing the Hungry: A Survey of Salvation Army Foodbank Recipients to Assess the Impact of the Government's Housing Reforms* (1994: 3-4), the government's housing reforms are based on three policy initiatives. Firstly, government assistance for housing is paid to low-income earners on a weekly basis in the form of an accommodation supplement. This replaces the prior policy of directed provision of subsidised rental housing coupled with an accommodation benefit. Secondly, the Housing Corporation has been made a commercialised state owned enterprise (SOE). Rebated rents from the Housing Corporation are to be phased out over a three year period, allowing rents to be brought up to market prices. Thirdly, the

subsidised mortgage policy is to be phased out. The Accommodation Supplement which is the mechanism for the delivery of housing assistance by the government, was to be paid to beneficiaries or low income earners, provided they spent more than 25 per cent of their net income on rent, or 30 per cent of their net income on home ownership costs. The actual amount received then will be 65 per cent of the gap between a threshold figure and market rent, as opposed to the prior subsidy of 100 per cent for costs above the income related rent threshold.

The Salvation Army, in association with the NZCCSS, surveyed 860 persons receiving assistance from Salvation Army foodbanks to ascertain the real effects of the National Government's housing reforms. They noted that 'in all family types at least 85% of the group were paying 30% or more of their income on rent' and that 'families with children, particularly sole parent families are affected in the greatest numbers'(1994: 15). They concluded that state housing rent increases were unaffordable because tenants were paying unacceptably high proportions of their income on rent and that this factor, coupled with the insufficiency of the Accommodation Supplement Policy to provide low income people with secure affordable housing, was forcing tenants to rely on foodbanks (ibid.).

Since the above report was undertaken, the government has been forced to increase the Accommodation Supplement taking effect from July 1, 1995. However, as New Zealand Housing Network National Coordinator Charles Waldegrave has explained, this is mere 'tinkering with the system rather than addressing fundamental problems' ( 'Housing rent rises force urgent review'*The Evening Standard*, 1995: 19 April.).

### **Income Maintenance Reform**

Along with changes to housing policy and the labour market, the changes to income maintenance instituted by the National Government have further weakened the position of the poor in New Zealand. The rationale for the changes in income maintenance was based on, ...'increasing government deficit, a thrust toward family and individual independence and self-reliance, and a reconstruction of the welfare state as a safety net' (O'Brien and Wilkes, 1993: 170). Stephens (1992: 106-110) explains further that changes to income maintenance or the benefit system, can be seen in terms of structure, eligibility and benefit levels.

In terms of structure, there were three main changes. The first change involved the abolition of higher benefit payments for families as well as the proposed indexation of family assistance to the core benefit rate. This was coupled by the fact that the universal

benefit which had been proposed by Labour in its 1990 budget was never introduced. The second change involved the introduction of short-term and long-term benefit rates, with the latter receiving a higher benefit and the former a lower benefit (Department of Social Welfare, 1990, cited in Stephens, 1992: 106). This policy was, however, open to serious debate, and as a consequence the benefit rate for sickness benefits was raised relative to the unemployment benefit. The third structural change, as indicated by Shipley (1991, cited in Stephens, 1992: 106), involved the grouping of benefits into three main categories (unemployed, health-related and sole parents), but also allowed for a separate category for the care of invalids in their own homes. The idea of grouping beneficiaries in terms of their availability for paid work was also put forward. This would mean that those in the work-ready category would be paid a lower benefit than those in the work-exempt category (Stephens, 1992: 106-107).

Changes to the benefit system in terms of eligibility meant, in effect, that the criteria for many benefits were tightened. The changes began to take effect in March 1991 and they included an increase in the maximum stand-down period from 6 weeks to 26 weeks for those people who had given up their job without a good reason, the introduction of a stand-down period<sup>21</sup> for those made redundant, up to a maximum of 26 weeks, and a requirement that sole parents whose youngest child was over the age of seven be available for work for 20 hours a week, or as an alternative, be seen to be undertaking work-related training or education (1992: 109-110).

The above changes to the benefit system directly disadvantaged beneficiaries but it was to be the National Government's bold move of actually cutting benefits in the primary and secondary tiers<sup>22</sup> in April 1991 which would strike the most severe blow to beneficiaries and in turn, entrench poverty in New Zealand. Some examples of the decline in beneficiaries' real spending power after the cuts include: a married couple on the sickness benefit with two children, -2.9 percent, a married couple, unemployed with two children, -7.9 percent, a single beneficiary with two children, -8.9 per cent, a single unemployed adult with no children, -9.6 percent, and a single unemployed person aged between 20-24 years with no children, -24.7 percent (Dalziel, 1993:13).

The Social Policy Unit of the Auckland Methodist Mission found that as a result of the benefit cuts, the top 20 per cent of income earners had 0.6 per cent of their incomes cut, while the bottom 20 per cent of income earners had incomes cut by 21.3 per cent (1991: 7, cited in List et al., 1992: 6). Waldegrave and Frater calculated that beneficiaries

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<sup>21</sup> A stand-down period is a length of time when a person is not eligible for a benefit.

<sup>22</sup> Primary benefits include those such as the unemployment benefit and the domestic purposes benefit while secondary benefits include the accommodation supplement and disability payments (Campbell, 1995:18)



without children lost approximately \$1,200 of their disposable income after the benefit cuts.<sup>23</sup> Beneficiaries with children lost approximately \$2,500, with this figure increasing according to family size and being around 15 per cent of disposable income (1991: 74, cited in Stephens, 1992: 114).

It is not surprising to note then that when the National Government cut benefits in the primary and secondary tiers of the welfare world, resulting in the above circumstances, beneficiaries came to rely increasingly on the third tier of welfare, the special benefits or supplementary benefits to enable them to 'belong' and 'participate' in their communities. Supplementary Benefits as defined by Shaun Robinson (1993: 1 in Appendix 1) 'are special purpose funds, for example, Special Needs Grants and Special Benefits, that are paid after case by case examination of the circumstances that lead to the need for additional assistance'. They are designed to ration assistance to people who are in serious need and as a result their eligibility criteria is often highly prohibitive. Section 61(G) of the Social Security Act requires that all of a person's financial circumstances and commitments must be taken into account in benefit assessment but the special benefit policy allows for some costs, such as costs incurred to debt collecting agencies, to be excluded (ibid.).

The inadequacy of the supplementary benefit system to meet the resulting short falls of the 1991 benefit cuts has had serious social effects on low income earners and beneficiaries. These social effects can be called the cumulative effects of poverty or, put another way, the spin off created when the incomes of the poor are lowered even further.

## **THE SOCIAL EFFECTS OF POVERTY AS A RESULT OF THE BENEFIT CUTS**

In 1990 'The People's Select Committee' was formed to hear submissions in five New Zealand centres from various members of the community, including beneficiaries, low income earners, middle income earners, community groups, church agencies, women's groups, Maori Groups, and Pacific Island Groups, on the effects of government policy notably the benefit cuts and the Employment Contracts Act, on their lives, and the lives of the community they serve.

The evidence presented in *Neither Freedom Nor Choice: The Report of the People'*

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<sup>23</sup> This figure is 10 percent for a married couple and 16 percent for a single person.

Select Committee (1992) paints a harrowing picture of the entrenchment of poverty. The benefit cuts, they state:

*...reject the notion of a 'caring society' rather they promote individualism and competitiveness, with the promotion of 'success' as a central feature of the social philosophy underlying the changes (Craig et.al., 1992: 93).*

Therefore, those persons and families who are unable to manage and participate in society are deemed to be failures. The resulting effects of such an ideology are obvious: low self-esteem, isolation, and hopelessness. This may contribute to the situation whereby the youth of New Zealand, who are identified by the Select Committee as a group of people who have been directly affected by the cuts, have one of the highest rates of suicide in the OECD.<sup>24</sup>

But the social effects of the benefit cuts are not only manifested psychologically. The Select Committee (1992: 94 ) heard concrete evidence of physical hardship rarely heard of in a developed country such as New Zealand. The decrease in income after the benefit cuts has led, in some cases, to ill-health, poor nutrition, family disruption and crime. Evidence of physical hardship has also been confirmed by other studies on the effects of the benefit cuts. In a national pilot study prepared for the NZCCSS it was noted that:

*...low income people are severely disadvantaged in the fundamental areas of health, nutrition, and educational opportunities. Children who live in a low income household do not have the same access to resources as others in their peer group. Their resource deprived reality has both short and long term effects for example untreated ear infections can lead to permanent hearing disabilities; not being able to afford glasses can affect a child's entire educational experience (Ward, 1991:1).*

Along with these social consequences of poverty resulting from the benefit cuts, the Select Committee (1992: 100-104) also identified groups of people who were perhaps more directly affected by the cuts than others. These groups of people are easily identifiable and featured earlier in my identification of who is poor in New Zealand. They are women, youth, families, children, people with disabilities, the elderly, unpaid and low paid community workers and voluntary agencies, unemployed, low paid workers, people with health problems, Maori and Pacific Island people.

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<sup>24</sup> In 1990 New Zealand had the third highest rate of suicide for 15-24 year old males in the 23 OECD nations and the highest female rate. Between 1974 and 1990 the male youth suicide rate rose by 288 per cent, the greatest increase occurring during the late 1980s. This increase does not correlate to demographic changes (Shaun Robinson, 1993: 5 of Appendix 2).

Women feature because they are the ones who care for dependants and subsequently make the most sacrifices when income is low. It is generally women who manage the budgets, care for the disabled and person the community agencies without monetary reward. As benefits do not provide them with a viable alternative, they will stay in violent relationships and suffer the consequences. Youth feature because they are the 'lost generation', unable to support themselves if they leave home due to changes in the eligibility of benefits. They suffer from lack of opportunities and accessibility to education, health care and jobs (ibid.)

Children suffer because they belong to families who are suffering. Along with the resulting effects of family breakdown, violence and debt, they suffer the stigma of poverty by the way they dress, by what is put in their school lunches, and by their inability to participate in school and leisure activities. People with disabilities suffer because of the cutting back of funds for their families to care for them as well as the lack of funds available for respite care. They are affected by the stand-down period and the targeting of benefits, and perhaps, more than any other group of poor New Zealanders, the option of self-help is very difficult for them to see through (ibid.).

The unemployed suffer from the stand-down period, the costs of searching for jobs, the shortage of jobs, and from a low self-esteem resulting from the stigma of unemployment. Pacific Island people suffer because family and church agencies who usually help out in difficult situations are over utilised due to the benefit cuts, and have less resources and time to assist. Also, very importantly, Maori suffer. They are over-represented in welfare dependency, poor health and poor housing statistics and subsequently have less real income due to the benefit cuts. One powerful submission to the Select Committee argued that these issues that are affecting Maori now are historically unchanged but have been compounded by the benefit cuts (ibid.).

## **IMPLICATIONS OF POLICY CHANGES ON THE DEVELOPMENT OF FOODBANKS: SUMMARY**

We can see how the New Zealand Governments of the 1980s and 1990s having embraced structural adjustment at a pace unparalleled in the developed world, formulated economic and social policies which failed to allow certain groups of New Zealanders to belong and participate in their communities to the same degree as other New Zealanders. Using this definition of poverty, it can be deduced that the fourth Labour Government

and the incumbent National Government have increased poverty and inequity in New Zealand.

What then happens to these groups of people whose relative poverty has increased? How do they feed their families, dependants and themselves, when there is not enough money left in the weekly budget to buy groceries? The answer to these questions and others has become a powerful symbol of poverty in New Zealand: the foodbank. Foodbanks have become the mechanisms that have enabled the poor of New Zealand to survive. Foodbanks have fed and sometimes clothed children, the elderly, families, women, youth, the unemployed, Maori and Pacific Island people, when incomes and benefits have proved unable to do so.

But how has this situation occurred, in a country which still professes to have a welfare state, albeit a modest one, to care for those in need? My next chapter will answer this and other questions by focusing on the relationship between voluntary organisations and the state within a changing welfare ideology. It will examine the metamorphosis of foodbanks in the past two decades from small piecemeal arrangements to institutionalised organisations, explaining as it does so, how government policy has intentionally devolved more and more responsibility for the provision of welfare services on to the voluntary sector.

# **CHAPTER FOUR**

## **WELFARE PROVISION AND THE VOLUNTARY SECTOR IN NEW ZEALAND**

### **INTRODUCTION**

The previous chapter began the process of reviewing literature on themes of relevance to the existence of foodbanks in New Zealand. This chapter will continue this process by exploring literature on a further seminal theme related to the existence of foodbanks: the changing ideology of the welfare state and the concomitant devolution of welfare provision to the voluntary sector.

The first part of this chapter will focus on more general issues pertaining to the voluntary sector, thus allowing the reader to become fully acquainted with the voluntary sector and the debates which arise out of the question of welfare provision. On clarification of these issues, the second part of this chapter will then move to examine foodbanks as a specific example of a voluntary welfare provider working within the context of devolution and a changing welfare ideology.

### **THE VOLUNTARY SECTOR EXPLORED**

#### **What Is The Voluntary Sector?**

It is essential before any discussion on the voluntary sector is undertaken, to define what is understood by the voluntary sector in reference to a New Zealand context. Some reference will, however, be made to authors who are concerned with the voluntary sector in Britain as this will enable us to gain a broader understanding of the complex nature of this sector.

Scott (1981: 11) describes the voluntary sector as one comprising of voluntary organisations. Such organisations, he states, 'are the fifth sector of welfare administration alongside family, neighbourhood commerce and government'. They are



voluntary, he goes on to add, precisely because their establishment and maintenance has occurred through voluntary action, or 'by people making their own decisions' (ibid.). One of the most important characteristics of the voluntary sector then is that within its boundaries people are able to respond to needs by formulating and managing their own independent organisations, providing as they do so, a mechanism for popular participation (Scott, 1981:151).

Cody (1993: 2), describes the voluntary sector within New Zealand society in a similar vein. If society can be seen as a four sector whole made up of the public or state sector, private or commercial sector, independent sector, and households, then the voluntary sector is a sub-set of the third sector of society. The third sector of society also includes other groups and organisations such as cultural groups, sports clubs and political parties.

The use of the term third sector to describe the voluntary sector has, however, met with some criticism, especially by community activists. They find the term problematic because it implies, '...a hierarchy, with the third sector ranked behind the public and private sectors...it is equated with 'third class' and is seen to contain the residue, those services which are left over from the public and private sectors' (Robinson, 1993: 103). It has been suggested that if the sector was perhaps seen as central to society rather than residual then it would attract less criticism (ibid.).

One way of avoiding contentious definitions of the voluntary sector is to explain it in terms of its constituent parts. This can be achieved in the definition of three terms which form the core of the sector. The sector is *voluntary* because the decision to form an organisation in the sector is a voluntary one. It is *non-profit* because service delivery rather than profit is the end goal for the sector. It is the *third sector* because it is an independent sector which exists beyond the public and private sectors. A very important trait of the sector, therefore, is its independence from the state. This importance is reflected in other terms which have been used to describe the voluntary sector in New Zealand such as non-statutory sector, and non governmental organisations (Robinson, 1993:102-104).

It can be seen from the above discussion that defining the term voluntary sector is not a simple task. Nonetheless, for the purpose of this thesis the voluntary sector will be defined as one which operates through voluntary action, independently from government, in a manner which promotes service rather than profit. Below, I will continue exploring the voluntary sector through a description of its key values. This discussion will allow me to point out some of the advantages the voluntary sector has in the provision of welfare services and, in turn, the alleviation of poverty.

## Key Values/Advantages of the Voluntary Sector

One of the most important key values of the voluntary sector is one which has already been alluded to above, that is, the independence of the sector. Independence from government action, Robinson (1993: 106) stresses, is of more significance than the non-profit constituent part of the voluntary sector and it stems from the ability of organisations in the sector, 'to call on and deploy, funding from a wide range of sources, enabling them to exercise a degree of discretion as to how it is used' (Smith, 1992: 303).

Consedine (1984: 18) asserts further that this independence allows organisations within the voluntary sector to 'act as advocates for clients, experiment with new responses to social problems, offer consumers the power that comes from having a choice, and act as monitor and critic of state services'. The fact that the voluntary sector is independent from the state thus allows it to be highly critical of the state without having to suffer the consequences. This will vary though, according to the funding base of the organisation.<sup>1</sup>

A second important value to be found in the voluntary sector is that of altruism. Altruism is found within the voluntary sector in both the types of services provided and in the way that service providers respond to their clients or consumers (Robinson, 1993: 107). Altruism is perhaps the underlying force behind the ability of voluntary organisations' to respond positively and effectively to all types of need. Within the religious component of the voluntary sector, this altruism is often a response to a specific doctrine or belief system. As Robinson explains, 'it is the Christian's personal experience and knowledge of God's love and justice which is the factor which motivates one to be involved with social service' (ibid: 122).

When a voluntary organisation affiliated to the Catholic Church in New Zealand tried to encourage parishioners to donate food for their food service, for example, quotes were taken directly from the bible, reminding parishioners that 'to the early Christians, eating food together, celebrating the Eucharist, and helping those in need were much the same thing...[and that]...we cannot genuinely celebrate the Eucharist without being aware of this hunger on a world scale which to some extent we are all responsible for' (Saint Mary's Parish Newsletter, Palmerston North, 1994).

Another important value of the voluntary sector is that of collective action. As Robinson (1993: 107) asserts, the voluntary sector is useful in that it provides the opportunity for

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<sup>1</sup> A large percentage of voluntary organisations in New Zealand are partially funded through the Community Funding Authority, which is a branch of the government's Income Support Service.

people to raise concerns and in turn to action these concerns. It is fundamentally a focal point to actualise and turn into practice the values of a certain group or culture in society. The idea of encouraging people to become involved in a voluntary organisation in order to meet their own specific need, or the needs of other people is 'the essence of community development' (Scott, 1981: 30).

The last value I will discuss in relation to the voluntary sector is its representative nature. More often than not, voluntary organisations are able to cater for those marginalised groups in society that the state will often ignore. In a survey of 206 voluntary organisations working in Christchurch, over 80 percent of respondents cared for the disadvantaged, that is, they provided services for the lonely, the homeless, patients, carers and their families (Koopman-Boyden, 1992: 16). The ability to respond to the needs of specific and often marginalised groups, places voluntary organisations in a better position to work on behalf of these groups. As Smith explains (1992: 304), 'There is thus, implicitly or explicitly, an expectation that such organisations will take account of the specific interests of their 'constituents' when acting in their interests'.

As the above discussion shows, the voluntary sector is well placed to respond to community need and to deliver appropriate services to often marginalised groups in New Zealand society. This does not necessarily mean, however, that the voluntary sector is also well placed to usurp the role of the state in the provision of welfare services. But before I enter into the debates inherent to this contentious issue, it is imperative that the roles and responsibilities of the state in regard to the provision of welfare services are examined.

## **ROLES AND RESPONSIBILITIES OF THE STATE FOR THE PROVISION OF WELFARE SERVICES**

Issues pertaining to the notion of the welfare state are perhaps the most contentious of our time. Debate has raged throughout the developed world on such critical issues as the role of welfare, welfare dependency, targeting entitlements versus universality of entitlements and other related issues. I will now begin the process of examining these issues by defining what is understood by the term 'welfare state'.

## **What Is The Welfare State?**

Boston, utilising Ware and Goodin's (1990) work on typologies of welfare state, distinguishes three distinct models of welfare state. The first is a residualist or needs-based model. This model has its roots in classical liberalism, and expects individuals, their families, charities or voluntary organisations, to provide for their needs in an open market place. What little support the state does offer under this model is generally kept at a minimum level, and all assistance is subject to means testing. Moreover, although the residualist or needs-based model does allow for some redistribution of wealth amongst the classes it is limited because the minimum standard of income needed to access support may be set at a very low rate (Boston, 1992: 2-3).

The second model is the insurance or contributions-based model. Under this model social assistance is provided to persons on the basis of previous financial contributions. If a person has no insurance cover, they are simply not entitled to social assistance. The insurance or contributions-based model, does not allow for redistribution of income within class groups and, '...in its extreme form, such a model discriminates against those unable to work or those who spend much of their working life looking after children (most often women)' (Boston, 1992: 3).

The third model of welfare state is the social citizenship or rights-based model. Such a model has its roots in social democratic thought and therefore can be seen to have emerged relatively recently (around the middle of this century). This model provides social assistance universally, for all citizens, on the basis of their right to participate in society. This right occurs regardless of the person's income or the income of their family, and in this way, it gives people the choice to become independent from their family if they wish to do so (Boston, 1992: 4).

Despite the distinctive features inherent in each model of welfare, in reality, most OECD countries operate their social security systems under a mixture of these three models. It can be said generally, however, that between the mid 1930s and the late 1970s, OECD countries have been moving away from the rights-based model towards the residualist and insurance-based models of welfare state (Boston, 1992: 4-5).

## **Aims Of Social Security**

Considering it is the function of the welfare state to deliver social assistance, or social security, it is useful to determine what the aims of the welfare state are by examining the

general aims of social security. Social security, as defined by Spicker, is,

*...a term used for financial assistance, in whatever form it may take...The nature of social security is that it provides not goods but money with which people can purchase goods. This assumes that people will meet their needs by spending the money - and so, that the distribution of goods takes place through an economic market (1993: 95).*

Social security is best understood, therefore, as financial provision given to a people in order to meet a certain need. It constitutes, as Spicker goes on to state, '...a major element of the provision of welfare within many countries, and, no less important, a significant aspect of their economic structure'(1993: 103).

Moreover, as a major part of welfare provision, social security itself has several aims. The most obvious of these is the relief of poverty. This should not, however, be seen as the only objective of social security (Spicker, 1993: 116, see also Barry, 1990: 73-103). Further objectives such as; social protection, remedying disadvantage and social justice, are just as important and receive, at times, more emphasis in social security provision in certain countries than relief of poverty. The crucial point is, however, that poverty generally stands in the way of meeting the above objectives:

*It is not really possible to foster personal development, to preserve the values of family life, to integrate people into society, or to achieve social justice while people lack the means to lead a decent independent life (Spicker, 1993: 116).*

The relief of poverty, therefore, stands as a principle aim of social security, and because social security has been found to be a 'major element in the provision of welfare in many countries' (Spicker, 1993: 103), it can be safely assumed that one of the principle aims or objectives of the welfare state is the relief of poverty. In New Zealand the welfare state is not meeting this objective. The previous chapter discussed how certain government policies have not only failed to relieve poverty in New Zealand but have in fact, increased poverty. The next part of this chapter will explore this issue in greater detail, focusing on the changing ideology of the state in the provision of social security and the concomitant devolution of this provision onto the voluntary sector.



## EXIT THE STATE; ENTER THE VOLUNTARY SECTOR.

As explained earlier in this chapter, the welfare state is not a homogenous concept. Differing types of welfare states ultimately serve to propagate different ideologies of welfare. An examination of the changing role of the state in welfare provision must, therefore, include an outline of the ideological position taken by the state on the issue of welfare provision.

### The Changing Face Of Welfare In New Zealand<sup>2</sup>

The ideologies which provided for welfare states throughout the developed world, post-World War II, were centred around a 'consensus' view of social policy (Hidness, 1987: 4, cited in Koopman-Boyden, 1990: 213). This consensus view featured popular support for the welfare state based on such values as charity, community and cooperation, along with the belief in Keynesian economics as a mechanism for welfare state viability. The ideology of social democracy, popular at this time, further reinforced the welfare state by emphasising that a person had a right to social services by virtue of their position as a citizen of a community (Koopman-Boyden, 1990: 213).

New Zealand, following this global ideological trend, provided a welfare state after World War II which was characterised by,

*...a blend of universal benefits and income tested benefits, funded through general taxation and largely designed to allow recipients enough income to do more than merely survive. In general, the balance of income-tested and universal benefits insured that everyone benefited in some way from the welfare state. On the whole, most people were enabled to participate in society and feel that they belonged to it (St John, 1994: 88, see also Easton, 1980 and Boston and Dalziel, 1992).*

Income-tested benefits, initially formulated to provide for short-term income loss, were appropriate at this period of New Zealand's history as unemployment was a relatively rare and transient state. The current emphasis on income tested benefits for the provision of social security in New Zealand can, however, be seen as inappropriate, as income

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<sup>2</sup> The welfare state in New Zealand, prior to the election of the first Labour government in 1935, was not, as Rudd (1993: 227) points out, 'a particularly impressive edifice'. Although there is a commonly held view that New Zealand was one of the first countries in the world to have welfare, in reality the early New Zealand welfare state, established in 1891, promoted nothing more than a very modest safety net analogous to the 'poor law mentality of the nineteenth century'. The first Labour Government, following its election into office in 1935, did set about extending New Zealand's rather meagre welfare state, but despite all its activity the nature of its reforms still promoted a residualist notion of welfare (Rudd, 1993: 228; see also Mabbett, 1995; Stephens, 1987 and Oliver 1989, for further historical perspectives on the New Zealand welfare state).

tested benefits were never designed to operate under conditions of high unemployment and long-term income support (St John, 1994: 88).

Income testing, again, reflects a global trend since the 1980s to redefine the welfare state as a modest safety net and is a move towards a residualist based model of welfare provision. Koopman-Boyden cites Great Britain, Australia, and the USA, as protagonists of this global trend and goes on to explain it as 'a lessening of state responsibility for welfare support, and the encouragement of the family, employers, and the local community to take on greater responsibility' (1990: 213).<sup>3</sup>

The ideology which informs this trend has been labelled by some authors as a New Right ideology (see, for example, Shirley, 1990; Pierson, 1991; and Stoez and Midgley, 1991). In New Zealand this New Right ideology of welfare was propagated in the community by pressure groups such as the New Zealand Business Round Table, who, according to Roper (1993: 164) '...systematised the policy preferences of a wide range of business leaders' and in Parliament, by some members of the fourth Labour Government who, through their links with Treasury, were able to argue for the exclusion of social goals from economic policy (Castles and Shirley, 1996: 94). The pressure applied by these two groups of New Right protagonists, coupled with rising unemployment and a mounting fiscal deficit, allowed the fourth Labour Government little option but to begin the move toward a residualist welfare state (Boston, 1992: 6).

### **Targeting And Changes To The Tax System**

Labour's move from a social-citizenship model of welfare towards a residualist model of welfare was reflected, in part, by such policy initiatives as targeting, and income tax reform.

Targeting was introduced in the form of a tax surcharge on National Superannuation in 1985 (an eligibility age of 65 was also to be phased in at this time) and extended as a popular policy initiative in 1989 when part of the student allowance for 18 and 19 year olds became subject to means-testing. Along with these reductions in income support, the family allowance, which provided support to low income families, was increased and

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<sup>3</sup> This redefinition of the welfare state may seem analogous to the notion of welfare pluralism popularised in the 1970s. Welfare pluralism differs, however, from the kind of residualist model of welfare advocated by the New Right. While welfare pluralists seek a greater role for the voluntary sector in welfare provision, it is conditional upon a symbiotic relationship with state welfare provision. New Right protagonists advocate on the other hand, welfare provision by the voluntary sector as a substitute for public provision (Butcher, 1995: 118; see also Johnson, 1987 for a detailed discussion on the theory and practice of welfare pluralism).

youth support programmes initiated (Castles and Shirley, 1996: 96-97).

Labour's tax changes came in the form of a flattening of the tax rate and an increased reliance on indirect taxes. This meant that the top marginal tax rate was decreased to 33 cents in the dollar,<sup>4</sup> reducing the progressiveness of the tax system, and as a result, increasing inequity. Targeting was legitimised by the tax changes as they reduced the government's fiscal capacity for social welfare provision along with emphasising that, as a result of lower tax rates, those in the high income bracket could now afford to pay for social services themselves (Boston, 1992: 6).

## Devolution

Along with targeting and subsequent changes to the tax system, the concept of devolving responsibility for welfare services onto the individual, the family and the voluntary sector, was perhaps even more indicative of the fourth Labour Government's move toward a residualist welfare state. Proponents of such a strategy again heralded from the New Right, and their conceptual foundations were to be found in the school termed 'public choice'. Public choice means that,

*For individuals to maximise their freedom they must be able to make a rational calculation of costs and benefits, free from the tyranny of decisions made by, or for, the majority. If they knew the true cost of specific programmes, people would withdraw their support from those programmes which they valued least. If the monopoly of the bureaucracy was also removed, the supply of goods and services would become competitive and more efficient (Kelsey, 1993: 79).*

Although couched in the rhetoric of 'greater choice for individuals', devolution signified, in effect, greater choices for government who despite delegating the provision or delivery of services to the voluntary or private sector, was still able to retain power over essential policy and resource decisions (Kelsey, 1993: 78).

The strategy of devolution which heralded a move away from the rights-based model of welfare, stood in direct contrast to the findings of the Royal Commission on Social Policy on the responsibilities of the state in welfare provision. In 1988 the final statement of the Royal Commission read, '...the state is the ultimate expression of collective responsibility, which alone can ensure a sufficient standard of living and genuine opportunity for all, and a fair distribution of wealth and resources' (cited in Clark and Williams, 1995: 49).

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<sup>4</sup> This rate is one of the lowest in the OECD (Boston, 1992: 6).

The Royal Commission's findings had, however, by the time of their release, been undermined and almost totally discredited by those who sought a New Right agenda for social welfare. As Kelsey explains, 'it was ridiculed by the free-marketers as a monument to the inefficiency, intellectual woolliness and political ineptitude that typified the welfare state' (1993: 82). There was, it seems, little effective opposition against Labour's strategy of devolution. Even those in the liberal camp<sup>5</sup> were convinced of its ability to allow for, amongst other features, greater community participation:

*...the devolution of social services to local control reinforced a long-standing commitment of traditional Labour Party supporters who were philosophically in favour of community participation. The concept of local control coincided with the interests of voluntary social service groups seeking a greater role in the administration and direction of the welfare state. Devolution also met the management and resource demands of the Maori Sovereignty movement, which was based on tribal development, rather than national or centralised control (Shirley, 1990: 369).*

Devolution thus appeared to be the solution to meet the needs of a wide range of ideological positions. For Maori who had been traditionally disadvantaged by, amongst other features of the welfare state, 'welfare entitlements based on individual rights', devolution accorded an opportunity to redefine and take control of their identity as whanau, iwi and hapu (Culpitt, 1995: 231).<sup>6</sup> For the New Right too, devolution had obvious advantages. It managed the dichotomy between state control and community participation by allowing the state to surrender control over those areas which were often conflictual (for example, discretionary expenditure), while simultaneously intensifying its control over those areas which were concerned with overall control of the system (such as the formation and management of policy) (Shirley, 1990: 380).

Moreover, for those whose rhetoric of community participation had been largely ignored by a traditionally strong New Zealand state, devolution became the mechanism whereby the community could gain some measure of control in the provision of welfare services. As one submission to the Royal Commission on Social Policy stressed, it would enable the public to become more active in policy making than simply voting every few years at local or national elections (cited in Durie, 1988: 38).

Despite the apparent ability of the concept of devolution to meet the ideological positions

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<sup>5</sup> Liberal is to be distinguished here from liberalism which denotes an adherence to the economic philosophy of neo-liberalism. By using the term liberal in this context I am referring to those who possess 'social and political views that favour progress and reform' (Collins Shorter English Dictionary, 1993: 652).

<sup>6</sup> See also Scott, B. (1985) for a historical perspective of Maori interactions with the welfare state.

of wide sectors of the public, there remained some reservations as to the ability of devolution to effectively meet the social service requirements of the New Zealand public.

### **Problems Associated With Devolution**

Durie (1988: 38), when commenting on submissions to the Royal Commission on Social Policy, identified six areas of concern about devolution as a process for increasing public participation: (i) that within the community, there are not always the checks and balances needed and these may need to be supplemented by legislation; (ii) the accountability mechanisms in the community have not as yet been tested, and because this is so, there may be some conflict between public and private activities; (iii) youth, women, and Maori interests may not be served as mechanisms to ensure representation on decision-making bodies are not well-developed; (iv) the concept of reduced economies of scale, could bring about inefficiencies, especially in the hiring of specialised staff; (v) local bodies differ as to the extent of their abilities to be able to take on decision making; and (vi) the overall motivation behind the concept of devolution is not clear, nor is the extent to which power will be devolved from central government. Boston (1995: 79) stresses further that devolution, '...raises serious questions about the location of public power within society...and the design, implementation, evaluation and democratic control of public policy'.

Despite the fact that the welfare state has also traditionally disadvantaged women through its maintenance of 'women's economic dependence on men' (Briar, 1992: 55), devolution offers women little advantage over the oppressive nature of the welfare state.<sup>7</sup> By according the voluntary sector greater responsibility for the provision of welfare services, devolution places further responsibilities on the 'unpaid work' of women who have traditionally taken up the majority of unpaid labour in the voluntary sector (McKinlay, 1992: 74). For the Maori Sovereignty Movement, too, the strategy of devolution manifest in the Runanga Iwi Act of 1990,<sup>8</sup> did little to resolve the constitutional requirements of tino rangatiratanga (sovereignty) and many Maori in this regard had reservations as to its effectiveness in reducing the disparities which arise from institutionalised racism.<sup>9</sup>

#### *The devolution of government functions to Maori authorities raises many*

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<sup>7</sup> Armstrong, N. (1992) and Hyman, P. (1994) offer further analysis on women's relations with the welfare state.

<sup>8</sup> This act aimed primarily to 'devolve administrative responsibility away from the Department of Maori Affairs to iwi [Maori Tribes]' (Mcleay, 1991: 37)

<sup>9</sup> See Culpitt, (1995), for an interesting analysis of social policy as institutionalised racism in New Zealand.



*issues and concerns. The focus however, should not remain solely on the readiness of Maori people to accept responsibility. The principle of partnership [enshrined in the Treaty] requires that agencies of the state also be ready, and that they have the capacity to work within the understandings of the Treaty...The Commission has recommended that the Treaty be entrenched as a constitutional document and sees that as a necessary step to ensure that any subsequent structural and functional changes do not add to the existing weight of disadvantage and inequality (Durie, 1988: 43).*

Thus, for some Maori, application of the concept of devolution, without ensuring proper constitutional support for the Treaty of Waitangi in regard to sovereignty arrangements, is almost a misnomer.

Devolution for the voluntary sector can also be seen as a 'double edged knife'. On one edge it allows for greater community participation in decision-making and service delivery, while on the other, it places unnecessary stress on a sector which has been traditionally characterised by a lack of resources, and accountability, and an inability to meet the welfare needs of New Zealanders. As Kelsey points out:

*Those who believed the devolution sales pitch about empowerment and community control were quickly disappointed. Once the formal agencies of the state had been dismantled, and communities were thrown on their own skills and resources, it was inevitable that those who had the greatest ability to survive would prosper, and those who were in a structurally weak economic, cultural and gender position would suffer (1993: 81).*

Further negative implications of devolution on the voluntary sector include: (i) a growth in demand for voluntary welfare services; (ii) an upsurge in the number of clients who have more complex needs that are often more difficult to meet (such as clients who have suffered sexual or racial abuse); (iii) pressure to upskill in regard to client and administrative management; (iv) increased competitiveness for funding allocation - the voluntary sector is now having to compete with hospitals and schools for a share of scarce government funding; (v) the expenses involved with implementing complex management systems to keep up-to-date with information; and (vi) the fact that client advocacy work has implications for securing future government funding (Malcolm, Rivers and Smyth, 1993: 127).<sup>10</sup>

The voluntary sector faces other constraints which are further compounded by devolution and which make it a poor alternative to a welfare state for the provision of welfare services. The absence of analysis or understanding of the politics of poverty by voluntary workers, for example, may result in the formulation of inappropriate or short-

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<sup>10</sup> For a detailed analysis on government funding to the voluntary sector see Saville-Smith and Bray, (1994)

sighted strategies for poverty alleviation and, for those organisations reliant on donations rather than government funding, there are the problems associated with 'donor fatigue' - with many organisations competing for the same dollar, donors reach the stage where they are simply tired of giving.

Thus, it can be seen that the voluntary sector, despite its positive attributes, is in no position to usurp the role of the state in the provision of welfare services. Devolution, targeting and changes to the tax system first instituted by the fourth Labour Government (and further reinforced by the incumbent National Government ), have worked to change the face of the New Zealand welfare state. It is the voluntary sector that is now a major player in the provision of essential welfare services for New Zealanders.

It is from this changing welfare landscape that foodbanks have arisen. As Boston (1992: 7) has observed, '...it is becoming increasingly obvious - as demonstrated by the huge growth in the demand for food parcels from voluntary agencies - that the new structure of welfare benefits does not provide 'adequate' assistance'.

Having established that the changing face of welfare provision along with an aggregate increase in poverty in New Zealand society (as discussed in Chapter Three) have been major factors relating to the establishment and growth of foodbanks, it is now necessary to focus on foodbanks themselves, showing how foodbanks have responded to, and operate within, New Zealand's changing welfare landscape.

## FOODBANKS AS VOLUNTARY WELFARE PROVIDERS

### Foodbank Growth And Usage

In his keynote address at the Wellington Conference on Foodbanks in July 1993, Rev. Richard Randerson spoke of the evolution of foodbanks in New Zealand:

*Ten years ago when I was vicar of St Peter's in Wellington, one of our parishioners returned from the USA with news of the foodbank concept as practised over there. In the light of a perceived emergency need here she launched what became known as St Peter's Pantry at Easter that year. The launch commanded high media attention all weekend - here was something unheard of, unprecedented in recent times, and the food rolled in for days...And now, only ten years later, what was heralded as something unheard of, has become an institution throughout New Zealand. Your presence here from Auckland to Dunedin testifies to the poverty which is now endemic in our land - a sad commentary on the*

*social disaster achieved by official policies since 1984 (Conference on foodbanks, 'keynote address', July 28, 1993 : Wellington).*

Further evidence, (see, for example, Mackay, 1994) points also to the emergence of foodbanks in New Zealand's voluntary welfare sector in the 1980s. Whale, (1993), however, argues that foodbanks as organisations in their own right did not emerge on New Zealand's voluntary welfare landscape in a significant fashion until the 1990s (see also Olds, 1991). In the 1980s foodbank services did exist, but mainly as extra services offered by pre-existing voluntary agencies (Whale, 1993:109).

The 1990s saw not only the entrenchment of foodbanks as a significant feature in New Zealand's voluntary welfare sector but also a significant growth in their numbers. The Presbyterian Support Services Foodlink Directory showed a growth in numbers of foodbanks in the Auckland metropolitan area, from 16 at the end of the 1980s to 31 in 1990 and 63 in 1991 (Mackay, 1994: 2). Bonnie Robinson, executive director of the New Zealand Council of Christian Social Services, estimated the aggregate figure for foodbanks in operation throughout New Zealand in 1994 was approximately 365. ('Foodbanks reject shallow research', *Evening Post*, 1994: 3 October).

Because food parcels are the preferred method of service delivery used by foodbanks, statistics on food parcel demand will also be a useful source of information on foodbank growth. Table Eight shows how the demand for food parcels in Salvation Army foodbanks for the first quarter of the years 1990-1994 has increased.

**TABLE EIGHT: GROWTH IN DEMAND FOR FOOD PARCELS IN SALVATION ARMY FOODBANKS, FIRST QUARTER FIGURES FOR 1990-1994**

Year	No. of persons who received food assistance in the first quarter of the year	Percentage growth
1990	1,226	
1991	2,124	73%
1992	10,261	383%
1993	14,347	40%
1994	14,906	4%

*Source: Mackay, 1994: 3*

Helen Walch, Director of the Wellington Downtown Ministry,<sup>11</sup> used figures obtained

<sup>11</sup> The Downtown Ministry is affiliated with the Wesleyan church.

from participants at the foodbank conference in 1993 to estimate that a total of 35,000 food parcels were provided to New Zealand households a month by foodbanks in 1993 at a cost of one million dollars per year ('Foodbank Conference - Wellington July 1993', *Signpost*, 1993: 10). A submission to the People's Select Committee confirms this growth, stating that the number of food parcels given out at one particular foodbank had risen dramatically from 800 in 1990-1991 to 2,246 in the period of April 1991- January 1992 (Craig et al., 1992: 20). Not surprisingly, the dramatic growth in the demand for food parcels from foodbanks shown in these statistics coincides directly with the incumbent National Government's benefit cuts of April 1, 1991.

### **Foodbanks As Symbols Of The Changing Face Of Welfare**

Many studies have shown (see, for example, Olds, 1991) that food is often the first and only item on a budget that can be seen as expendable. When the National Government cut benefits to levels which were inadequate to meet daily living needs, the growth and usage of foodbanks soared. Graham Riches, a prolific writer on foodbanks in Canada, reinforces this observation with his experience of Canada. He stresses that,

*...as symptoms, foodbanks are concrete evidence of the breakdown of the public safety net...In a sense that foodbanks are acceptable to the public, they can be seen to act as ideological marker flags of the New Right's thinking that welfare state spending has been profligate and a major cause of economic and social decline (1987: 135).*

Foodbanks arose in New Zealand in the 1980s and 1990s as a direct result of government policies, and continue to exist because such policies are now widely accepted. The current neo-liberal focus on welfare provision which stresses a minimal or residualist welfare state, can be seen to be directly responsible for the existence of foodbanks. Social policy initiatives which favour the rich and disadvantage the poor work to entrench poverty, forcing people to rely on foodbanks, while devolution of responsibility for the alleviation of poverty onto the voluntary sector, ensures the continued existence of foodbanks.

Tony McGurk, an advocate employed by the Wellington Downtown Ministry's foodbank, has written extensively on the relationship between government policy and foodbanks (see, for example, McGurk and Clark, 1993). His interest lies in the physical point of contact between the New Zealand Income Support Service (NZISS) and the foodbank. McGurk and Clark (1993: 18),<sup>12</sup> have documented this relationship as a

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<sup>12</sup> See also Smithies and Wilson (eds) (1993) and Barwick (1994).

devolution of responsibility by Income Support onto foodbanks. Income Support has a supplementary benefit system <sup>13</sup> which should theoretically replace the need for foodbanks, but often clients are referred to a foodbank by Income Support staff instead of being offered a Special Needs Grant for food.

The above practice has been outlawed officially but continues unofficially. Income Support clients are now referred to foodbanks under the guise of 'being made aware of their options', or by other unofficial staff practices such as the misinformed belief that clients are not entitled to any assistance during a stand-down period (McGurk and Clark, 1993:18). The eligibility criteria for Special Benefits and Special Needs Grants is complex and at times clients miss out on receiving benefits simply because they do not know what they are entitled to. Other clients miss out on receiving assistance because their particular circumstances do not meet with Income Support's inflexible rules and regulations. In the case of the Special Needs Grant for food, for example, weekly debts such as hire purchase arrangements and payments to debt collecting agencies are not considered in assessment of a client's circumstances.

It should be noted that there is a mechanism whereby discretion can be applied in the awarding of Special Benefits and Special Needs Grants by the administrators of those benefits. This means, in effect, that Income Support staff can legally apply discretion in dealing with an individual's circumstances and thereby award a Special Benefit or Special Needs grant to the individual even if their circumstances differ from the official eligibility criteria. As Sir Thaddeus McCarthy, former chair of the Royal Commission on Social Security, has stated, discretion 'gives the administration of welfare policy a flexibility which no amount of refinement of categories or eligibility criteria for standard benefits can otherwise offer' (cited in *The Listener*, March 18-24, 1995: 16).

The Social Welfare Reform Bill, currently in its second reading in Parliament (January, 1996) aims to fetter this discretion by shifting the focus of welfare provision from individual need to departmental rules and regulations. The bill, should it become law, would allow the fixing of 'special entitlements to... special benefit[s] in respect of any person' (Campbell, 1995: 16). Voluntary organisations and beneficiary groups are particularly opposed to this form of the Social Welfare Reform Bill as they feel it would 'result in more anomalies and more people failing to qualify for needed assistance' ('PN Community Services Council', *The Tribune*, 1995: 9 April).

For foodbanks the notion of fewer people receiving benefits due to the lack of discretion

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<sup>13</sup> See Chapter Three for discussion on supplementary benefits.



in eligibility criteria would mean more pressure on their already under-resourced and over-utilised services. Helen Walsh, director of the Wellington Downtown Ministry, believes foodbanks as members of the voluntary welfare sector should not be used to provide welfare needs. She finds fault in this approach because, 'charity depends on the whim of the donor or the motivation or the willingness of the donor to share'(Helen Walsh, 1995: Personal communication). McGurk and Clark (1993: 21) also point to this dilemma faced by foodbanks. They argue that,

*...a major weakness in the foodbank system is that people who come to a foodbank have no built-in right to assistance...(and further)...People in our society have a right to be able to meet their basic needs, such as for food and shelter, through their own efforts. Where they are not able to do so, their basic needs are met by a public safety net. These are matters of right.*

Riches develops this argument further by stressing that,

*...the charity of foodbanks legitimates the return of public begging and allows governments to delay taking any action...Their existence and activities undermine the social rights of the unemployed and destitute, as citizens of society, to enjoy minimum standards of living protected by the state ("Foodbanks fail to provide the right answer", The Age, 1993: 24 May).*

Thus, it can be seen that foodbanks are concrete examples of the breakdown of the public safety net in New Zealand and that some of those involved with foodbanks are not happy with the increased responsibility changing welfare ideology is forcing them to accept. However, it is also true to say that foodbanks working within this crumbling welfare frame-work, face their own issues of legitimisation.

Next I will examine how foodbanks operate and suggest how they can reconcile some of these issues in their day-to-day practice.

### **How Foodbanks Operate**

Foodbanks operate throughout New Zealand on a variety of levels and through a variety of voluntary organisations. Most commonly they will be church-based, but secular organisations also operate foodbanks in most New Zealand towns and cities.<sup>14</sup> Depending on the demand, and the resources available to the voluntary organisations, a foodbank may be anything from a room out the back of church-based community centre

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<sup>14</sup> At the foodbank conference in July 1993, the majority of foodbanks represented were church-based, although some secular organisations such as the Manukau and Porirua City Councils were in attendance (Signpost, 1993: 10-11).

to a whole centre itself. It is because of such differences in the size and motivation of foodbanks that they operate on a variety of levels.

One of the most common motivations behind the way foodbanks choose to operate, is the desire to provide assistance for those people in genuine need (Mackay, 1994: 7). Whale (1993: 122-126) identifies a number of restrictions which are applied to foodbank clients to ensure that abuse of the foodbank system is rare. Limits may be placed, for example, on the frequency in which a person can obtain a food parcel or, in other cases, clients may be required to seek budgeting advice following receipt of a certain number of food parcels. Some foodbanks restrict their client base to a certain geographical area thus ensuring limited access, while others restrict the length of time that they are open. Lastly, clients may be required to come to the foodbank to pick up their parcel, the rationale being that if a client is prepared to make this much effort they must have a genuine need.

There are a number of foodbanks who do not place any restrictions on clients' access to food parcels. Staff at these foodbanks maintain that clients will only seek help if they are in genuine need. They are also aware that further value judgements from foodbank staff would not be appreciated. These foodbanks may also operate using a delivery system, recognising that clients who seek assistance from foodbanks usually do not have their own transport or are restricted by public transport. Unfortunately, the operations of foodbanks such as these are most often on a small scale as deliveries require a much greater commitment of time on the part of volunteers.

Foodbanks which operate on a larger scale have the capacity to provide a number of additional services aside from the provision of food parcels. These may range from meeting clients' physical needs through a clothing service, to meeting clients' emotional needs through counselling and further still, to empowering clients to meet their own needs. The latter empowerment approach (found in some New Zealand foodbanks) translates in practice as public education, debate and advocacy.

For foodbank workers, advocacy involves an emphasis on system failure rather than client failure. Often this will mean that foodbank workers accompany their clients to the NZISS to ensure that they are receiving all that they are entitled to, or in other cases, it may involve empowering clients themselves to take control of situations that are often disempowering (such as applying for Special Needs Grants for food).

While advocacy generally focuses on the individual foodbank client, public education and debate provide the mechanisms whereby the public as a whole is made aware of the issues surrounding foodbank growth and usage. Often foodbank staff will make use of

public forums such as newspapers and public meetings to educate and promote debate, or in the case of a church-based foodbank, the opportunity to raise issues at church services may be utilised.

A commitment to advocacy, public education and debate in foodbanks inherently prescribes a degree of political awareness. Riches argues that foodbanks must be aware of their role in 'legitimising public begging' ('Food banks fail to provide right answer', in, *The Age*, 24, May: 1993) before they can move toward helping clients to help themselves, and in turn effect their own disestablishment.

## FOODBANKS' LEGITIMATION CRISIS

The fact that foodbanks do by their very actions legitimise a return to the notion of public begging, has led some commentators to suggest that foodbanks are facing a legitimisation crisis. Riches stresses, however, that the application of strategies such as advocacy and public education in the day-to-day practice of foodbanks, may provide the path through such a crisis of legitimisation:

*As social agencies involved practically with the whole question of wasted food and feeding hungry people, they know the issues from experience. One sure way they can respond constructively to the contradictions of their role is to reveal the limitations of the public safety net. And while educating people about their situation, they should be advocating directly and indirectly for alternative policies. In this way, they can make some sense of the conflict between their social control and social change functions (Riches, 1986 140).*

Without political awareness and a concomitant public education, advocacy approach to their operations, foodbanks run the risk of reinforcing the negative functions of their existence. One such negative function of foodbanks is that their existence helps to perpetuate a myth that the public safety net is still functioning adequately and this leaves the impression that if changes are required, the voluntary sector is well placed to meet such needs. Another negative function of foodbanks is their role in mystifying surplus food. Because foodbanks receive a large percentage of their food stores in the form of surplus supermarket food, their operations deflect attention away from an examination of waste in the private food market. A further negative function of foodbanks is their role as agencies of social control. Foodbanks can be seen to act as mechanisms of social control which meet the needs of capital because of the way they deflect attention from a much needed examination of the policies and practices of the welfare state and the private food

industry. Moreover, foodbanks may also undermine social rights. As foodbanks work towards tightening their eligibility criteria, thus making distinctions between the deserving and undeserving poor, they are further reinforcing that assistance should be treated as a privilege rather than a right (Riches, 1986: 120-126). In this way they act as mechanisms to discipline labour. As Fox Piven and Cloward (1972: 3) have pointed out, 'relief arrangements in market societies are ancillary to economic arrangements. Their chief function is to regulate labour. To demean and punish those who do not work is to exalt by contrast even the meanest labour at the meanest wage'.

Foodbanks throughout New Zealand are becoming increasingly aware of the regressive functions and the contradictions inherent in their operations. Many are also beginning to realise that unless their operations are based around advocacy and public education, there is no way they can legitimise their existence.

### **An Advocacy Approach For Foodbanks**

The Downtown Ministry which operates a foodbank in inner city Wellington is a good example of a foodbank which has confronted its legitimisation crisis by working under an advocacy and public education based model. Formed eight years ago, the 'Pantry' (as the foodbank is known) initially began as a small scale operation ancillary to the ministry's other community services. Over the years of its operation (and especially following the benefit cuts) the Pantry has become, in the words of its director Helen Walsh, a 'dominant focus in terms of the organisation'. The Ministry recognises that charity should not be the method whereby people are forced to meet their basic needs, so its work revolves around ensuring clients receive all they are entitled to within the existing welfare system without having to rely on charity (Helen Walsh, 1995: personal communication).

Translated into practice, this advocacy and public-education based approach, involves an interview with each foodbank client to assess their levels of current assistance. Following the interview, clients are then encouraged to return to the New Zealand Income Support Service to collect their correct entitlements. Often the pantry workers will accompany clients to Income Support at clients' request. Aside from this direct advocacy service, the Downtown Ministry is outspoken in the media on poverty issues and discrepancies within the existing welfare system. It lobbies the Income Support Service on a regular basis on policies which affect its clients, and has published various reports

looking at the relationship between Social Welfare and foodbanks.<sup>15</sup>

The transition taken by the Ministry, from an ancillary food service to an advocacy and education-based foodbank, is seen by Helen Walsh as a natural process concurrent with political growth and awareness. Indeed, at the National Foodbank Conference in 1993, foodbanks throughout the country felt themselves in a state of flux. They were able to work together at the conference to form a new strategy for operation which follows the lines of an advocacy and education approach. Summarised by Ruth Smithies, a participant at the conference, it is a strategy which aims for foodbanks to be firstly, a service to meet people's immediate basic needs, secondly, a service to empower people and help them gain their rights as members of society, and thirdly, a service designed to make itself superfluous (Francis and Francis, 1994: 21).

Foodbanks throughout New Zealand have, therefore, begun a process of reflection. Although some foodbanks are still operating under a relief-based approach, there is growing recognition that foodbanks do not operate in isolation. As voluntary organisations working within the changing face of welfare, the operations of foodbanks will and do have an impact on the political sphere of welfare. Unless foodbanks take this responsibility seriously and work towards making themselves superfluous, they will become as entrenched in our society as the poverty they claim to alleviate.

## SUMMARY

Foodbanks arose in New Zealand in the 1980s and 1990s in part as a response to an increase in poverty, but also because of the changing face of welfare in New Zealand. As New Zealand's welfare state moved from a rights-based, insurance-based model of welfare towards a residualist model, more and more responsibility for the provision of welfare was devolved on to the voluntary sector. The voluntary sector has been largely unable to cope with such a devolution of responsibility and has thus formed often short-sighted and contradictory strategies to meet the needs of an increasing sector of poor New Zealand. Foodbanks are an example of such a response. They arose within a changing welfare climate to meet the needs of those who the public safety net was bypassing and yet their very existence serves to legitimate the system which has failed its clients.

My fieldwork aimed to investigate the contradictory position of foodbanks by analysing

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<sup>15</sup> See for instance McGurk and Clark 'Missing Out: The Road from Social Welfare to the Foodbanks', (1993).



the approaches taken for poverty alleviation by foodbanks in the Palmerston North. My next chapter will discuss the philosophy behind my fieldwork, and the related methods I employed during my fieldwork.

# **CHAPTER FIVE**

## **METHODOLOGY**

### **INTRODUCTION**

While Chapters Three and Four have explored various themes in the literature related to the rise of foodbanks in New Zealand, this chapter will outline the methods and philosophy used in my fieldwork with Palmerston North foodbanks.

The first and major part of this chapter will explore my research philosophy and will take the form of a general discussion on methodological considerations as well as a description of the three themes inherent to my research philosophy. The second part of this chapter will discuss the qualitative techniques appropriate to this philosophy which I used during my fieldwork, while the third and final part of this chapter will focus on how these research techniques actually operated in practice, thus allowing for a reflexive evaluation of my methodology.

### **RESEARCH PHILOSOPHY**

Henwood and Pidgen argue that 'the gathering, analysis and interpretation of data is always conducted within some broader understanding of what constitutes legitimate inquiry and warrantable knowledge' (1993:15). Thus in order to formulate a research philosophy appropriate to my study, it is first necessary to examine the two main traditions of scientific thought which shape or influence the way researchers view the world. By examining these approaches to scientific discovery, I will be better placed as a researcher to understand how my chosen research philosophy impacts on my choice of research methods, and, subsequently, my results.

## Theories Of Knowledge

The two main scientific traditions under examination here can be seen as two opposing positions in the theory of knowledge. Henwood and Pidgen (1993:15) have labelled these positions as hypothetico-deductive, experimental or positivist on the one pole and naturalistic, contextual or interpretative approaches on the opposing pole. Other authors see these polaric epistemological positions in more general terms as positivism and interpretivism (see, for example, Glesne and Peshkin, 1992). For the purpose of my discussion, they will be labelled in the latter mode.

Positivism, as defined by the *Collins Shorter English Dictionary* (1993: 893) is 'a form of empiricism esp.[sic] as established by Auguste Comte, that rejects metaphysics and theology and holds that experimental investigation and observation are the only sources of substantial knowledge'. Easterby Smith et al., (1991:22-23) have explained that positivism is based on certain key assumptions. These are that the social world exists externally, and that observers of that world are independent and value-free. Observation itself in the positivist tradition is hypothetico-deductive, based on the testing of a prior theory, and reductionist, as generalisations are made on the basis of observed regularities. Quantitative research methods, that is, methods which rely on quantification of data through tools such as measurement and standardisation (Henwood and Pidgen,1993:15), fit neatly within the positivist philosophy of research because they are methods which are designed to produce these generalised results.

Conversely, qualitative research methods derive their impetus from a interpretivist philosophy of research. Interpretivism can be seen to have originated from an age old critique of the positivist scientific tradition. William Dilthey, a nineteenth century historian and philosopher, argued that it was possible to draw a distinction between the natural sciences and the moral and human sciences. Human sciences, Dilthey believed, should be based on the attainment of meaning whereas natural sciences could be based on external observation and explanation of regularities in physical events (1993:15).

Interpretivism, therefore, like positivism, has its own defined set of assumptions and beliefs. As Glesne and Peshkin (1992:6) have described, the interpretivist philosophy is one 'which portrays a world in which reality is socially constructed, complex, and ever-changing'. Crucial to the interpretivist philosophy is the view that the world is socially constructed. It is the task of the researcher to make sense of this socially constructed world by explaining and understanding why people have

different experiences rather than applying pre-determined external laws to explain such experiences. It is taken as a basic belief in the interpretivist philosophy that the researcher is a social being with his or her own values and life-experience, and any two researchers will derive different meanings from similar experiences (Easterby Smith et al., 1991).

## **Qualitative Methodology**

The characteristics of qualitative research which inform the interpretivist philosophy have been described by Henwood and Pidgeon as,

*...an emphasis on description rather than explanation, the representation of reality through the eyes of participants, the importance of viewing the meaning of experience and behaviour in context and in its full complexity, a view of the scientific process as generating working hypotheses rather than immutable empirical facts, an attitude towards theorising which emphasises the emergence of concepts from data rather than their imposition in terms of a priori theory, and the use of qualitative methodologies for research (1993:16).*

I have based my research philosophy primarily on the interpretivist tradition of qualitative methodology because I am studying a complex social phenomena, the growth of foodbanks in New Zealand and the extent to which their strategies effectively alleviate the poverty experienced by their clients. Strauss and Corbin have commented that qualitative methodologies have certain advantages over quantitative methodologies in the analysis of social environments. For one, they allow the researcher to gain a fresh insight into a situation which may have been widely researched because by their very nature they allow for researcher subjectivity. They also provide the opportunity for deriving a great degree of detail in the analysis of complex phenomena and in that way help to place the situation under study in a broader context (Strauss and Corbin, 1990:19).

My research philosophy then is centred around a belief in the world as a social construct. As a researcher in this world, what I believe in and how I action these beliefs will impact on my chosen research environment. Given that my research will allow me to further my education or, more specifically, allow me to complete a thesis for a Masterate of Philosophy, the value of my research to myself and my chosen research community must be confronted.

## The Impact Of Research

Rahman has labelled the issue of the value of research, the 'social value added by research' (1993: 88) and has gone on to state that, 'Given the structure of society, the products of specific research activities will be used more by some social classes than by others, naturally to the greater benefit of the former' (1993: 88). Thus I have formulated a research philosophy which aims to make the impact I will have on my research environment a positive one. Underlying this is the understanding that my research will further my position as a member of a privileged class and as such, steps will be taken to ensure that my research is of mutual benefit to both myself and my research community.

Involving the people that you intend to research in your overall research design is one way of making the impact that the researcher has on his or her chosen research community a positive one. This concept of 'participation' in research is one which has become crucial to development research (see, for example, Chambers, 1994a,b and c, Swantz, 1992, and Rahman, 1993), and it is a concept which I have embraced as a key theme in my research philosophy. Participation varies in its application, from merely recognising that there are valuable contributions to be made by the people in a proposed research community, to more action-based research strategies which acknowledge that research communities are capable of formulating their own research to help themselves.

The latter participatory approach described above, that is an action-based approach, derives its impetus from Latin American consciencization theorist Paulo Freire's *Pedagogy of the Oppressed* (1972) in that it assumes that poor and oppressed people, once they have defined and understood their position in the world, are then able to take action for change (see, for example, Hulme and Turner, 1990, Freire, 1972). Another key philosophy that this participatory approach prescribes is the belief that poor or marginalised people can and should be empowered (Chambers, 1994a: 954).

Many labels have been given to such a participatory approach to development research. Chambers heads them under the umbrella term of Participatory Rural Appraisal (PRA) and has labelled the various streams which have contributed to PRA: activist participatory research, agroecosystem analysis, applied anthropology, field research on farming systems, and rapid rural appraisal (1994a: 954).



PRA is for the 1990s what Rapid Rural Appraisal (RRA) was for the 1980s. It varies from RRA, however, in certain ideological positions. Together they share common principles such as learning from the local people on site, being adaptable in the learning process, opting for an unimposing research position by seeking out marginalised persons in the community, considering the costs of learning in relation to the usefulness of information, comparing and assessing information from various methods and from various settings with various groups, and the importance of deliberately seeking out diverse groups rather than averages (Chambers, 1994b: 1254).

PRA, however, goes further than RRA in that it emphasises, '...how outsiders interact with local people' (Chambers, 1994b: 1255). Thus it can be seen that the advances of PRA on RRA centre around the principles of researcher responsibility, self-critical awareness, sharing of information and ideas (between local people, researchers and the wider community, and any manifestation of combinations of these relationships), and a firm emphasis on handing over responsibility for action based research on the local community (1994b: 1254-1255).

My research philosophy incorporates a mixture of the PRA and the RRA approaches to participatory research. It is a philosophy which prescribes participation from foodbank co-ordinators, volunteers and clients in a variety of ways. Foodbank clients will participate through the interview process while foodbank coordinators and volunteers will be encouraged to initiate research ideas which may in turn action change. In reality, however, the overall research question will be my own. In this way the participation aspect of my research philosophy mirrors more closely the RRA approach to participatory research, that is, the awareness of the researcher of his or her role as an outside investigator whose methods of research can often be more elicitive than truly empowering (Chambers, 1994a: 959).

Nonetheless, empowerment is a crucial theme in my research philosophy. Hence, I will do all I can to counterbalance this situation by considering this essential question when formulating research techniques: is this particular research technique empowering to my participants in that it makes them feel that their contribution is important? If not, how can I make it so?

To empower research participants, that is, to select techniques which will increase self-esteem and dignity along with allowing participants to define their own reality in actioning change, it is necessary to be as flexible as possible. Flexibility then, forms the third theme of my research philosophy. Flexibility in research shares with the

theme of participation the view that participants are important individuals making valuable contributions to their community. Their agendas must therefore be considered when planning fieldwork or selecting research techniques. For example, a researcher may wish to interview certain participants on an individual basis, but discovers when attempting to implement this technique that individual interviews are not culturally or socially appropriate to these participants. If the researcher was flexible, he or she would then abandon the individual interview technique and consult the participants on the possibility of alternative research techniques.

## **Summary**

I have formulated a research philosophy which encompasses three essential themes. Starting at a foundation level it involves the interpretivist tradition of knowledge and in addition, its informing body, the qualitative methodology. This qualitative methodology has been chosen as an appropriate method for researching complex social phenomena such as foodbanks. Building further, it takes as its basic materials certain key principles from both the PRA and the RRA approaches to participatory research and cements these principles together with three broad themes: empowerment, participation, and flexibility. These themes form my research philosophy. Having defined by research philosophy, it is now necessary to discuss the research techniques I intend to apply during my fieldwork which are suited to this research philosophy.

## **QUALITATIVE RESEARCH TECHNIQUES**

Research techniques can be distinguished from methodology in that they have their own distinct role to play in the research process. As Gabriel (1991:103) explains, the term research techniques, '... refers to the practical or logistical aspects of primary data collection, whereas methodology defines the logical construction processes of research enquiries'. Research techniques, then, are the tools of fieldwork. They are the techniques whereby primary data is obtained, and their application can be seen to inform or contribute to a research philosophy.

The techniques I discuss are those which I employed during my fieldwork but they are by no means conclusive. Considering one important theme of my research philosophy is that of flexibility, I allowed these techniques to form guidelines in my

fieldwork, so that if one technique proved ineffectual an alternative technique, from the body of techniques I am about to outline, would be chosen. The second part of this chapter will consider how these techniques actually operated in practice.

As my research philosophy is built on the interpretivist tradition and qualitative methodology, I chose data collection techniques of a qualitative nature. As with qualitative methodologies, qualitative techniques are suited to the study of complex social phenomena because they can provide greater insights into people's attitudes and the meaning of behaviour than quantitative research techniques (de Vaus, 1991: 57).

Of personal interest, and appropriate to my research philosophy, is the understanding that qualitative techniques also require the researcher to be flexible and in touch with their own biases and world view. As Strauss and Corbin (1990: 18) have explained, the skills needed for qualitative research involve the ability to '...step back and critically analyse situations, to recognise and avoid bias, to obtain valid and reliable data, and to think abstractly'.

Qualitative techniques are, therefore, appropriate to my research philosophy because they allow for flexibility in research, as well as prescribing by their very nature, the participation, and hence in some cases, the empowerment of the research community.

### **Participant Observation In Fieldwork**

Fieldwork is of central importance to a qualitative approach to research. As defined by Erving Goffman, it is 'the study of people acting in the natural courses of their daily lives. The fieldworker ventures into the worlds of others in order to learn firsthand about how they live, how they talk and behave, and what captivates and distresses them' (1961:ix-x, quoted in Frankfort-Nachmias and Nachmias, 1992:272). Early fieldwork was limited in the extent researchers participated in the lives of their research community. Fieldwork in the mid twentieth century, however, began to emphasise more strongly the need for the researcher to immerse her or himself in the daily lives of the research community, and as a consequence, gain a better understanding of their subjective perceptions (Frankfort-Nachmias and Nachmias, 1992: 273).

Participant observation in fieldwork is now a widely utilised research technique in the qualitative school of research. Gabriel (1991:123) stresses, participant observation is

suited to qualitative data collection as it '...seeks to go beyond external patterns of behaviour and to explore the perceptions, motives, aspirations and beliefs of the population concerned'. Participant observation was a suitable technique to employ in my fieldwork as it allowed the development of rapport with foodbank coordinators, volunteers and clients so that they felt comfortable in expressing their own insights on my research question.

Gabriel (1991:126) has argued that participant observation is particularly suited to researching vulnerable groups and the rural poor as it '...can reveal behaviours patterns, social and economic processes and environmental factors of which the participants may not be (fully) aware'. Because one group of my research participants, that is foodbank clients, can be considered a vulnerable and poor group, participant observation will again be a particularly useful technique to employ .

Gabriel (1991:127) has also stressed, however, that participant observation cannot be used appropriately when the community to be studied is heterogeneous because it would be difficult to select observation sites which would be representative of the population as a whole. To combat this difficulty, I chose a case study approach in which to utilise participant observation. In this way, I avoided the temptation of making generalised statements on my research findings and I was also more appropriately placed to compare and contrast my research results.

In preparation for undertaking participant observation in the research communities I selected, it was necessary to firstly develop a relationship of trust with the coordinators of the two major foodbanks in Palmerston North, the Salvation Army Foodbank and the Palmerston North Foodbank and with the coordinators or workers of some of the smaller Palmerston North foodbanks in which I conducted research. These relationship were developed through a series of telephone calls, informal visits and a written fieldwork proposal. During this time the coordinators were given the opportunity to assess and critique my research design and to offer suggestions on areas of research that could be incorporated into my overall research design. This strategy aimed to implement the empowerment and participation themes of my research philosophy at an early stage in my fieldwork practice.

I planned to spend approximately one month in each foodbank environment, aiming for approximately three months of participant observation in total, inclusive of time spent in some of the smaller foodbanks. As my research philosophy emphasises flexibility, participation, and empowerment of participants, however, this participant

observation took place if and when it was appropriate to both foodbank workers (including coordinators) and foodbank clients.

## **Interviews**

The themes of flexibility, participation and empowerment of participants in research, are especially important when dealing with marginalised groups in the research community. An interview, especially an in-depth interview which probes deeply to reveal how respondents feel about something or account for a situation (Glesne and Peshkin, 1992: 92), is a qualitative research technique which is especially suited to promoting these themes when in dialogue with such groups. An interview embraces the concept of participation and can, as Opie (1992:64) stresses, ... 'enable the socially marginalised to be empowered because it assumes they can contribute significantly to the description and analysis of a social issue'. Interviews then, in conjunction with participant observation, were the main research technique I utilised.

A qualitative interview, that is, an interview which aims to extract meaning from a complex social phenomenon, is important in that it allows, as Burgess has explained, 'the opportunity for the researcher to probe deeply to uncover new clues, open up new dimensions of a problem and to secure vivid, accurate inclusive accounts that are based on personal experience' (1982:107 cited in Easterby Smith et al., 1991:73). It can take the form of an open ended exchange with little or no structure, or a highly structured questionnaire-type form. Interviews also vary as to their target participants. They may focus on a key informant who has specific skills or leadership abilities, or they may be directed at an assembled group or community.

## **Group Or Individual Interviews?**

For the purpose of my research, I undertook interviews with individual key informants and, where appropriate, with groups. Group interviews have certain advantages over individual interviews, for, as Gabriel (1991:119) has stated: 'information may be more accurate than that gathered during individual interviews because respondents are always open to correction by fellow participants'. Also, 'group interviews may reduce individual inhibitions thereby providing information that might not otherwise have been revealed'. I was aware that there would be times, however, when group interviews would not be appropriate. When, for example, a foodbank client felt uncomfortable about expressing his or her dissatisfaction with



foodbank strategies in front of his or her peers or foodbank staff, an individual interview was considered.

The groups and key informants targeted for interviews in my research communities were; foodbank coordinators, workers, and individual foodbank clients as key informants, and any combination of those individuals who were interested in participating in group interviews.<sup>1</sup> As well as targeting foodbank workers, coordinators and individual foodbank clients as potential key informants or participants for group interviews, I approached other groups and individuals outside the foodbank environment such as community groups, experts on poverty in New Zealand, experts on social policy, and the NZISS, to ask whether they might participate in an interview situation to ensure that all insights on foodbank phenomena were considered.

Targeted interviews, that is, interviews which single out certain key informants or groups for the purpose of obtaining data on a specific theme, were especially useful for enabling foodbank clients to evaluate the poverty alleviation strategies of the particular foodbank which they frequent. This technique, often referred to as Participatory Evaluation (see, for example, Swantz, 1992:105), considers that the beneficiaries of projects are more appropriately placed to evaluate the effects of such projects on their lives than an outsider who is not directly affected by their implementation. This type of evaluation fits neatly into my research philosophy as it prescribes not only participation but also a degree of empowerment. Foodbank clients, by considering their position in the community, may begin to realise their oppression and may then take their own independent steps to action change.

## **Secondary Sources Of Data Collection**

Secondary data collection, as defined by Gabriel (1991:103), '...includes examination of the products of human behaviour, particularly written material and other records'. For the purpose of my research, secondary data was collected from general and specialised sources. General sources included various libraries where I utilised books, journals and other written material such as newspaper and magazine articles, while specialist sources involved reports from each of the foodbanks I researched, as well as reports from government bodies such as the NZISS. These secondary sources provided information that added to the data collected from primary

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<sup>1</sup> I was aware that this participation may not be appropriate and would depend on the willingness of the defined groups and individuals.

sources, and in this way, allowed for a more holistic analysis of foodbanks' operations in Palmerston North.

### **Summary**

I have selected qualitative research techniques for primary data collection that embrace the themes which form my research philosophy. These techniques are qualitative because qualitative techniques are more appropriate to researchers studying complex social phenomena and they have been chosen precisely because of the way they promote participation of the research community, flexibility in operation, and at times empowerment of the research community. What now remains to be discussed is the practical or logistical aspects of implementing these techniques in a fieldwork environment.

## **RESEARCH IN PRACTICE**

The use of a qualitative methodology meshed well in the foodbank environment and I was able to implement most of the research techniques discussed above. As it transpired, however, certain research techniques proved more appropriate than others and it was often difficult to maintain a philosophy of research which prescribed not only flexibility in research design but also the participation and empowerment of research participants.

Foodbank coordinators, volunteers and clients did participate in my research in ways that I had envisaged, but I feel it would be incorrect to say that they found the opportunity to participate necessarily empowering. Nonetheless, there were times, especially during my interviews with foodbank clients, when I felt that my research might have had an empowering effect. In one instance, for example, a client of the Palmerston North foodbank broke down in tears while relating to me the daily struggles she faced with living on a very low income. Instead of guiding the conversation away from her experience towards subjects which may have been more useful to my research, I simply provided her with an empathetic ear. Following our conversation, she remarked that she had found our interview 'really helpful' and she was appreciative that I had taken time to listen to her experiences.

On another occasion, I was discussing with a foodbank coordinator and several volunteers, the development issues inherent in their daily work at the foodbank. It appeared by the end of our informal conversation, that these research participants had found renewed enthusiasm in their roles as foodbank staff. By relating wider and perhaps perceivably more 'glamorous' issues to their daily work at the foodbank, I felt I was able to instil in them a sense of self-worth and dignity.

Thus it was possible at times to conduct my research within the parameters of my chosen research philosophy. I would have preferred, however, to have made my research a little more participatory than it turned out to be. I had intended for example, to incorporate the research ideas of various foodbank coordinators into my overall research design in an attempt to follow the action-based participatory ideals of PRA, but this proved difficult when several of the foodbank coordinators failed to articulate feasible research ideas.

I was ultimately successful, however, in keeping my research flexible. There were a number of instances during my fieldwork when I had to modify or change several preferred research techniques in favour of those which were more appropriate to the research environment. I was unable, for example, to use participant observation techniques while researching the Salvation Army Foodbank. Both the Salvation Army Foodbank Coordinator and the Community and Family Services Director felt that my presence would be an 'imposition' and would be difficult to justify in light of recent privacy legislation. Instead of employing participant observation techniques, therefore, I conducted a series of in-depth interviews to obtain primary data from the Salvation Army Foodbank.

I found in-depth interviewing a useful technique which I was able to utilise at all of the foodbanks involved in my research. This technique not only provided me with quality data on a number of pertinent issues related to my research but also allowed for the development of trusting relationships with research participants. The use of note-taking as opposed to tape-recording added to the informality of the interviews and provided, I feel, a trusting environment for information exchange.

There were times, however, when in-depth interviewing proved inappropriate. The interviews I conducted with foodbank clients, for example, were short and informal because of the environment in which they took place. Clients had very little time to sit down with me and often all I could do was snatch a conversation as I helped them load their food parcels into the car. On occasions when clients did have the time to participate in a more lengthy interview, I was very much aware of the sacrifices they

were making in order to do so. Thus in-depth interviewing was mainly utilised with foodbank coordinators and volunteers.

Group interviews were also useful with this category of participants. They were mostly of an informal nature and thus often took place during coffee breaks or at quiet times on foodbank days. At the Salvation Army Foodbank, most of the interviews I conducted were with both the Foodbank Coordinator and the Community and Family Services Director and in this way could be considered group rather than individual interviews.

Of all the research techniques employed, however, participant observation proved to be the most rewarding. The month and several days I respectively spent at the Palmerston North Foodbank and Saint Mary's Foodbank provided me with insights which are simply unobtainable through the utilisation of interviews alone. The casual conversations and subtle nuances which are a feature of participant observation, often provided me with more useful data than that deduced from in-depth interviews. Participant observation, moreover, allowed me to solidify my relationships with research participants so that any contact that I might wish to have with them in the future would be assured.

Thus from my perspective, my fieldwork in Palmerston North foodbanks was successful. It would now be useful to examine if this success was reciprocated by Palmerston North foodbanks, or whether the impact I made as a researcher was ultimately more negative than positive.

## **THE RESEARCH IMPACT**

My entry into the various foodbank environments has been facilitated by having been born and raised in Palmerston North and having trained as a nurse at Manawatu Polytechnic. I was seen as a Pakeha, and a woman who had previously been involved in a trusted and respected profession. Foodbank Coordinators and volunteers felt that I was someone who could be trusted and someone who could perhaps understand the difficulties they faced in their day-to-day practice. I was able, therefore, to blend into the foodbank environments in a very unobtrusive and non-threatening way.

While my background was advantageous insofar as my relationships with foodbank coordinators and volunteers was concerned, I feel it may have had its disadvantages when dealing with foodbank clients. I obviously appeared to be quite a 'well off' woman; the very fact that I could afford to study full-time stood as testimony to this perception and this may have influenced how foodbank clients accepted or trusted my presence. Furthermore, because I was part of the foodbank environment it may have appeared to clients that I was 'on-side' with the foodbank volunteers and coordinators. The information clients gave to me could therefore have been censored so as not to jeopardise future food parcel supplies.

The contact I had with foodbank clients, however, was relatively limited. The superficial relationships I formed with them during short informal interviews would not have had a negative impact on their lives. In fact, the feedback I received from clients was mainly positive. They seemed to feel pleased that I wanted to solicit their opinions and in some cases, such as the one described earlier, they even felt empowered by the whole experience.

Thus I feel that the impact I made on the foodbanks involved in my research was minimal and of a positive nature. I wonder, however, if my research was of as much benefit to the foodbanks involved as it was to myself. I noted earlier in this chapter that I would attempt to make my research as participatory as possible in order to enhance its benefits to the foodbanks involved in my study. Owing to the fact that my research was perhaps not as participatory as I would have like it to be, does it then follow that my research was of limited benefit to those foodbanks?

I believe that the answer to this question is 'no'. Because the aim of my research was to discover how effective the poverty alleviation strategies employed by Palmerston North foodbanks really are, the outcomes of such a research question can only be positive. My research has been of benefit to both foodbank clients, coordinators and volunteers because it has identified the anomalies in Palmerston North foodbanks' development practices and has suggested ways in which they could become more effective.

## SUMMARY

This chapter has outlined the methods used and the philosophy behind my research with foodbanks in Palmerston North. It has concentrated on outlining the



methodological framework and the research techniques which may be the most appropriate for the analysis of Palmerston North foodbanks' development practice along with an evaluation of the effectiveness of methodological techniques in practice. This reflexivity has allowed for some conclusions to be made on not only the success of my research but also on its benefits to my research participants.

The following chapter, which focuses on the concept of poverty and its various forms of alleviation within Palmerston North, will move the reader away from more general themes relating to the operations of foodbanks in New Zealand to the specific context in which my research on foodbanks took place.

# **CHAPTER SIX**

## **POVERTY AND POVERTY ALLEVIATION IN PALMERSTON NORTH**

### **INTRODUCTION**

While Chapters Three and Four focused on the general New Zealand context which contributed to the existence of foodbanks on New Zealand's voluntary welfare landscape, Chapter Six will examine the context of my fieldwork by focusing on poverty and the mechanisms for its alleviation within Palmerston North.

This chapter begins with a brief examination of the social context of Palmerston North, focusing specifically on the incidence of poverty shown through such social needs indicators as unemployment and income levels. It will then move to discuss the current poverty alleviation mechanisms available in the community on both formal (governmental) and informal (voluntary) levels. At a formal level, the New Zealand Income Support Service (NZISS) will be profiled with particular reference to the experiences of foodbank clients using this office. At an informal level, the foodbanks involved in my study will be introduced and profiled in relation to their operations, utilisation, and client base. This examination of participant foodbanks will then provide the background to allow for a more thorough analysis of their strategies for poverty alleviation in Chapter Seven.

### **THE PALMERSTON NORTH SOCIAL CONTEXT**

Palmerston North, with a total population of 75,600 at March 1995 (Boyle, 1995) is a city of illusions. A drive through its wide grid-laid streets reveals little of the underlying poverty and despair that I noted in my day to day dealings with foodbank clients. An examination of its social need as determined by the social need indicators used by the Palmerston North City Council's Strategic Planning Unit (ethnicity, income, unemployment, beneficiary numbers, education, youth and elderly populations), also

confirms this picture of a prosperous New Zealand city.<sup>1</sup>

Out of a city ranking of 15 (with 1 as the ranking for cities displaying the most social need), Palmerston North ranks 9 for the proportion of youth under 15 years (21 percent as compared to New Zealand average of 23.2 percent) and for the proportion of elderly over 60 years (13.7 percent as compared to New Zealand average of 15.5 percent), 10 for the proportion of Maori and Pacific Islanders (12.1 percent as compared to New Zealand average of 17.3 percent), 9 for the proportion of population on benefits (15.6 percent as compared to New Zealand average of 15.9 percent), 6 for unemployment<sup>2</sup> (11.5 percent as compared to New Zealand average of 10.5 percent), 6 for the percentage of the population aged 15 plus with incomes below \$15,000 (51.8 percent as compared to a New Zealand average of 49.9 percent) and 12 for the percentage of the population aged 15 plus with no formal qualifications (30.6 percent as compared to a New Zealand average of 36.2 percent) (Boyle, 1995, adapted from Searle, 1994). With most of these needs rankings falling from the middle to the bottom third of cities, it would not be inaccurate to state that Palmerston North has below average social need.

A closer examination of certain areas of the city, however, reveals the heterogeneous nature of Palmerston North and adds weight to my claim that Palmerston North is a city of illusions. The area Fitzherbert, for example, bounded by the Manawatu River and the Tararua ranges (including Aokautere and the settlement around Massey University), is low in three important indicators of social need: it has a very high proportion of New Zealand European residents (89 percent as compared to the Palmerston North average of 83 percent) and a very low proportion of Maori residents (4 percent as compared to the Palmerston North average of 10 percent). The unemployed and households earning low incomes (indicated by the PNCC to be less than \$30,000 per year) are under-represented in this area at 6 percent (the Palmerston North average is 12 percent) and 23 percent respectively (the Palmerston North average is 38 percent of households), while the proportion of households receiving \$50,000 and over per year are over-represented at 43 percent (the Palmerston North average is 23 percent) (Strategic Planning Unit, Palmerston North City Council, 1995: Community Profile). The general under-representation of these three social need indicators shows an area of the city that is, on average, wealthier than other areas.

The 1991 census data on the area of Westbrook/Cloverlea/Highbury, however, reveals a different story. With an area boundary of Pioneer Highway, Botanical Road, Tremaine

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<sup>1</sup> All figures in the below discussion are derived from 1991 Census of Populations and Dwellings.

<sup>2</sup> This is a measurement of the percentage of the labour force which is unemployed

Avenue, Rangitikei Line, No. 1 Line and Sheriffs Road to the south, the Westbrook/Cloverlea/Highbury area falls above the Palmerston North average in all three indicators of social need discussed above: 19 percent of its population are Maori (as compared with the Palmerston North average of 10 percent) leaving a New Zealand European population of only 73 percent (as compared with the Palmerston North average of 83 percent); 13 percent of its potential workforce are unemployed (as compared with a Palmerston North average of 12 percent); and the total incomes of its households are below the Palmerston North average with 43 percent earning below \$30,000 per year (this compares with a Palmerston North average of 38 percent). Conversely, the percentage of households earning over \$50,000 per year are under-represented in this area at 19 percent (the Palmerston North average for this income bracket is 23 percent while the Fitzherbert area average was 43 percent) (Strategic Planning Unit, Palmerston North City Council, 1995: Community Profile).

This examination of the Westbrook/Cloverlea/Highbury area shows that although Palmerston North may have an outward appearance of a rather prosperous New Zealand city<sup>3</sup>, genuine social need exists in certain areas.

### **Poverty In Palmerston North**

The three indicators of social need discussed above (unemployment, low income, and ethnicity) are directly related to the existence of poverty in New Zealand society. As has been discussed in Chapter Three, to be unemployed, on a low income, or of New Zealand Maori ethnicity, indicates that a person is more likely to be unable to belong and participate in the benefits of New Zealand society than if a person is employed (earning a 'social wage'<sup>4</sup>), New Zealand European and on a high income. Indeed it is the unemployed, Maori and those on low incomes especially, who have been identified by poverty specialists as those who are poor today in New Zealand society.<sup>5</sup> Thus, if these indicators of social need exist in a community, then there is poverty in that community.

Brosnahan et. al., (1983: 54), in their study of low income families<sup>6</sup> in Palmerston North, noted as early as 1983 that for all respondents:

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<sup>3</sup> It is interesting to note that visitors to the city of Palmerston North often enter the city through the Fitzherbert area.

<sup>4</sup> See Chapter Three, footnote 13, for a discussion on the concept of a 'social wage'.

<sup>5</sup> See Chapter Three for a discussion on who is poor in New Zealand.

<sup>6</sup> Brosnahan et al., (1983: 1-3) preferred to use the term 'low income' rather than 'poor' to describe the families in their study as they felt the latter was 'judgmental' and had 'stigmatic associations'. Low income is defined in their study as Grade Two of the Clerical Workers Award Wage. At May 1983 this was \$10,633 gross per annum (\$204.49 per week) as compared with the gross average weekly wage at November 15 of \$286.83.

*...lack of adequate income meant that they were restricted in the way of life that for many people is considered a decent standard of living. Most respondents were limited in their access to adequate health care, food, clothing, recreation...parents were concerned at not being able to meet their children's needs...The daily battle of trying to make ends meet meant that many respondents were living under constant stress which had negative consequences for both family relationships and physical health.*

These families were not able to belong and participate in their community to the same degree as other families so it can be said that most of the families investigated in the study were experiencing poverty. The respondents themselves, when asked if they considered themselves to be poor, reiterated this conclusion. Their comments included:

*I see myself as being poor. I can't buy the things we need. I can't do things like fixing the leak in the roof. It's not really a reasonable standard of living.*

*I haven't got enough money to pay for what I need . Yes, I think I'm poor. On my income I can't budget. I can't make my money spread. I buy the cheapest, fattiest meat I can (Brosnahan et al., 1983: 50).*

Hence, we can see poverty did exist in Palmerston North in 1983. I have argued in Chapter Three that the SAP initiated by the fourth Labour Government in 1984 and carried through by the incumbent National Government, has worked to entrench poverty in New Zealand. Palmerston North is no exception to this general trend. A 1991 study of poverty in Palmerston North following the April 1st 1991 benefit cuts found:

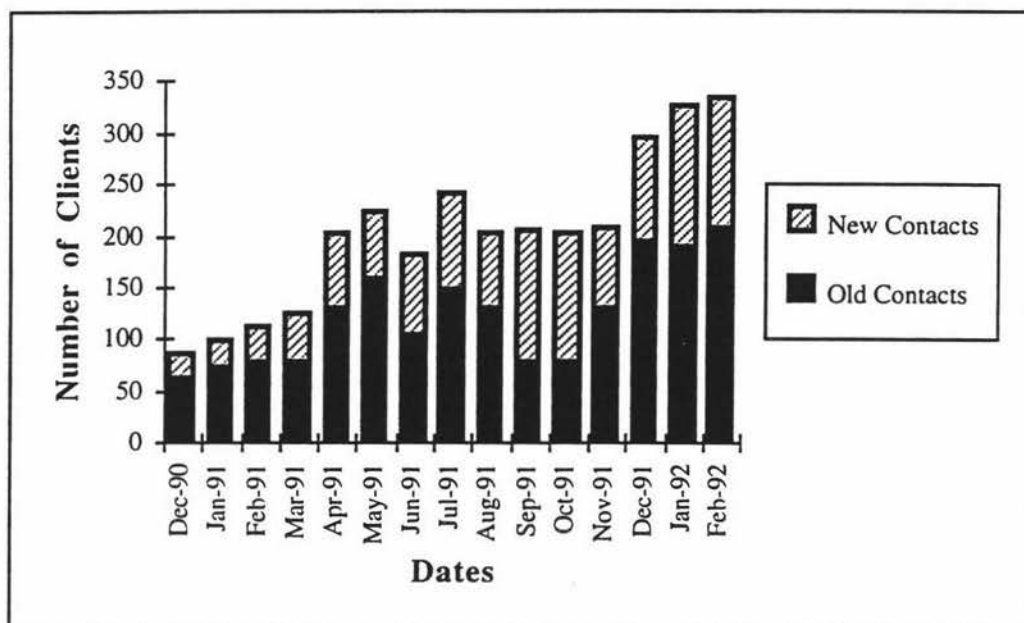
*Many people in the community are not able to eat the sorts of food and wear the same sorts of clothes as other New Zealanders. They are not able to live happy and fulfilling lives or take advantage of the opportunities that other people would take for granted because they are denied the means to do so. They live lives that are very much below the standard of living of other people in the same community (List et al., 1992 30).*

Overall it was noted 'The quality of life for those who were already struggling for survival was clearly made much bleaker by the benefit cuts. Poverty deepened and became more widespread' (List et al., 1992: 27). To cope with the resulting loss of income following the benefit cuts, the respondents in the study cited a number of expenses which they had reduced to survive. Food was one expense which featured significantly (ibid.).



Interestingly the number of clients using the Palmerston North foodbank also increased around the period of April 1991 as can be seen in Figure One:

**FIGURE ONE: NUMBERS OF CLIENTS USING PALMERSTON NORTH  
FOODBANK DECEMBER 1990 TO FEBRUARY 1992**



*Source: adapted from List et al., 1992: 7.*

Thus, foodbanks, like many other voluntary organisations which comprise the voluntary sector in Palmerston North, exist because there is poverty in Palmerston North. In Chapter Four I argued that foodbanks also exist because the SAP has devolved more and more responsibility on to the voluntary sector for the provision of welfare services: foodbanks are picking up where the government has left off and are working to alleviate poverty in many New Zealand towns and cities.

Before I begin my discussion on foodbanks' operations in Palmerston North, however, it will be useful to examine several other organisations, both formal (government) and informal (voluntary), which are involved with the business of poverty alleviation in Palmerston North. This examination will set the context for the forthcoming discussion on foodbanks' operations within the voluntary sector.

# POVERTY ALLEVIATION IN PALMERSTON NORTH

## Formal Organisations

Although I have argued the government is devolving increasing amounts of responsibility for the provision of welfare services on to the voluntary sector, there still exists, albeit in a modest form, what can be called a governmental poverty alleviation scheme in the form of benefits and supplementary benefits administered by the NZISS.<sup>7</sup> The provision of such a benefit scheme in Palmerston North is no different from its general provision throughout New Zealand, therefore many of the general criticisms levelled at the NZISS in other New Zealand towns and cities may also apply to the Palmerston North office.

One such general criticism (which has been referenced in Chapter Four<sup>8</sup>) is the complicated nature of many of the benefit structures and the lack of willingness by some NZISS to make sure clients are receiving all they are entitled to. The NZISS in its *We Are Here To Help Guide* proudly proclaims the aim of their service is ...'to give people the help they're entitled to in the most friendly and efficient way possible. We believe that "good service to our customers" is the most efficient way to run our business' (NZISS, 1994: 2). Good service by the Palmerston North office of the NZISS has not, however, been the experience of many of the foodbank clients I interviewed during the course of my research. Some of their criticisms follow the same lines as the general criticism noted above but others are more specifically targeted at the Palmerston North office.

Many of the foodbank clients I interviewed stated that their visits to the Palmerston North office were 'humiliating' and that the staff themselves were 'unhelpful' and even 'horrible'. One foodbank client went as far as saying the staff looked at her rings as if to say 'why don't you sell one of those if you're so desperate'. A budgeting advisor working in a voluntary capacity for a Palmerston North budgeting service told me that his experience with the NZISS in Palmerston North has been extremely varied. The service, he stated, ranged from 'brilliant' to 'mediocre' to 'appalling' depending on whom he dealt with at the office.

A volunteer of the Manawatu People's Centre who accompanies clients to the Palmerston

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<sup>7</sup> See Chapter Four for an explanation of the links between government social security schemes and poverty alleviation and also Chapter Three for a general discussion on the nature of the incumbent National Government's benefit structure.

<sup>8</sup> See Chapter Four, page 77.

North Income Support Service, commented that her clients' experiences of the Palmerston North office were often of a negative nature. In comparison to the Feilding and Levin offices, the Palmerston North office was 'almost like being in a different world'. Clients, who were eligible for Special Needs Grants, were not receiving them at the Palmerston North office because they had failed to articulate 'key words'. In other words, if a client did not say the words 'I want a Special Needs Grant for food' they would not receive one, despite the fact that they were eligible for one (Volunteer of the Manawatu People's Centre, 1996: personal communication).

Other governmental organisations which work indirectly in Palmerston North to ensure people belong and participate in their community include: the Accident Compensation Corporation (through the provision of income for those who are prevented, through injury, from participating in the labour market), the New Zealand Children and Young Persons Service (CYPS) (through their mandate to protect the rights of children), New Zealand Employment Service (through the provision of employment opportunities for the unemployed) and Mid Central Health (through the provision of affordable health care). These organisations and the NZISS have all been restructured in a general move by the government toward a residualist model of welfare state. A Palmerston North City Council report on government restructuring in Palmerston North to 1995, found that in the welfare, health and community services sector (the sector which comprises the organisations listed above) employment numbers decreased by 7.5 percent on 1994 employment numbers. The contracting out or devolution of services by Mid Central Health to the private sector accounted for a large percentage of this overall figure but decreases in staff were also experienced in the Department of Social Welfare and in its offices of the NZISS and the CYPS (Roderick, 1995: 13).

In Chapter Four I argued that the move by the government toward a residualist model of welfare state had placed greater responsibility on the voluntary sector for the provision of welfare services. The apparent proliferation in Palmerston North, since the late 1980s and early 1990s, of voluntary organisations involved with the provision of welfare services and concomitant poverty alleviation stands as a strong testimony to this general trend (Community Worker, 1995: personal communication). This next section will briefly examine one of these voluntary organisations before moving on to a discussion on foodbanks' roles in poverty alleviation in Palmerston North.

### **Informal Organisations**

The Employment Service, Unemployed Rights Centre and the Palmerston North City

Council's *Limited Living Resource Guide* lists a wide range of voluntary organisations which are involved (some more directly than others) with the business of poverty alleviation in Palmerston North. For example, there are a number of housing support organisations such as The Housing Advice Centre which offer 24 hour free listing services on landlords and tenants, as well as a myriad of second hand clothing stores which afford the chance for beneficiaries and low income earners to dress themselves and their families cheaply.

One organisation which provides a wide range of services and has a strong commitment to ensuring people are able to belong and participate in their communities is the Manawatu People's Centre (MPC). The MPC was founded shortly after the 1991 benefit cuts, initially as a way of legitimising the operations of the Workers Unemployed Rights Centre (WURC). WURC at this stage had developed a reputation of radicalism and felt the establishment of the MPC would provide it with a more human face.<sup>9</sup> Today the MPC and WURC are incorporated societies in their own right but share resources as well as providing some complimentary services. Jane Ballantyne, coordinator of both the WURC and the MPC in 1995, prefers to call the WURC the MPC's political wing (1995: personal communication).

The MPC describes itself as having a 'total commitment to community development' involving regular networking with other community groups, and a pro-active service delivery 'designed to help develop skills for the future, which can also be passed on to others' (Manawatu People's Centre, unpublished pamphlet, circa 1994). Services provided by the MPC include counselling, use of the community garden, medical advice, referrals and advice on other community organisations, research and evaluation (provision of needs analysis, consumer satisfaction surveys, feasibility studies, and programme planning to assist community groups who wish to undertake social science research), basic legal advice, educational talks (provided by the staff to universities, community groups and government departments on a variety of community issues), training in and use of computer packages (such as the internet), and advocacy.

Advocacy, which the MPC outlines as 'support advice and assistance when dealing with government departments, welfare agencies and medical and mental health professionals', is the service most utilised by clients of the MPC. In the 1994/1995 calendar year, the advocacy services provided were mainly pertaining to health, housing, the NZISS and the elderly. The clients that utilise this service vary in age and ethnicity, although most of the centre's clients are low income earners and beneficiaries. Again in the 1994/1995

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<sup>9</sup> This was an initiative first undertaken by the well known unemployed workers' advocate Sue Bradford with the establishment of the People's Centre in Auckland.

calendar year, the MPC received 6516 enquiries, with 4000 of these requesting information and advice and 2516 requiring other services such as advocacy (MPC, unpublished pamphlet, circa 1994).

This organisation is directly involved with poverty alleviation in Palmerston North because the services it offers ensure its clients are able to belong and participate in their communities. The community garden, for example, enables clients to have access to fresh fruit and vegetables that other New Zealanders enjoy, without having to borrow money or give up some other item on their weekly budget to do so, while access to medical staff at the centre enables low income earners to seek medical advice without having to first decide whether they can afford to see the doctor.

Foodbanks, by providing the poor of Palmerston North with free groceries in emergency situations, also ensure their clients are able to 'enjoy a standard of living much like that of the rest of the community and thus be able to feel a sense of participation in and belonging to the community' (Royal Commission on Social Security: 1972). Foodbanks are a response by the voluntary sector to a growth in poverty within New Zealand. This next section will outline who they are and how they operate in Palmerston North.

## **FOODBANKS IN PALMERSTON NORTH**

Palmerston North has two main foodbanks and at least five smaller foodbanks which comply with the definition of a foodbank outlined in Chapter One. This section will begin with a detailed description of the two main foodbanks operating in Palmerston North before moving to a less detailed outline of two other smaller foodbanks.

### **THE SALVATION ARMY FOODBANK**

The Salvation Army is an international evangelical Christian movement which began its operations in New Zealand in 1883. Its mission statement describes itself as having a message based on the bible and a ministry which is,

*...motivated by love for God. Its mission is to preach the gospel of Jesus Christ and meet human need in His [sic] name without discrimination. It aims to care for people, transform lives through spiritual renewal, and work for the reform of society by alleviating poverty, deprivation and*



*disadvantage, and by challenging evil, injustice and oppression*  
(Unpublished pamphlet, 'Mission Statement', circa 1995).

The provision of food for emergency purposes is not a new activity undertaken by the Salvation Army in New Zealand. In fact as Palmerston North's Community and Family Services Director (CFSD) stressed, 'the Salvation Army has been giving out food in New Zealand for 112 years but under a different name' (1995: personal communication). The Salvation Army's soup kitchens and late night nutritional support for the inner city homeless are world renowned and still exist in most New Zealand cities. The establishment of foodbanks in the 1980s and early 1990s, however, is a relatively recent phenomena and is a response to the kind of poverty, deprivation and disadvantage that became entrenched during this period.

The Salvation Army Foodbank in Palmerston North was established at approximately the same time as the April 1991 benefit cuts occurred and its establishment reflected the 'larger need' in the community at that time (CFSD, 1995: personal communication). According to its Salvation Army Foodbank Coordinator (SAFC), its operational procedure has not altered in any way since its establishment, although a standard operating procedure has now been developed to coordinate the activities of Salvation Army Foodbanks throughout New Zealand (1995: personal communication).

### **Operations Of The Salvation Army Foodbank**

Food is donated to the Salvation Army Foodbank from a variety of sources. These include business and community groups, Salvation Army parishioners, supermarkets and donations through food bins at supermarkets. Occasionally money is donated and this is then used to buy in food to supplement stocks. The food is stored in a special pantry before it is packed into parcels for distribution prior to the arrival of foodbank clients. Unlike other foodbanks I observed, there is no standard parcel. The SAFC stated that parcels are packed with whatever food is available. Ideally clients will be given such staples as cheese, eggs, flour, sugar, meat and vegetables but this varies according to the items' availability. Bread, however, is always included as it is regularly donated by one Palmerston North supermarket (SAFC, 1995: personal communication).

The Salvation Army Foodbank opens its doors on Monday, Wednesday and Friday from 10.00am to 11.30am to receive clients. This takes place in a rather informal fashion in the foyer of the Palmerston North Citadel (home to the Salvation Army Foodbank) and includes the filling out of a confidential form, the presentation of a community services

card, and a brief assessment of the client's eligibility status.

A client is eligible for a food parcel at the Salvation Army Foodbank if he or she is determined to be in genuine need. This circumscription runs along these general lines: for the first visit a few questions are asked and the client receives two parcels, one containing groceries and the other bread; for the second visit the same procedure applies, although clients are warned this will be their last food parcel unless evidence is shown that they are actively undertaking budgeting advice<sup>10</sup>; on the third visit, clients will be turned away unless they have genuine proof from a budgeting service that they are under their care. Discretion, it seems, is rarely applied in this determination of eligibility. As the SAFC put it: 'They get two parcels a year and then that's it. It doesn't matter when they had the last one' (SAFC, 1995: personal communication).

Apart from the provision of food parcels, the Salvation Army Foodbank does offer other services which they claim are designed to encourage clients to help themselves out of poverty. These services, as listed on the Salvation Army confidential interview sheet, include women's fellowship, a visit from a church member, knowing how to become a Christian, attending the Salvation Army church service, budget assistance and saying 'no' to alcohol, drugs, gambling or smoking. Clients are encouraged to tick the appropriate box on the confidential interview sheet and are informed that their request will be followed up at a later date. Both the CFSD and the SAFC are trained advocates but they feel that this training is often under-utilised as clients rarely make use of the extra services offered. Occasionally clients will request an advocate, especially in dealing with the NZISS, and the SAFC will take up this role (CFSD and SAFC, 1995: personal communication).

The overall responsibility for the provision of the above services, and for all services offered by the Salvation Army Foodbank, rests with the SAFC. There was a time, however, when the SAFC required the services of volunteers to assist with the day to day running of the foodbank but now as client numbers have steadily decreased the SAFC is able to run the foodbank single-handedly. 'Running the foodbank', the SAFC

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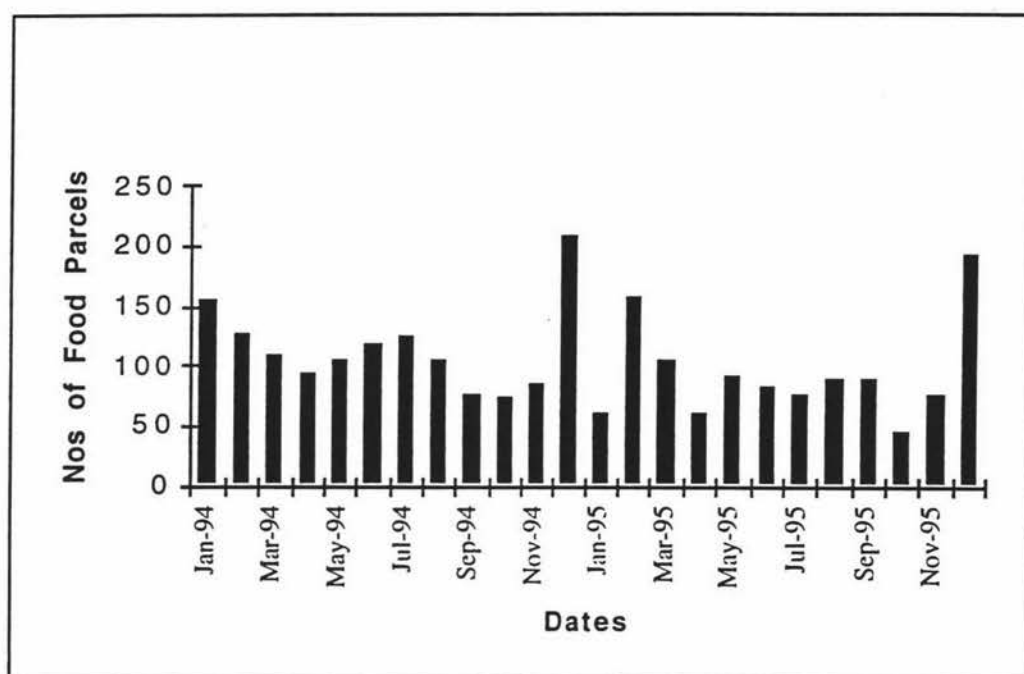
<sup>10</sup> In Palmerston North there are approximately 12 budgeting services, 8 of these, however, are private and charge clients up to \$13.00 per week for a standard fee and an additional \$5.00 per bill handled by the agency. These fees are relatively exorbitant for beneficiaries and those on low incomes. Generally if a client is signed up with a private budgeting service their income will be paid straight into the budgeting service's bank account and whatever funds are left at the end of the week after all the clients bills have been paid, will be sent to the client in the form of a cheque to pay for food and other expenses. This amount, according to several foodbank clients I interviewed, can be as little as \$20 per week. Four budgeting services in Palmerston North are free and their method of operation varies considerably from the private services' methods. One of these free budgeting services has a shelter, food and energy first philosophy which ensures that these needs will be met before any money is paid out to other creditors. Clients remain in control of their own accounts but are assigned a budgeting advisor to work closely with them in all aspects of their money management (Volunteer Budgeting Advisor, 1995: personal communication).

commented to me, 'is a piece of cake'.

### Client Base And Utilisation Of Salvation Army Foodbank<sup>11</sup>

The below figure highlights the trend of this gradual decline in food parcel demand.

**FIGURE TWO: MONTHLY FOOD PARCEL NUMBERS AT THE SALVATION ARMY FOODBANK, JAN 94 - DEC 95**



Although Figure Two shows generally an overall steady decline in the demand for food parcels (with the exception of December 1994 and 1995 where Christmas food parcels are traditionally in strong demand along with a slight increase in client numbers in July and August 1995 following the implementation of market rentals for state housing tenants), it does not highlight the fact the Salvation Army Foodbank, like its counterpart the Palmerston North Foodbank, is now seeing a wider range of people including more European and New Zealand European clients and an increasing number of two-parent families. One other possible reason suggested by both foodbanks as to why client

<sup>11</sup> The following statistics on the Salvation Army Foodbank are all that were given to me for publication. I would like to have commented on both the ethnicity and the income base of clients so as to establish certain trends but unfortunately these statistics were not available.

numbers have dropped, is the increased coordination between the two main foodbanks in Palmerston North (Boyle, 1995). Clients are required to visit one foodbank only and every week the coordinators of the two main foodbanks exchange names to prevent duplication.

The Salvation Army Foodbank, however, is only one of the two main foodbanks working to alleviate poverty in Palmerston North. This next section will examine the operations, utilisation and client base of the second main foodbank in Palmerston North, the Palmerston North Foodbank.

## **THE PALMERSTON NORTH FOODBANK**

The Palmerston North Foodbank was established in 1983 in response to the Massey University *Surviving on the Breadline* study (Brosnahan et. al., 1983) which highlighted the effects of poverty in Palmerston North (Unpublished pamphlet, *Palmerston North Foodbank Report*, circa, 1995). It operates as a subsidiary to the Methodist Social Service Centre (MSSC) and is housed under the same roof in Main Street. The Methodist Church's justice and social service work group, a subcommittee of the Methodist Parish Council, is officially charged with determining policy for the Palmerston North Foodbank but in reality the foodbank operates autonomously from the Methodist Church. The main bulk of its \$320,000 yearly budget comes from profits made at the various Methodist Social Services goodwill stores, with the remainder covered by the Department of Social Welfare's Community Organisations Grants Scheme, the Mayor's Relief Fund and donations from parishioners, supermarkets and community groups.

### **Operations of the Palmerston North Foodbank**

The original operation of the Palmerston North Foodbank varies considerably to the way it operates today and these changes reflect not only the differing philosophies of practice espoused by foodbank coordinators throughout the years, but also supply and demand. What began as an emergency service supplying food and money to families with children under 16 years of age, with little restriction on the number of parcels received, has now become, not only an emergency service, but one designed to 'help people to help themselves' (Director of the MSSC, 1995: personal communication).

This philosophy of service manifests itself in the following criteria of use for the Palmerston North Foodbank. Its primary focus is the supply of food to families with dependent children under the age of 18 who are living in the Palmerston North area.<sup>12</sup> Food parcels will be given out to the same family or household at a maximum of one per fortnight but once two fortnightly food parcels have been supplied, clients must prove that they have sought budgeting advice before any more food parcels are given out.<sup>13</sup> On receipt of budgeting advice clients may then receive two more fortnightly parcels followed by another two at monthly intervals up until a maximum of 10 parcels per year have been received (Palmerston North Foodbank unpublished pamphlet: 1995). For the subsequent year's use, clients may negotiate a maximum of 10 food parcels per year given out on a monthly basis.<sup>14</sup> This will occur only if the client is continuing to seek advice from a recognised and professional budgeting service. The provision of Christmas food parcels also incurs the same kind of eligibility criteria with its supply subject to a referral from a local community group or church agency and with its provision forming part of a client's yearly food parcel allocation. Refusing to supply a food parcel is the prerogative of the Palmerston North Foodbank and occurs if the client has received a parcel from the Salvation Army Foodbank, if the client is single, or if the client has not undertaken budgeting advice following the provision of two food parcels (ibid.).

The determination of such eligibility takes place in an informal interview during foodbank hours on Monday, Tuesday, Thursday and Friday, from 12pm to 2.30pm. Clients are invited into an interview room which stands adjacent to the food store and must present some form of identification, usually a community services card, before the interview begins. The interview process itself is fairly informal and involves the filling out of a form for statistical purposes along with a determination of the client's eligibility. A client will be eligible if he or she meets the criteria outlined above and this is decided on the spot before a food parcel is supplied.

Food parcels at the Palmerston North Foodbank are packed in supermarket bags and

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<sup>12</sup> Single people are encouraged to use the Salvation Army Foodbank which has a policy of supporting single people although the reality is that the Salvation Army Foodbank does cater for families as well as single persons. It appears that this lack of adherence to policy has more to do with 'keeping up numbers' than any sort of philosophical stance. The Palmerston North Foodbank has responded to the Salvation Army's support of families by supplying single persons with a greater number of "one off" emergency food parcels. These parcels are usually given out in extreme circumstances and they are unique to the Palmerston North Foodbank. (Palmerston North Foodbank Coordinator, 1995: personal communication).

<sup>13</sup> If a client does not already know of a budgeting agency which they can attend, the Palmerston North Foodbank will refer them to one of the free budgeting services currently in operation in Palmerston North. The same practice occurs at the Salvation Army Foodbank.

<sup>14</sup> This eligibility criteria has altered from January, 1996. Clients may now receive a total of eight food parcels per year provided they can prove they have sought budgeting advice (Palmerston North Foodbank form must be signed by a recognised budgeting advisor) following the provision of the first two parcels.



must contain a certain number of food items. These include rice or pasta, tea, tins of fruit, vegetables (usually beetroot), fish, spaghetti and baked beans, spreads such as jam and marmite, jelly, cereal, dried milk and bread. Often extras, such as 'treats' (sweets and chippies), meat, vegetables, flour, sugar and baking ingredients will be included if they are available or if a client is deemed to be a 'baker'. If a client is considered to be eligible for a food parcel they will then receive a supermarket bag filled with the above items plus another supermarket bag full of frozen bread. Two bags are given per household regardless of the number of persons residing there. Although the determination of eligibility and indeed the packing of a food parcel seem to be rather rigid procedures, in practice they can vary according to who is managing the foodbank's operations on that particular day and can also vary from very limited to overtly generous parcels.

The Palmerston North Foodbank employs a qualified community worker as the foodbank coordinator (PNFC), who works alongside at least 4 volunteers and normally conducts interviews and helps to develop operational policy. On Tuesdays, however, one of the volunteers is assigned the task of interviewing clients and often gives more clients food parcels than the foodbank coordinator would normally supply. All the volunteers receive training before they are able to work in the foodbank. This is unique to the Palmerston North Foodbank and includes food store management, preparation of parcels, interview skills, listening skills, self awareness, cultural awareness and detachment.

### **Additional Services Offered**

In an attempt to be more than 'the ambulance at the bottom of the cliff', the Palmerston North Foodbank provides other services which reflect its philosophy of helping people to help themselves (PNFC, 1995: personal communication). The 'living on a limited income' eight week course is one of these services. It began initially as a way of helping foodbank clients become more skilled in managing their finances and food, and accessing information available to them, but has since been used as a determination of food parcel eligibility. A client now has the option of attending at least eighty percent of the course instead of attending a budgeting service following the allocation of their second food parcel (Education Coordinator, 1995: personal communication).

The course requires the expertise of at least seven other community groups and covers such areas as budgeting, understanding and supporting children, basic cooking, keeping healthy and getting assistance in the community. It has been usually attended by New

Zealand European women between the ages of 26-35 years but recently the number of foodbank clients attending the course has diminished (Gain, 1995). Other services offered by the foodbank include advocacy in dealing with the NZISS, advice on eligibility for benefits and special benefits, as well as referrals to other community groups.

### Client Base And Utilisation Of Palmerston North Foodbank

The quantitative figures below will allow for comment on the client base and utilisation of the Palmerston North Foodbank, focusing particularly on the income base and ethnicity of clients as well as the number of old and new clients attending the Palmerston North Foodbank. The following figures expose certain trends:

**FIGURE THREE: MONTHLY CLIENT NUMBERS AT PALMERSTON NORTH FOODBANK, JANUARY 1994-DECEMBER 1995.**

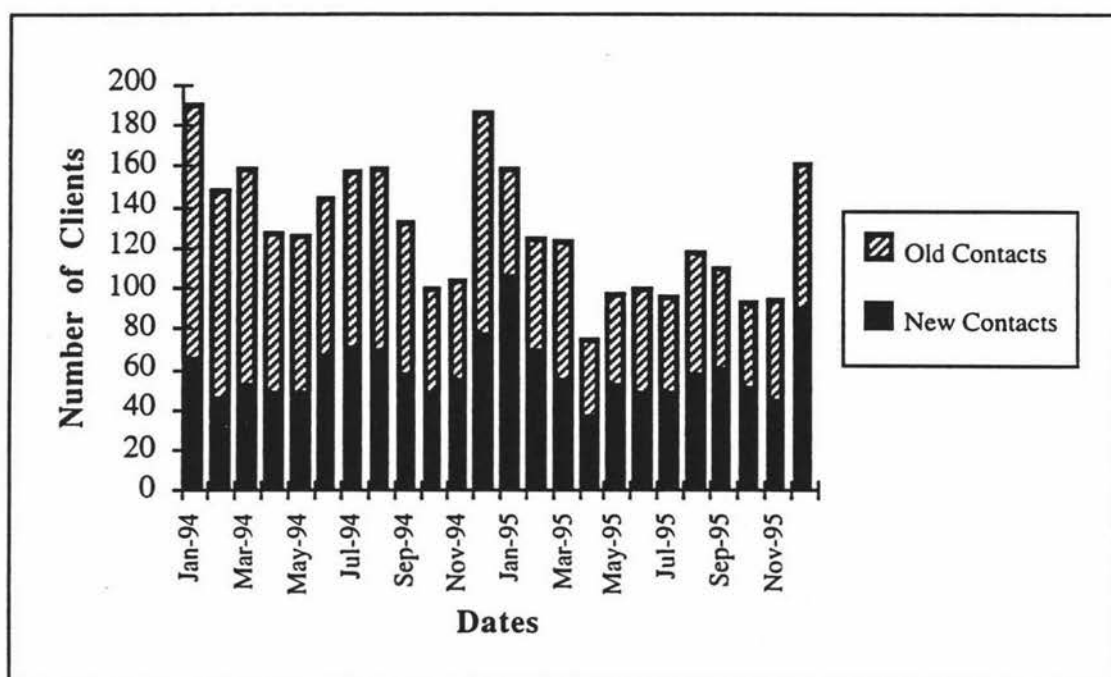


Figure Three shows a general decline (with the exception of December 1994 and 1995) from 1994 to 1995 in the number of clients utilising the Palmerston North Foodbank. The slight increase in the number of clients utilising the foodbank in August 1995 may be due to a shift to market rentals for state housing tenants, and the general gradual decline in food parcel demand may be due to the changes to, and increased provision of, Special

Needs Grants. As Mackay (1995: 3) explains, in the first five months of 1995, the number of Special Needs Grants supplied increased by 75 percent, with the number of New Zealanders obtaining Special Needs Grants for food totaling 'more than a quarter of a million' ('Explosion in food grants hit', *Evening Standard*, 1996: 10 January).

**FIGURE FOUR: NUMBER OF CLIENTS BY ETHNICITY ATTENDING PALMERSTON NORTH FOODBANK**

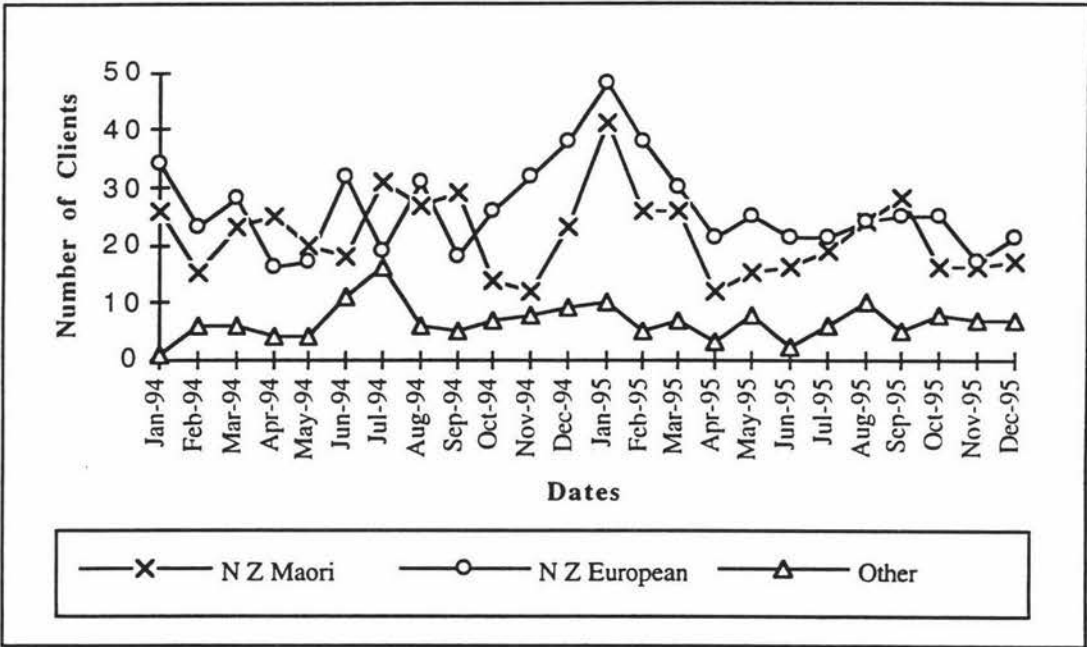


Figure Four shows that the greatest number of clients utilising the Palmerston North Foodbank are of New Zealand European ethnicity, although the utilisation of the foodbank by New Zealand Maori clients surpassed the utilisation by New Zealand European clients in September 1995. The number of clients utilising the Palmerston North Foodbank in 1995 whose ethnicity is described as 'other' has also increased slightly from 1994.

**FIGURE FIVE: SELECTED INCOMES OF CLIENTS ATTENDING PALMERSTON NORTH FOODBANK: Wages, Unemployment Benefit and Domestic Purposes Benefit.**

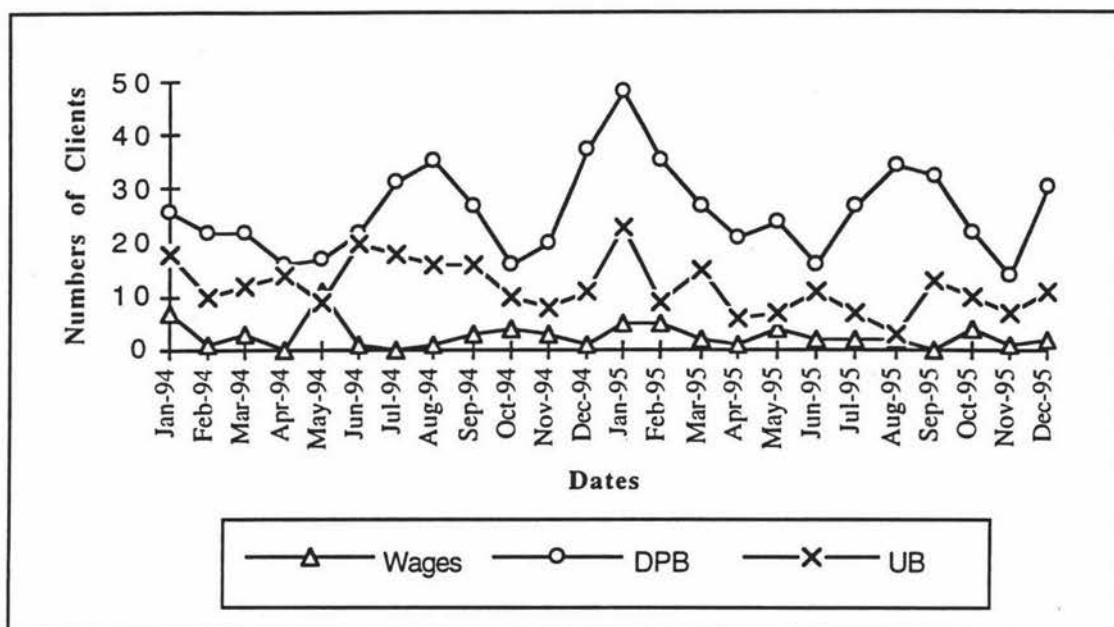


Figure Five shows that the majority of clients attending the Palmerston North Foodbank have incomes derived from the Domestic Purposes Benefit. This figure does not reiterate the general increase across New Zealand of the number of clients attending foodbanks who are employed. Labour Member of Parliament, Steve Maharey, citing figures released by Salvation Army Foodbanks throughout the country, claims that 11 percent of clients receiving food parcels are wage earners. At the Palmerston North Foodbank this figure is much lower and stands at about five percent ('Few earners going to foodbanks', *Evening Standard*, 1996: 23 January).

In order to present the Palmerston North Foodbank with a more human face, aside the above quantitative data, I will now provide several profiles of foodbank clients. This will allow for the voices of several marginalised persons to be heard.

Maria<sup>15</sup> is a Maori women in her mid forties who has recently had a baby. Her children have all grown up and they now have children of their own. With no partner, her husband is no longer with her, and with the extra financial support she needs to provide food and care for her grandchildren when they come to stay, Maria struggles to survive on the basic Domestic Purposes Benefit. Maria is a woman who has worked all her life

<sup>15</sup> The names used throughout these profiles are pseudonyms.

and finds this constant struggle for survival both bewildering and humiliating. She finds the budgeting service she attends quite helpful but feels the \$30.00 per week she is allocated for food very difficult to manage on. She has applied for a Special Needs Grant for food from the NZISS and is hoping to receive an extra \$12 per week for her food budget. In the summer she has a vegetable garden to supplement her meagre \$30.00 per week food budget, but in the winter vegetables are scarce and she must rely on the foodbank.

Jane is a New Zealand European woman in her early twenties. Although she has no children of her own, she looks after her sister's children four days a week and finds it difficult to feed both herself and the children on the \$108 or so she receives on the Unemployment Benefit. Because the Palmerston North Foodbank's eligibility criteria excludes single people, she has been forced to lie about her circumstances in order to obtain a food parcel.<sup>16</sup> Coming to the foodbank is a real embarrassment for Jane but nevertheless she finds the service 'choice' and one that is really needed in our community (1995, personal communication).

Eru is a Maori man with seven children. He is well known to the foodbank and uses its service regularly to supplement the \$150 per fortnight he has left for food once all the other bills have been paid out of his Invalid's Benefit. Eru has just spent 12 months in prison for stealing food after being told he was ineligible for a food parcel by a Palmerston North Foodbank: 'My family were hungry and we had no food - what else could I do?' he recounted. Eru had nothing but praise for the Palmerston North Foodbank. He found their service 'excellent' and stated that if he ever won Lotto he would give the foodbank \$20,000 (1995, personal communication).

The above testimonies present a small insight into the client base of the Palmerston North Foodbank.

## **SMALLER PALMERSTON NORTH FOODBANKS**

There exists in Palmerston North, at least five smaller foodbanks which are involved directly with the alleviation of poverty through the provision of food parcels. I have focused particularly on the Saint Vincent de Paul and the Saint Mary's foodbanks because

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<sup>16</sup> Jane did not volunteer why she chose to go to the Palmerston North Foodbank not the Salvation Army Foodbank and I was not in a position to ask her for her reasons as I was attempting to develop a trusting relationship with her during the course of our interview. It may be, however, that clients are unaware of the differing foci of the two main foodbanks.



when I was soliciting information on the existence of other Palmerston North foodbanks besides the Salvation Army Foodbank and the Palmerston North Foodbank, these were the foodbanks I was referred to.

## THE SAINT VINCENT de PAUL SOCIETY FOODBANK

*Lord USE ME to tell the poor You love them. USE ME to tell the weary You will give them rest. USE ME to breath a gentle word of peace. USE ME to reach the least of Your brethren with the Good News of Your love. THEN will I truly share the joy of my faith in You with the world (St Vincent de Paul prayer, circa ,1995).*

Under the umbrella of the Roman Catholic Church, the Saint Vincent de Paul Society is 'an international fraternal organisation of lay people who practise Christianity by helping those in need on a person to person basis'. Saint Vincent de Paul can trace its operations in New Zealand to 1868. It operates a variety of services based on relieving need as well as redressing situations that cause need, without any attempt to preach or convert those it serves (St Vincent de Paul unpublished pamphlet: 1995).

The provision of food parcels is only one of the services the Saint Vincent de Paul Society in Palmerston North offers the oppressed and poor. Nevertheless, it is a service which has become important in the daily operations of the society. It began in the early 1980s, like many other foodbanks in New Zealand, but, unlike some foodbanks, it continues along the same lines today as it did at the time of its establishment (Saint Vincent de Paul Volunteer, 1995: personal communication)

Basing its eligibility criteria on a 'giving according to need rather than rules' philosophy, the food parcel service of the Saint Vincent de Paul takes client referrals through the Saint Patricks Church presbytery. These referrals, which come from a variety of sources such as Women's Refuge, Citizens Advice Bureau and parishioners, are then followed up by one of the Saint Vincent de Paul volunteers who will briefly ring the client to assess how many people reside in the household before a food parcel is packed for distribution. The food parcels are worth approximately \$45 each and will always contain meat and vegetables as well as other basic food items such as flour and sugar (Saint Vincent de Paul Volunteer, 1995: personal communication).

Food parcels are delivered to the client's home at the volunteer's expense and the volunteer is required to keep a non-judgmental attitude at all times in her or his dealing

with clients. Clients receive their first parcel almost automatically but for their subsequent parcels questions as to why the client continues to need a food parcel are often posed. Clients will not be refused a food parcel, however, because of the Saint Vincent de Paul's philosophy of giving according to need. In this light it is interesting to note that the demand for food parcels from the Saint Vincent de Paul has not dropped like the demand for food parcels has at the other two main foodbanks in Palmerston North. In 1994, the average food parcel provision was six parcels per week, while in 1995 this has increased to ten per week (Saint Vincent de Paul Volunteer, 1995: personal communication).

Giving according to need is also the philosophy behind the operations of another small foodbank in Palmerston North and it too operates under the umbrella of the Catholic Church.

## **THE SAINT MARY'S FOODBANK**

The foodbank attached to Saint Mary's Catholic Church is run by a Sister of Mercy<sup>17</sup> and several volunteers from the parish. It has been operating for six years and according to the Saint Mary's Foodbank Coordinator (SMFC), will continue to operate as long as there is need in the community. Clients are referred to the SMFC mainly by other parishioners. The clients are usually Catholics, although according to the SMFC non-Catholic clients are welcome at all times (SMFC, 1995: personal communication).

Once the SMFC has made initial contact with a client, usually via a home visit, the client will go on her 'list'. At present, the SMFC has 35 families on her list and they receive two food parcels a week, one containing whatever groceries have been donated by parishioners on the previous Sunday and the other containing fresh fruit and vegetables. Volunteers help to deliver these parcels and clients continue to receive them for as long as they require them. There are no restrictions or eligibility criteria imposed. The SMFC has weekly phone contact with clients to assess whether or not they are happy with their food parcel or if there is anything in particular they need for their next one (SMFC, 1995: personal communication).

While she is delivering food parcels, the SMFC will often spend time with a client chatting and assessing if he or she has any pressing worries she could attend to. Often

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<sup>17</sup> The Sisters of Mercy are an Irish congregation of sisters which began their mission in Ireland in the 1840s. They commenced their work in New Zealand in the 1860s.

the SMFC receives donations of cash for the foodbank and, at the approval of the donor, she will pass this donation on to one of her clients who she feels could benefit from the donation. One client, a mother of five school aged children, was having difficulty covering exam fees and school expenses with her husband's extremely low income. She feared some of her children would have to miss out on a much anticipated school trip because the weekly budget was already over-stretched owing to her recent payment of her children's School Certificate and University Entrance fees. The SMFC provided this client with money without obligation so that the children could participate in the school trip.

Saint Mary's Foodbank also provides clients with both new and used clothes. Used clothes are delivered weekly with the food parcels, but new clothes are sewn by parishioners and are available on a once per year basis for foodbank clients to peruse and take what they need. The SMFC is continuing with this exercise because she feels the looks on the faces of the children, who, for once, had the choice of new clothes rather than the usual second hand fare, warrants its continuation (SMFC, 1995: personal communication).

### **ADDITIONAL SMALL FOODBANKS OPERATING IN PALMERSTON NORTH**

As I stated earlier in this chapter, there are at least five small foodbanks operating in Palmerston North. Typically these will be subsidiary to the operations of an existing voluntary organisation such as the food parcel service operating at the Te Aroha Noa Family Centre in Highbury.

The Te Aroha Noa Family Centre provides a number of services for beneficiaries and low income families including counselling, life skills courses, and health promotion activities. It does not advertise the existence of a foodbank but does keep a store of groceries donated by parishioners of the Central Baptist Church on the premises. These are given out to clients if there is an expressed need. At Christmas time when the demand for food parcels is greater the Te Aroha Noa Family Centre often provides up to 50 parcels to Centre clients (Te Aroha Noa Family Centre Volunteer, 1995: personal communication).

The All Saint's Children's Trust is another voluntary organisation which provides material assistance to beneficiaries and low income earners. This assistance does not usually extend to the provision of food parcels, however, but takes the form of grants

given to families to pay for prescription charges, or to purchase milk formula for their babies.

Most church and some secular voluntary organisations in Palmerston North have operated some type of foodbank or food parcel service since the late 1980s and early 1990s. As long as poverty persists in New Zealand society, foodbanks will be there to pick up the pieces. Foodbanks exist in Palmerston North because there is a genuine need for their services. As the Salvation Army's CFSD observed, 'foodbanks have become a culture' (1995: personal communication).

## SUMMARY

Despite Palmerston North's superficial prosperous appearance, poverty does exist here in the 1990s. A number of organisations, both formal and informal, are involved with the business of poverty alleviation on a day-to-day basis. Foodbanks in Palmerston North form part of the informal or voluntary sector's response to poverty, and have been working in this sector for more than a decade and a half. Foodbanks exist in Palmerston North, as in other New Zealand towns and cities, not only because of the persistence of poverty, but also because the restructuring of the welfare state has devolved increased responsibility for the provision of welfare services onto the voluntary sector.

This chapter has outlined the operations, utilisation and client base of the two main Palmerston North foodbanks as well as two other smaller foodbanks. Chapter Seven will delve into these foodbanks in greater detail, applying the theoretical model developed in Chapter Two, to determine the development approach taken by each foodbank in their quest for poverty alleviation.

# CHAPTER SEVEN

## AN ANALYSIS OF PALMERSTON NORTH FOODBANKS' DEVELOPMENT PRACTICES

### INTRODUCTION

Foodbanks exist in New Zealand's voluntary welfare sector because the SAP of economic reform, instituted by the fourth Labour Government and carried through by the incumbent National Government, has contributed to a process of underdevelopment in New Zealand. The institution of economic and social policies ideologically linked to the ascendancy of the New Right in New Zealand's political context has seen a devolution of responsibility for remedying this process of underdevelopment on to the voluntary sector, which, owing to lack of resources, skills and theoretical foundations, has often formed inappropriate and short sighted strategies for poverty alleviation. Conversely, some voluntary sector agencies, such as the Downtown Ministry's foodbank,<sup>1</sup> have recognised that short-sighted relief type strategies for poverty alleviation simply legitimise the current inequitable social and economic policies of the state and inadvertently support a return to the notion of public begging. Where on the continuum between these two modes of development practice do Palmerston North foodbanks lie?

By applying the theoretical framework developed in Chapter Two and by drawing on data collected during my fieldwork, this chapter will analyse the modes of development practice employed by Palmerston North foodbanks in their quest for poverty alleviation. This analysis will not only leave the reader with a clear understanding of the modes of development practice employed by Palmerston North foodbanks but, in addition, a realisation of the importance of applying development theory to analyse the effectiveness of NGOs' development practice in a New Zealand context.

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<sup>1</sup> See Chapter Four for a discussion on The Downtown Ministry's development practice.



## **FEATURES OF PALMERSTON NORTH FOODBANKS' DEVELOPMENT PRACTICE**

Before I embarked on my fieldwork in Palmerston North, I had predicted that the only features of development practice I would encounter in my day-to-day dealings with foodbanks would be suggestive of a relief mode of development practice. Following two months of intensive fieldwork, however, the data which I collected often indicated otherwise. Below, each foodbank studied is analysed according to its theoretical base, its role in the development process and its clients' role in the development process as following on from the theoretical framework discussed in Chapter Two, Table Two.

### **THE PALMERSTON NORTH FOODBANK**

#### **Theoretical Base**

Volunteers and paid workers at the Palmerston North Foodbank appeared to have a good understanding of underdevelopment. On my first day at this foodbank, for example, I was engaged in a lengthy and interesting discussion on the concept of development by two of the volunteers. As they grappled with the issues of development and underdevelopment, I was struck by their desire to place their daily activities in the foodbank in a wider development context. Simone,<sup>2</sup> one of the volunteers, remarked that the setting up of an Institute of Development Studies at Massey University was 'a good idea' and that a lot of development was 'really bad'.

There were many quiet periods during my time at the Palmerston North Foodbank when I would sit down with some of the Volunteers or the Foodbank Coordinator and discuss issues of wider significance. Our discussions took us from topics such as the inadequacy of benefit structures to enable people to belong and participate in their communities, to the nature of poverty, and on further still to in-depth analysis of the difficulties associated with current government policy aimed at increasing the responsibilities of the voluntary sector for all aspects of welfare provision.

The people running this voluntary organisation aimed at poverty alleviation thus seemed to have an understanding of underdevelopment suggestive of a theoretical underpinning

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<sup>2</sup> In the interests of confidentiality, all names mentioned in this chapter are pseudonyms.

of participation. The Palmerston North Foodbank coordinator and volunteers did not blame the individual foodbank clients for failing to adapt to the current neo-liberal economic system, but instead placed the blame for their marginalisation firmly in the hands of government. This understanding of underdevelopment which takes as its frame of reference the experience of clients within a particular political context, was apparent in most of their personal interactions with clients who often remarked how comfortable they found the interview process,<sup>3</sup> but it did not, however, guide their development practice.

The strict eligibility criteria imposed on foodbank clients is one such example of this inconsistency in translating a theoretical underpinning of underdevelopment into practice.<sup>4</sup> Why must clients be restricted in the amount of food parcels they are able to receive when the Palmerston North Foodbank appears to recognise that it is not the clients themselves who should shoulder the responsibilities for their marginalisation but the current inequitable economic system? The answer could lie in the diminishing of food resources which would necessitate a need to ration the amount of food currently available and indeed this was a reason given to me by the director of Methodist Social Services when I questioned him on the imposition of eligibility criteria. He stated that many of the parishioners believed that there should be no eligibility criteria but did not find ways to come up with the resources needed to fund the extra clients involved in such a scheme.

Food resources, however, appeared to be plentiful at the Palmerston North Foodbank. The Foodbank Coordinator, Volunteers and I spent one morning restocking the pantry, which serves the immediate needs of foodbank clients, with food from a large container stored outside the foodbank. This container was filled with unperishable goods such as tinned vegetables and fruit, cereal, and bread spreads - enough it seemed to feed a large number of foodbank clients. Often perishable foods donated to the foodbank would subsequently rot because there were not enough clients who met eligibility criteria to take them away. Whether food stocks were particularly plentiful during the period of time I spent at the Palmerston North Foodbank and scarce at other times when I was not there to observe, is obviously debatable. Nonetheless, one of the Palmerston North Foodbank volunteers who had worked there for some time did comment that the idea of leaving food 'just sitting there' was a 'crazy' practice and one she had found difficult to come to terms with since the imposition of strict eligibility criteria in the early 1990s.

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<sup>3</sup> The compulsory training given to volunteers at the Palmerston North Foodbank (as discussed in Chapter Six) enables them to approach clients in an empathetic and non-judgmental way and is perhaps one of the reasons why volunteers appear to have an understanding of underdevelopment which is more participatory than neo-liberal.

<sup>4</sup> See Chapter Six for an outline of the Palmerston North Foodbank's eligibility criteria.

In further defence of the need to impose eligibility criteria, the Palmerston North Foodbank Coordinator and Director of Methodist Social Services stated that it 'depended on how you looked at the service'. For the Director and for the Foodbank Coordinator, the foodbank's role in the development process was one of emergency relief with an emphasis on helping people to help themselves. Interestingly, the Palmerston North Foodbank coordinator also stated that, even though parishioners believed there should be no criteria imposed on clients, evidence of clients becoming dependent on the foodbank would place pressure on the church and 'would be enough for the church to close you down'.

While workers at the Palmerston North Foodbank appear to have a theoretical understanding of underdevelopment far removed from that offered by some adherents of neo-liberalism, there are inconsistencies with translating this theoretical understanding into practice. The imposition of eligibility criteria makes overt distinctions between the deserving and the undeserving poor and directs the blame for underdevelopment towards the victims. This does not ring true with an understanding of underdevelopment which recognises inequitable structures as contributing factors to this process. It would appear, therefore, that the Palmerston North Foodbank's theoretical underpinning is, in part, a neo-liberal one.

### **Role In The Development Process**

The Foodbank Coordinator once stated that there was no point being the 'ambulance at the bottom of the cliff', when what was really needed were strategies that stopped people from requiring the ambulance in the first place. Thus the Palmerston North Foodbank does not see its role in the development process as purely relief, rather a sustainable mix of both emergency relief and self-help strategies.

My own observations of the Palmerston North Foodbank confirm this perception. There were numerous occasions when I saw this foodbank moving beyond the provision of emergency relief to act as facilitators for their clients' self-help. The notice boards displayed prominently in the waiting area and in the interview room of the foodbank which are filled with pamphlets and posters aimed at educating foodbank clients on a variety of issues such as community services and health care, are one such example. Others include the provision of the booklet *Limited Living Resource Guide* to foodbank clients, the promotion of budgeting strategies as a pre-requisite for food parcel eligibility and the Living on a Limited Income course which aims to provide living skills for people on low incomes.

## **Clients' Role In Development Process**

In my first week of fieldwork it seemed that foodbank clients had no role to play in the development process employed at the Palmerston North Foodbank. Clients appeared to be passive - they would arrive, fill out their forms and leave with their food parcels. Their input was neither sought nor required beyond the level of their physical need. During my second week, however, I had to modify my initial impressions after being shown a survey the foodbank had recently undertaken which aimed to ascertain foodbank clients' acceptance of the new eligibility criteria and their ideas on how the foodbank service could be improved. This data would then be used to modify the existing foodbank service. Clients were therefore accorded some participation rights in the development process operational at this foodbank.

## **THE SALVATION ARMY FOODBANK**

### **Theoretical Base<sup>5</sup>**

My first encounter with the Salvation Army Foodbank took place early in my research, when I had telephoned the CFSD to arrange an interview to discuss my proposed research. Quite by chance I was given an early insight into the Salvation Army's understanding of underdevelopment. In response to my explaining my understanding of the global process of underdevelopment during this phone call, the CSFD responded with a firm 'but there is no poverty in New Zealand'.

In subsequent interviews the CFSD was quick to stress that although some people who came to the foodbank were genuine, most of the people used the foodbanks because 'it was there to be used'. These clients, he stated, found it difficult to deny themselves unnecessary purchases such as disposable nappies, alcohol and gambling, and would have no qualms in getting all they could from the foodbank. In addition to these value judgements the eligibility criteria imposed on clients further compounded the overt distinctions made between the deserving and the undeserving poor at this foodbank.

Both the CSFD and the SAFC seemed to find it inconceivable that some foodbank clients might have been having difficulties with the NZISS and perhaps were not receiving all

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<sup>5</sup> The analysis which follows is derived from data collected from several interviews with both the SAFC and the CFSD. Although the interviews were in-depth and covered a wide range of subjects, they did not provide me with the same kind of insights that one month's participation at the Palmerston North Foodbank allowed for. Consequently this section is somewhat briefer than the analysis of the Palmerston North Foodbank.

they were entitled to receive by way of benefits and supplementary benefits. They commented that the NZISS had been extremely helpful and that they had no problems whatsoever with the Palmerston North office. The CSFD even went as far as professing that 'raising benefits will not eliminate the need for foodbanks because some people place a low priority on food...[and that]... some families were already receiving substantial benefit packages but still had no money for food' ('Higher benefit payments won't eliminate need', *Evening Standard*, 1995: 24 May).

In the same newspaper article, the CSFD outlined the reasons given in a recent survey undertaken by the Salvation Army Foodbank as to why people had no money to buy food. One reason given was that accommodation costs accounted for up to 38 percent of some foodbank clients' weekly income. When I brought up the subject of the survey results at an interview with the CSFD, he stated that the results were most probably 'exaggerated' as most foodbank clients didn't even know what their total income per week after tax was.

I was left with the impression that the CSFD did not believe all foodbank clients were genuine. He stressed to me on one occasion, for example, that people who were in genuine need of the foodbank's service did not utilise it. It seemed that the Salvation Army was running a foodbank to facilitate clients' entry back into the system but were unconcerned as to why clients needed the foodbank in the first place. On occasions when the CSFD and the SAFC did stop to consider why clients utilised the foodbank, the reasons they came up with appeared to place the blame for underdevelopment clearly with the clients. The CSFD did not feel it was appropriate to use foodbanks for political leverage as in lobbying Parliament for example, but did notify the media on issues such as the abuse of the foodbank system. The SAFC and the CSFD had little empathy towards the suffering of their clients, but did recognise they had some part to play in alleviating their poverty through the provision of emergency relief and evangelism.

Due to the existence of an implicit understanding of underdevelopment (which fails to recognise policies and institutions of the current free-market economic system as contributing factors to a process of underdevelopment), and which focuses on the inadequacies of individual actors to respond positively to their environment, it appears that the Salvation Army is operating within a theoretical framework of neo-liberalism. The emphasis placed on evangelism by the Salvation Army Foodbank is, in addition, congruent with a neo-liberal underpinning to development practice which supports the imposition of Christian values as a way of 'providing the moral framework and ideological legitimisation for greater social discipline' [as well as] 'removing the factors which are believed to have undermined the family' (Weeks, 1985: 39, cited in Ryan,



1988: 79). The provision of food parcels and evangelism are the mechanisms promoted by the Salvation Army Foodbank to facilitate the entry of foodbank clients back into the current economic system.

### **Role In The Development Process**

Although I did not have the opportunity to observe either the Salvation Army Foodbank's role or their clients' role in the development process, interviews revealed that the Salvation Army Foodbank saw itself as having more than just an emergency relief role to play. The SAFC and the CFSD stressed to me they were 'trained advocates' and this statement, coupled with the fact that alternative services were available and listed on the foodbank form, is evidence of a perception by the Salvation Army Foodbank of their role as facilitators for self-help. Services such as 'saying no to alcohol, drugs, gambling or smoking, women's fellowship, budget assistance, and knowing how to become a Christian', are regarded by the SAFC and the CFSD as self-help strategies which offer more to the foodbank client than the simple provision of food parcels.

### **Clients' Role in The Development Process**

At the Salvation Army Foodbank clients appear to be passive in the development process. Even when their participation has been required, as in the case of the survey conducted by the CFSD, it was on a superficial level only. The survey process could have provided the opportunity for both the CSFD and the SAFC to learn from the experiences of foodbank clients by ascertaining, for example, the effectiveness of the foodbank service. Unfortunately, however, these types of questions were not asked nor did the CSFD appear to validate the results of the questions that were. Clients, therefore, do not have a role to play at the Salvation Army Foodbank beyond the fulfilment of their physical needs.

## THE SAINT MARY'S FOODBANK

### Theoretical Base<sup>6</sup>

From my earliest meetings with the SMFC I sensed a display of real empathy towards her clients' needs and an understanding of underdevelopment which adopted as its terms of reference the experiences of such clients. At an initial interview, we talked at length on subjects such as government restructuring, changes to the welfare state and the inadequacy of benefits to meet the daily living needs of the poor and marginalised in New Zealand society. Our discussion then moved further to the specific problems associated with the current change from state rentals to market rentals, to which the SMFC commented 'Michael Savage would never have meant it to be this way'.<sup>7</sup> In response to my comments on the policies and practices of the incumbent National Government, the SMFC again stressed that she was 'so disappointed in him' (in reference to Prime Minister Bolger) and that she thought he would really care but he was selfish and had let everyone down.

During the same interview, the SMFC recounted some of the difficulties and hardships her clients faced in their day-to-day existence. She mentioned particularly the extra hardship experienced by her clients following the benefit cuts of April 1st 1991, and the current difficulties they now faced with increases in their weekly state rentals of up to \$40 per week, per household. The SMFC did not feel that the benefit structures were adequate to meet her clients' needs, nor did she feel that budgeting strategies were particularly helpful to her clients as they did not receive enough money to budget with.

This apparent understanding of underdevelopment which recognises political and societal structures as contributing factors, appeared to translate through into the daily development practice of Saint Mary's foodbank. With features such as the delivery of food parcels to clients (as opposed to expecting clients who often have no transport to come to the foodbank), and the lack of eligibility criteria in regard to the provision of food parcels, the SMFC appeared to view the needs of her clients as paramount. In this way, Saint Mary's Foodbank seemed to operate under an implicit participatory approach to development. Such an approach takes as its term of reference the experience of clients

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<sup>6</sup> The analysis which follows on the theoretical underpinnings of Saint Mary's foodbank stems not only from data gathered from interviews with the SMFC and foodbank volunteers, but also from several days participant observation at Saint Mary's foodbank. In this way, the analysis will be more in-depth than the forthcoming analysis on the Saint Vincent de Paul's food service where interviews were the only available research technique employed.

<sup>7</sup> Here the SMFC is referring to the late Prime Minister Michael Joseph Savage who held office for the Labour Government from 1935-1940.

within a particular political context, rather than a neo-liberal theoretical base which tends to place the onus for underdevelopment on individual actors, who, according to this philosophy, have failed to adapt to the current economic system.

### **Roles Played In The Development Process By Foodbank And Clients**

Although the principle role of the Saint Mary's Foodbank appears to be the provision of emergency relief, it also extends itself to the facilitation of self-help strategies for foodbank clients. This facilitation appears in the form of providing avenues for employment,<sup>8</sup> and in budgeting guidance given to foodbank clients at their request. This is an important distinction from the Salvation Army Foodbank and the Palmerston North Foodbank who, rather than responding to clients' requests, impose budgeting guidance on their clients. In addition, the existence of strategies including the provision of new and used clothing and, on occasions, financial assistance to those clients who are unable to participate in a certain school or community event, also indicates a role that extends beyond emergency relief.

Clients of Saint Mary's Foodbank have more than a passive role to play in the development process. The SMFC will contact clients weekly to assess the adequacy of their previous food parcel and to ask clients if they have any additional requests or needs that could be met. This, too, is the time when clients have the opportunity to indicate whether they still require the foodbank service.<sup>9</sup>

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<sup>8</sup> On one occasion when I was delivering food parcels with the SMFC, we visited a man who had found work following a suggestion by the SMFC to place an advertisement for work-wanted in the Saint Mary's parish newsletter.

<sup>9</sup> The SMFC indicated that several clients had decided to stop receiving food parcels and this reinforced to her that most food bank clients request food parcels out of genuine need. She felt that abuse of the foodbank system by clients was quite rare.

## THE SAINT VINCENT DE PAUL FOODBANK<sup>10</sup>

### Theoretical Base

The Saint Vincent de Paul Foodbank provides food to the poor and marginalised in Palmerston North on a more or less 'no questions asked basis'. Clients are recommended to attend a budgeting service after receiving their first two parcels, but this does not seem to be a necessary pre-requisite for the provision of future parcels, as it is with both the Salvation Army and the Palmerston North Foodbanks. Clients appear to be approached in a non-judgmental way and food parcels are delivered to them rather than there being an expectation that clients will pick up the parcels themselves.

Great care is taken with the type of food included in a food parcel. One Saint Vincent de Paul volunteer I interviewed stressed that meat was always included as this was a food item which was often too expensive for many clients to buy for themselves. Fresh vegetables were also included so that clients could cook at least several nutritional meals on receipt of the food parcel. Parcels are packed according to the number of persons residing in the household rather than pre-packed to a standard size, as is often the case with several other foodbanks in Palmerston North.

Due to these features of the Saint Vincent de Paul's food parcel service, it would be difficult to imply that this organisation is operating within a theoretical base of neo-liberalism. By approaching clients in a non-judgmental way and by tailoring food needs to the client, the Saint Vincent de Paul's food service appears to be operating with certain philosophies of the participatory approach to development in mind. The experience of clients is taken seriously and, by the same token, clients do not appear to be blamed for failing to adapt to the current economic system.

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<sup>10</sup> Insofar as the Saint Vincent de Paul Foodbank operates under the umbrella of the Catholic Church, one would expect its development practice to be similar to the mode of practice operational at Saint Mary's Foodbank. This, however, is difficult to support in light of the different research techniques employed in my dealings with both organisations. In-depth interviews were the only appropriate means of gathering primary data from the Saint Vincent de Paul Foodbank whereas at Saint Mary's I was able to conduct participant observation as well as in-depth interviews. Participant observation was not appropriate at the Saint Vincent de Paul as their foodbank service was rather random and informal. Food parcels were delivered to clients at any time of the day by means of a scooter. There were no official foodbank hours or even a central office type arrangement in which I could observe the foodbank in operation. I therefore opted for in-depth interviews which were more appropriate and convenient for both myself and the Saint Vincent de Paul workers.

## **Foodbank And Clients' Role In The Development Process**

Although the Saint Vincent de Paul Foodbank's role in the development process appears to be emergency relief only, on occasion it does extend to the facilitation of self-help services. Clients are encouraged to seek budgeting advice following the provision of two food parcels and often foodbank workers will educate their clients on other self-help services available in the community.

Clients, too, are attributed more than a passive role to play. The very fact that clients are contacted in regard to their circumstances before a food parcel is delivered, indicates that their participation is sought, albeit in a limited way, in the development process.

Thus far this chapter has discussed the features of development practice operational in four Palmerston North foodbanks. It will now begin the process of linking these features to a distinct mode of development practice to determine where on the continuum of development practice each Palmerston North foodbank lies.

### **MODES OF DEVELOPMENT PRACTICE:**

#### **THE RELIEF MODE**

Congruent with the theoretical framework developed in Chapter Two, foodbanks which operate within a relief mode of development practice will display the following features: a theoretical underpinning of neo-liberalism; an understanding that their role in the development process is for emergency relief through the provision of food only; and a belief that recipients should be passive to the development process. Although the data collected during my fieldwork did indicate that some foodbanks have moved beyond a purely relief mode of practice, it nevertheless also showed that each foodbank studied displayed several, if not all, of the above features of the relief mode of development practice.

The Palmerston North Foodbank, for example, displays an implicit neo-liberal underpinning to its development practice reflected in the imposition of eligibility criteria on foodbank clients and, within this, the distinctions made between the deserving and undeserving poor. Despite this, fact, it would be incorrect to place the Palmerston North foodbank directly under the relief mode of development practice without the support of



two further features of development practice. This foodbank perceives itself as having a role in the development process which extends beyond the provision of only emergency relief and its clients are attributed more than just a passive role. These two features of development practice, rather than reinforcing the articulation of a relief mode of development practice, are suggestive of a community development mode.

The development practice of the Salvation Army Foodbank also follows along similar lines. Its emphasis on evangelism, coupled with the distinctions it makes between the deserving and the undeserving poor, indicates an implicit neo-liberal underpinning, while the passive role reserved for its clients in the development process further reinforces the articulation of a relief mode of development practice. The fact that the Salvation Army Foodbank's role in the development process extends beyond the provision of emergency relief only, however, makes it difficult to state categorically that its mode of development practice is purely relief. Nevertheless, because there exists in the Salvation Army Foodbank's development practice two out of three features of the relief mode, I would suggest that this is the most dominant mode of development practice articulated at the Salvation Army Foodbank.

Unlike the Salvation Army Foodbank, the features of development practice displayed by both the Saint Vincent de Paul and Saint Marys' Foodbanks are not generally indicative of a relief mode of development practice. Most importantly, both these foodbanks show an understanding of underdevelopment that is more suggestive of a theoretical underpinning of participation than neo-liberalism. The roles played in the development process by both these foodbanks extend to the facilitation of self-help and, in addition to this, clients are accorded more than a passive role to play. It would be inaccurate, therefore to place these two foodbanks under a relief mode of development practice.

By analysing the effectiveness of facilitating self-help strategies, the forthcoming section on the community development mode of development practice will decide whether the existence of such a feature of development practice in the four foodbanks discussed above necessarily indicates an articulation of the community development mode, or rather a relief mode in disguise.

## THE COMMUNITY DEVELOPMENT MODE

Congruent with the theoretical framework developed in Chapter Two, foodbanks which operate within a community development mode of development practice will display the following features: a theoretical underpinning of participation; a role in the development process which extends to the facilitation of self-help strategies in addition to the provision of food and; an expectation that clients will participate in the development process.

### Self-Help Strategies

In my analysis of the relief mode of development practice, I stated that the existence of a role in the development process which extended to the facilitation of self-help strategies placed both the Salvation Army Foodbank and the Palmerston North Foodbank in a rather ambiguous position in my theoretical model. For the Salvation Army, the facilitation of self-help strategies was the only feature of a community development mode of development practice in operation, but for the Palmerston North Foodbank, the existence of this feature reinforced several other community development features. What must now be examined is whether these particular self-help strategies are effective community development strategies or whether they can be considered instead, relief type strategies.

To be effective as community development strategies, the self-help services offered by the four Palmerston North foodbanks involved in my research, must seek to develop the capacities of the community to meet their own needs while understanding at the same time that these needs exist because of wider structural inequities. Due to the fact that foodbanks within a community development mode will take as their term of reference the experience of their clients within a particular political context, the self-help services employed will not only be appropriate for their clients, but will also encourage their participation.

Budgeting, for example, is a mandatory self-help service at both the Palmerston North Foodbank and the Salvation Army Foodbank and to a lesser extent at the Saint Vincent de Paul Foodbank. There has been some discussion in the literature on the appropriateness of budgeting for foodbank clients. A 1995 report prepared by the NZCCSS on the reasons why people sought budgeting advice from church-based budgeting agencies found that 'most budgeting clients indicated that lack of income rather than budgeting

skill was their primary reason for seeking budgeting advice' (Young, 1995b: 30). The report, in addition, stressed that,

*...the solution to the significant increase in the use of foodbanks...by beneficiaries and low income families therefore does not lie in 'case management' or increased budgeting skills. What the overwhelming majority of this survey's respondents require is structural change (ibid.).*

Budgeting advice, therefore, is limited in its ability to develop the capacities of foodbank clients to help themselves. Often this is simply because there is not enough money to budget with. As Major Keith Goodison of the Auckland Salvation Army Foodbank put it, '...when you're on the bones of your backside there are not many places to go' ('Survival Rations', *The New Zealand Herald*, 1995: 27 June). Most of the foodbank clients I interviewed reiterated this statement. Some found the budgeting criteria rather insulting as they considered themselves to be excellent budgeters anyway, while others did find it useful, especially when budgeting agencies acted as go-betweens to their dealings with the NZISS and creditors.

Budgeting appears to be most appropriate to foodbank clients when it focuses on advocacy rather than clients' apparent mismanagement of their income. The Salvation Army Foodbank, the Saint Vincent de Paul Foodbank and the Palmerston North Foodbank refer their clients to a free budgeting service in Palmerston North, which does seem to perform this advocacy role, so in this way they are facilitating a self-help service which is appropriate to the target community.<sup>11</sup> Whether it is simply good fortune that the budgeting service these foodbanks refer their clients to does operate in this fashion or whether this service is preferred precisely because of its focus on advocacy, is difficult to ascertain. I did notice, however, in the case of the Palmerston North Foodbank, that clients who were attending alternative budgeting agencies were not questioned on the effectiveness or the appropriateness of these services. All the foodbank appeared to be concerned with was whether the clients were attending budgeting exclusively.

It seems, at least in the case of the Salvation Army and the Palmerston North Foodbanks, that budgeting is insisted upon because these two foodbanks tend to be focused on short-term relief type strategies which aim to facilitate their clients entry back into the free-market economic system, even though this system only serves to increase their poverty.

The Palmerston North Foodbank's 'living on a limited income' course is another self-help strategy which could be considered an effective community development strategy.

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<sup>11</sup> Budgeting advice at Saint Mary's Foodbank is given by the SMFC.

But equivalent to the facilitation of budgeting services, there is little evidence to suggest that the course either encourages the participation of foodbank clients or is an effective and appropriate service in the clients' eyes. Clients of the Palmerston North Foodbank can opt to attend at least eighty percent of the 'living on a limited income' course as a substitute to budgeting but few seem to realise that this is an option. At the last course, which ran from May 10th to June 28th 1995, only two foodbank clients attended.

When I was observing the interview process during my participant observation at the Palmerston North Foodbank, none of the workers outlined to clients that this course was available. Perhaps then, clients are not attending because they are unaware of the existence of the course rather than failing to attend because of feelings they may harbour related to the effectiveness of the course. Certainly one foodbank client who attended the course found it very helpful and articulated his appreciation to the course controller at a later evaluation.

Thus, as with the facilitation of budgeting services, the 'living on a limited income' course run by the Palmerston North Foodbank may be limited in its ability to develop the capacities of foodbank clients to meet their own needs. It is, however, more of an appropriate strategy for foodbank clients than the alternative self-help strategies offered at the Salvation Army Foodbank.

These self-help strategies, which include women's fellowship, a visit from a church member, knowing how to become a Christian, and attending the Salvation Army church service, are overtly evangelistic in nature and do not attempt to target themselves to the stated needs of the client community. Such services fail to recognise the contribution of political and societal factors to a process of underdevelopment but offer instead a Christian panacea to dilute clients very real experiences of poverty. Moreover, the very fact that both the SAFC and the CFSD admitted clients rarely make use of these services suggests that they do not encourage clients' participation nor are they effectual in developing the capacities of foodbank clients to meet their own needs.

To be effective community development strategies, the self-help strategies employed at all four foodbanks must operate with a theoretical underpinning of participation. This theoretical base not only recognises that political and societal structures are contributing factors to a process of underdevelopment but also takes as its terms of reference the experience of foodbank clients within a particular political context. The Salvation Army Foodbank and the Palmerston North Foodbank do not operate with this theoretical underpinning but rather with a neo-liberal theoretical stance. The existence of the facilitation of self-help strategies at the Palmerston North Foodbank and the Salvation

Army Foodbank does not necessarily indicate, therefore, the articulation of a community development mode of development practice.

In the case of the Saint Vincent de Paul and Saint Mary's Foodbanks, however, self-help strategies, such as providing employment for clients and budgeting services, are effective because they are facilitated by foodbanks which display an implicit theoretical underpinning of participation. It would appear, in this light, that the development practice of these two foodbanks is more in tune with a community development mode than a relief mode of development practice. This feature, coupled with the provision of strategies which go beyond the simple provision of food, and an implicit theoretical underpinning of participation, place the operations of the Saint Vincent de Paul Foodbank closer to a community development mode of development practice than a relief mode.

It should be noted that even the community development mode of development practice is limited in its ability to effectively alleviate poverty. Although it does recognise sociological and political structures as contributing factors to a process of underdevelopment, it does not base its development practice on empowering clients to change the specific policies and power structures which maintain their poverty. This focus is a feature of the third mode of development practice : the alternative development mode.

## **THE ALTERNATIVE DEVELOPMENT MODE**

The Alternative Development Mode displays an understanding of underdevelopment which recognises that poverty is rooted in disempowerment. Foodbanks which operate within an alternative development mode of development practice may also display the following features: a role in the development process of coordinating social movements through the employment of strategies which include food provision, empowerment and advocacy, and allowing foodbank clients to be controllers in the development process.

It would seem from my discussion thus far that none of the Palmerston North foodbanks I studied could be accurately described as operating from within a alternative development mode of development practice. While the Palmerston North Foodbank and Saint Mary's Foodbank do employ advocacy-type strategies such as acting as go-betweens for clients dealing with the NZISS (in the case of the Palmerston North Foodbank), and boosting clients' self-esteem (in the case of Saint Mary's Foodbank), they fall short of actively



campaigning for a responsive and flexible state, a pre-requisite for the sustainable empowerment of individuals and households.

There were times during my participant observation at the Palmerston North Foodbank, however, when I did notice foodbank staff articulate the importance of campaigning for a responsive and flexible state in their development practice, but they felt this focus was not possible while the foodbank was receiving a small percentage of government funding for its operations. The Downtown Ministry, mentioned in Chapter Four, by contrast, has recognised the constraints government funding can place on an organisation's development practice. It operates a foodbank in Wellington without any assistance from the government, in a manner which I believe is in keeping with an alternative development mode of development practice.

The Downtown Ministry recognises that poverty is rooted in disempowerment and this is reflected in its focus on advocacy in its day-to-day development practice. Clients are empowered to take control of their relationship with the state through the advocacy service the foodbank runs. This service involves supporting clients in their bids to receive their correct entitlements from the NZISS in conjunction with educating clients as to the reasons for their disempowerment. Food is provided on a 'no questions asked' basis in recognition that basic needs met before clients can begin to empower themselves to fight for change.

Aside from this focus on individual empowerment, the Downtown Ministry also works to challenge and to transform the structures which maintain underdevelopment in New Zealand. This recognition of the need to lobby for structural change reflects a theoretical understanding of underdevelopment which, when translated into practice, allows the Downtown Ministry to move beyond the relief and community development modes towards the category of alternative development.

It is feasible, therefore, for foodbanks to operate within an alternative development mode of development practice. Is this the path, however, that foodbank clients would wish foodbanks to take? In Chapter Five I stated that in order to allow foodbank clients participation in my research, their views on the effectiveness of foodbank services would be sought. This technique, often referred to as participatory evaluation, is one evaluatory technique which recognises that the beneficiaries of projects are more appropriately placed to evaluate their effectiveness than an outsider who is not directly affected by their implementation. Thus, before I conclude this chapter, I will convey the opinions of foodbank clients.

## **FOODBANK CLIENTS' COMMENTS ON THE EFFECTIVENESS OF FOODBANKS' POVERTY ALLEVIATION STRATEGIES**

Analysis of the effectiveness of foodbanks poverty alleviation strategies in this research has illustrated that in order to effectively alleviate poverty, Palmerston North foodbanks must move beyond the relief mode of development practice to the alternative mode. This is an opinion which is not necessarily shared, however, by the foodbank clients whom I interviewed.

In response to my question on how they found the foodbank service, most clients stated, in respect to the Palmerston North Foodbank, that the service was 'really excellent'. When probed a little further, however, some clients did express certain dissatisfactions. One client, for example, felt that the Palmerston North Foodbank was 'too strict' and that their parcels were 'stingy'. She stated that she and her friends often gave really good food to the clubs who came past their neighbourhood on food drives (at times when they had food to spare) and she could not understand why the food parcels she received often did not even contain 'the basics'.

Another client commented, again in reference to the Palmerston North Foodbank, that 'it would be better if not so many questions were asked... It's bad enough having to come here...there just isn't enough money for food'. Feelings of embarrassment and humiliation were common in most instances and the eligibility criteria imposed on clients at the Palmerston North Foodbank only served to heighten such feelings. As one client put it, 'some of the interviewers are really mean and some of us end up leaving in tears'.

Although I didn't interview clients of the Salvation Army Foodbank directly, several clients of the Palmerston North Foodbank who had also used the Salvation Army Foodbank volunteered these positive comments on the Salvation Army's Foodbank's service: 'The service is much quicker at the Salvation Army'...'the Sallies cater better for families'...'the food is better at the Salvation Army'. However, not all of the comments volunteered on the Salvation Army Foodbank were of a positive nature. One client, a Maori man, stressed that he thought that the Salvation Army staff were really prejudiced: 'I know a lot of Maoris and Islanders who have been turned away at the Salvation Army Foodbank' he stated.

Clients of Saint Mary's Foodbank with whom I spoke in all instances found the service to be 'wonderful'.<sup>12</sup> The SMFC, one commented, was 'an angel' and some clients even went as far as saying that they didn't know what they would do without her. The clients enjoyed the weekly contact they had with the SMFC and her volunteers and saw the foodbank service as necessary and effective.

Clients generally found foodbank services to be effective if they were fast and uncomplicated. As one client of the Palmerston North Foodbank stressed, 'I come in here because I need food...I don't think there needs to be any other services here'. This comment, along with those outlined above, suggests that most foodbank clients interviewed prefer foodbanks to operate within a relief approach to development practice. They do not want to be questioned or coerced into participating in alternative development strategies because they are often too concerned with the difficulties associated with living on a limited income.

This focus on meeting basic needs at the expense of other more political needs is a central feature of disempowerment and is all the more reason for foodbanks to be working within an alternative development mode of development practice. Most often when marginalised people are given a choice between having their basic needs (food shelter and clothing) or their political needs (access to democratic processes of political control) met, they will choose the former option. According to Friedmann's model of empowerment, the poor must have access to eight interdependent bases of social power before their poverty can be effectively alleviated. This means that they must not only have access to perceivably political bases such as social organisations but also, because these bases are interdependent, access to the resources of daily living such as housing food and clothing (1992: 67-70).

Foodbanks, thus, have a responsibility to empower their clients firstly by meeting their basic needs through the provision of food and secondly, once these basic needs have been met, to facilitate clients' political awareness and collective action, so that they too can fight for change and work towards what should be the ultimate goal of foodbanks' development practice: their own disestablishment.

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<sup>12</sup> These comments were generally volunteered in the presence of the SMFC but despite this they did appear to be of a genuine nature.

## SUMMARY

By applying the theoretical framework developed in Chapter Two, this chapter has shown how development theory can be used to analyse the development practice employed by foodbanks in Palmerston North. In general it can be said that although several Palmerston North Foodbanks display features which reflect the articulation of a community development mode of practice, the dominant mode of development practice is a relief one. The challenge now stands for Palmerston North foodbanks to move beyond the relief mode of development practice towards the alternative development which seeks not only to empower individuals and households to take control of their own development but also to challenge the very structures which prevent them from doing so.

# CHAPTER EIGHT

## CONCLUSION

### SUMMARY OF THESIS

This thesis has utilised primary and secondary data from a number of sources to answer one central question: how effective are the approaches to poverty alleviation employed by Palmerston North foodbanks within New Zealand's changing political context? To answer such a question from a development studies perspective, however, it was first necessary to link the study of development, which has traditionally focused on development issues in the Third World, to my specific research on foodbanks in Palmerston North. Chapter One fulfilled this requirement.

Chapter One explained how the economic reforms instituted by the fourth Labour Government in 1984 reflected the type of SAPs which have been imposed on many Third World countries by major lending institutions such as the IMF and the World Bank as pre-conditions for the provision of development finance. It surmised, therefore, that the study of the effects of SAPs on people in New Zealand, exemplified in the existence of foodbanks, was just as crucial an area for development research as the study of the effects of SAPs in the Third World.

Discussion of the application of development studies to the operations of foodbanks in Palmerston North continued in Chapter Two when theories and approaches to development of both historical and contemporary natures were explored. Those theories and approaches most relevant to the context of my research were then selected and combined in the form of a theoretical framework based on Korten's four generations of NGO practice. This framework, which divided development practice into three modes - relief, community development and alternative development - and incorporated features of development practice such as foodbanks' theoretical underpinning, their role in the development process and their clients' role in the development process, was used to analyse my fieldwork results in Chapter Seven.

Chapter Three signalled a move away from discussions on the links between development studies and my specific research to an examination of the literature concerned with one of the main themes relating to the existence of foodbanks - the



entrenchment of poverty in New Zealand. In this chapter, an historical analysis employing the theoretical concepts of Fordism and Post Fordism, was utilised to outline the metamorphosis of the SAP which the fourth Labour Government and the incumbent National Government voluntarily imposed on New Zealand society. The policies and practices of both the fourth Labour Government and the incumbent National Government were then examined with particular reference to their impact on the relative poverty status of certain groups in New Zealand society. These groups, it was argued, had weathered the full force of New Zealand's SAP and, as a consequence, had become reliant for their very survival on a voluntary welfare provider previously unknown (in its present form) prior to the implementation of SAPs in 1984 : the foodbank.

Chapter Four then posed the question: how has poverty increased in a country which still professes to have a welfare state established to ensure its citizens are able to belong and participate in their communities? By reviewing literature on the changing ideology of the welfare state in New Zealand, Chapter Four argued that the reliance on foodbanks had occurred as New Zealand's welfare state had moved from a rights-based, insurance-based model of welfare provision toward a residualist model. The implementation of this residualist model reflected a New Right, neo-liberal agenda for welfare which prescribed the devolution of responsibility for welfare provision on to the voluntary sector. The voluntary sector, however, was largely unable to cope with such a rationalisation and thus formed short-sighted and contradictory strategies for poverty alleviation. Foodbanks, it was argued, were examples of such a response and in this way they faced a legitimisation crisis of how to serve the needs of an increasing sector of poor New Zealand without supporting the very system which had failed their clients.

Chapter Five outlined the methods which would be employed to investigate this contradictory position with relation to the foodbanks of Palmerston North. It stated very clearly that my philosophy on research was based on an interpretivist position of knowledge and encompassed three essential elements; empowerment of research participants, participation by research participants and flexibility in research design. Research techniques appropriate to this stated research philosophy were then outlined. Participant observation and interviews were chosen as the principle techniques to be utilised for primary data collection while library research and information from specialised sources such as foodbank reports would be utilised for secondary data collection.

Chapter Five then moved to investigate how my research philosophy and chosen research techniques actually operated in practice as well as considering the impact that I, as a researcher, could have had on my research environment. It concluded that my research

was ultimately successful, but at the same time, that some research techniques and certain aspects of my research philosophy did prove difficult to work with at times. Insofar as the impact that I made on my research environment was concerned, it concluded that this was mainly of a positive nature. My background, as a pakeha middle class nurse, facilitated the acceptance of my doing research by foodbank coordinators and volunteers because I was not seen as being a threat. This enabled me, at times, to collect controversial information. In addition, because I had made the effort to solicit the opinions of foodbank clients, my research was often empowering to this group of participants.

At this stage, my thesis changed its focus from literature reviews on the themes inherent in the study of foodbanks in New Zealand generally, to documenting my fieldwork with foodbanks in Palmerston North. The first part of Chapter Six concerned itself with establishing the background to my fieldwork by bringing the two major themes relating to the existence of foodbanks in New Zealand to the Palmerston North context. The concept of poverty in Palmerston North was discussed in some detail and the concurrent changes in welfare provision was also referenced. Following this background discussion, the foodbanks involved in my study were introduced and outlined with regard to their operations, utilisation and client base. Some conclusions were drawn by way of trends in client base and future utilisation of foodbank services which showed that client utilisation in 1995 of both the Salvation Army and Palmerston North Foodbanks had generally decreased from that of 1994.

Chapter Seven analysed my fieldwork results. By applying the theoretical framework developed in Chapter Two, this chapter was able to categorise the development practice of Palmerston North foodbanks into three general modes; relief, community development and alternative development. Placement under each of these modes was determined by each foodbank's theoretical underpinning, by its role in the development process and by its clients' role in the development process. Although most of the foodbanks involved in my study displayed some aspects of the community development mode of development practice, it was apparent that the dominant mode of development practice in operation in Palmerston North foodbanks was a relief mode.

## CONCLUSIONS

It has been stated that 'Development, like charity, clearly needs to start at home' (Walsh, 1995: 3).<sup>1</sup> The conclusions derived from this thesis both support and refute this comment.

Development clearly needs to start at home even when 'home' is a so-called 'developed', 'first world' country. This thesis has taken an ostensibly New Zealand issue - the operation of foodbanks in Palmerston North - and has analysed it from a development studies perspective. Issues usually pertaining to the analysis of underdevelopment in the Third World, such as the effects of SAPs, have been linked to a New Zealand context and development theories, traditionally limited to discussions on development practice in the same region, have also been applied to analyse the operations of a particular type of New Zealand NGO.

Thus, this thesis has been successful in bridging a perceivably large gap in the study of development in New Zealand. It has shown how the concept of underdevelopment is of global concern and how restricting its analysis solely to the peoples and countries of the Third World may lay its conceptualisation to rest in the indomitable quagmire of the 'exotic other'. Bringing the study of development 'home', not only forces us to see the wider context most development issues entail, but it also brings forth important implications for development practice in New Zealand. This notion forms the basis for my second general conclusion.

That charity should begin at home is an assumption not supported by this thesis. Although it fulfils important needs in New Zealand society in the 1990s, charity in the form of relief-type development practice is not the most effective form of poverty alleviation. Development practice needs to start at home, but it need not be in the form of charity or relief. The relief mode of development practice operational in many foodbanks throughout New Zealand can be linked to certain assumptions on underdevelopment. These often employ an implicit and sometimes an explicit neo-liberal guise, and feature such notions as the fact that underdevelopment is a temporary state related to the failure of actors to respond positively to the 'level playing field' of New Zealand society. Actors may require relief to facilitate their entry back into the current neo-liberal economic

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<sup>1</sup> In his capacity as editor of the magazine *Te Amokura*, Croz Walsh made this comment on an article concerning a Salvation Army survey of foodbank recipients in New Zealand.

system, but little action is taken within the relief mode of development practice to address the structural inequities inherent in this system.

In this way, foodbanks which operate under a relief mode of development practice perform important social control functions. By failing to speak out against structural inequity, these foodbanks legitimise the notion of public begging, and in turn support the very economic and social policies which ensure their continued existence. Moreover, foodbanks which remain silent not only assist us in believing that the public safety net that has replaced the welfare state is functioning adequately, but also leave us with the impression that if changes are required, the voluntary sector is well placed to meet such needs. The relief mode of development practice cannot be effective in alleviating poverty while the root causes of underdevelopment in New Zealand including racism, sexism, individualism and inequitable economic and social policies remain unchallenged.

Even foodbanks which operate under the community development mode of development practice encounter problems when questions concerning their legitimacy are posed. While their development practice moves past the relief mode by incorporating an understanding of development centred around the experience of their own clients, the strategies which they employ fall short of challenging the aforementioned basis for underdevelopment in New Zealand. Self-help strategies such as budgeting and lifestyle skills, while responding well to the immediate needs of clients, do not empower clients to reflect on their position in society as marginalised individuals and to consequently work for structural change.

The mode of development practice I have labelled alternative development, does, however, fulfil these functions. By operating within a theoretical base of empowerment, and by employing strategies such as advocacy, political lobbying and public education, foodbanks which operate under an alternative development mode of development practice do legitimise their functions as NGOs working to alleviate poverty in New Zealand society. At the very least, foodbanks following an alternative development mode of practice prove to New Zealand society that the poor and those who assist them, are willing to stand up and be counted. In addition to empowering their clients to reflect on their marginalised status in New Zealand society and to subsequently fight for structural change, these foodbanks also empower themselves. A commitment to the implementation of an alternative development mode of development practice has the potential to result in the disestablishment of foodbanks because the causes of underdevelopment are addressed directly.

Thus, I would conclude that an alternative development model, rather than charity in the form of relief, should clearly begin at home. As Helen Walsh, director of the Downtown Inner City Ministry, succinctly put it '...when it comes to charity as the system which [only] meets people's basic needs...then I'm not happy with charity'.

This thesis has not attempted to discredit the very necessary work performed by foodbanks in Palmerston North, but rather it has shown how the operations of foodbanks, as with the operations of all NGOs working in a development context, must be constantly challenged and re-evaluated. In this way, the strategies which most effectively alleviate poverty for many groups in New Zealand society may be discovered and implemented.

## IMPLICATIONS OF RESEARCH

My research has focused primarily on the effectiveness of poverty alleviation strategies employed by foodbanks in Palmerston North. The conclusions deduced, however, have practical applications for other New Zealand foodbanks in their day-to-day development practice. Moreover, the alternative development model formulated in this thesis should also be of interest to all NGOs working to alleviate poverty in New Zealand society. Whether they are providers of clothing, shelter or food, NGOs who operate to relieve poverty have a responsibility to evaluate both the effectiveness of their services, and the inherent implications of their work. Furthermore, because this thesis has focused on the effectiveness of poverty alleviation strategies following the implementation of structural adjustment in New Zealand, the theoretical model I formulated to assist in this task will also have implications for the operations of NGOs concerned with poverty alleviation in countries in the developing world.

This thesis has added to the current body of knowledge on foodbanks in New Zealand by investigating specifically the development practice of foodbanks in Palmerston North. There are, however, numerous other areas of research pertaining to foodbanks and underdevelopment in New Zealand not covered in any depth in this thesis which may be of interest for future research. An investigation into the relationship between foodbanks and recent government policy, for example, could further the small amount of research currently available on this issue and provide more insights into the contradictory position that foodbanks occupy in New Zealand's society.



The application of development theory to the operations of various other New Zealand NGOs could be another area for future research. Development theory, as shown through this thesis, is relevant to the operations of NGOs working in a New Zealand context and its further application will only serve to aid their understanding of the people they serve and the context in which they serve them, thus allowing them to plan most effectively for their development.

# APPENDIX I

## THE TREATY OF WAITANGI: ENGLISH TRANSLATION OF MAORI VERSION (by Professor Kawharu)

Victoria, the Queen of England, in her concern to protect the chiefs and sub-tribes of New Zealand and in her desire to preserve their chieftainship and their lands to them and to maintain peace and good order considers it just to appoint an administrator, or one who will negotiate with the people of New Zealand to the end that their chiefs will agree to the Queen's Government being established over all parts of this land and (adjoining) islands and also because there are many of her subjects already living on this land and others yet to come.

So the Queen desires to establish a government so that no evil will come to Maori and European living in a state of lawlessness.

So the Queen has appointed me, William Hobson, a captain in the Royal Navy, to be Governor for all parts of New Zealand (both those) shortly to be received by the Queen and (those) to be received hereafter and presents to the chiefs of the Confederation, chiefs of the sub-tribes and other chiefs these laws set out here.

### The First

The Chiefs of the Confederation and all the chiefs who have not joined the Confederation, give absolutely to the Queen of England forever the complete government over their land.

### The Second

The Queen of England agrees to protect the Chiefs, the sub-tribes and all the people of New Zealand in the unqualified exercise of their chieftainship over their lands, villages and all their treasures. But on the other hand the Chiefs of the Confederation and all the Chiefs will sell land to the Queen at a price agreed to by the person owning it and the person buying it (the latter being) appointed by the Queen as her purchase agent.

### The Third

For this agreed arrangement therefore concerning the Government of the Queen, the Queen of England will protect all the ordinary people of New Zealand and will give them the same rights and duties of citizenship as the people of England.

Signed William Hobson  
Consul and Lieutenant Governor

So we, the Chiefs of the Confederation and the sub-tribes of New Zealand meeting here at Waitangi having seen the shape of these words which we accept and agree to record our names and marks thus:

Was done at Waitangi on the sixth day of February in the year of our Lord 1840.

The Chiefs of the Confederation

*Source, Durie, 1994: 41*

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