Reducing Poverty
Is the World Bank’s strategy working?

PANOS
Reducing Poverty

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For further details and copies of this report contact:
The Panos Institute
9 White Lion Street, London N1 9PD, UK
Tel: +44 20 7278 1111 Fax: +44 20 7278 0345 www.panos.org.uk
Press: markc@panoslondon.org.uk
Globalisation programme: kittyw@panoslondon.org.uk

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Executive Summary

For many, the 1980s and 1990s were decades of increasing wealth. The world’s total economy grew, benefiting from new technology, liberalisation and growth of trade. But at the same time, the gap between rich and poor was growing wider, and the actual numbers of people living in poverty increased. By 1998, 1.2 billion people still lived on less than a dollar a day, and 2.8 billion on less than two.

What could be done? The United Nations had adopted any number of declarations to alleviate or eradicate poverty – the latest being in 2000, when the aim was to halve the numbers of those who go to bed hungry by the year 2015. The World Bank (WB) and the International Monetary Fund (IMF), those international institutions charged with promoting the health of the world economy, had also devised a number of strategies to help the poorer countries of the developing world join the global party. The most well-known perhaps were the IMF’s structural adjustment policies, or SAPs, which were meant to stabilise national finances and open economies to international trade. But SAPs did not succeed in helping the poorest to climb out of their poverty – partly because the recipe often included cuts in education, health and welfare, that hit the poorest hardest.

New methods were clearly needed.

In 1996, the World Bank and IMF launched the HIPC (Highly Indebted Poor Countries) Initiative, which aimed to reduce the amount of debt that the poorest countries had to repay.

And in 1999, the World Bank, together with the IMF, introduced its Poverty Reduction Strategy Papers – better known as PRSPs.

PRSPs aim to focus development efforts on poverty alleviation. They are relevant to over 70 low-income countries. A PRSP starts with a diagnosis of poverty, and then identifies the poverty reduction outcomes a country wishes to achieve and the key public actions needed. Once a country’s PRSP has been completed and approved by the World Bank and IMF, the country qualifies for debt relief and concessional lending.

So what is new about PRSPs? What will make them work where other strategies have failed? Are they really nationally owned or just a formality for governments to get the funds that they need – a new form of conditionality for the poorest countries?
The two aspects that have been most discussed and scrutinised are that PRSPs are supposed to be driven by the countries themselves, and that they are meant to be ‘participatory’.

‘Too many capacity building efforts have floundered in the past because they have not been rooted in local ownership,’ said World Bank President James Wolfensohn in 1999.*

It is too early to say whether PRSPs will succeed in their goal of reducing poverty, but the experience so far has initiated some important changes as well as raising some important questions, both about the process and about the philosophy behind it. Questions such as: what is meant by participation? Do PRSPs exclude proper analysis of the impacts of globalisation on the poor, because they assume that economic growth is the principal goal? Are they doing what is needed to ensure that the poor benefit from economic growth? How will PRSPs be affected if poor countries’ position in global trading worsens?

On the positive side, the process of developing PRSPs has generated a new focus on poverty by governments, and a greater awareness of the nature of poverty and understanding of its causes. In many countries, relations between government and civil society have improved as both sides responded to the challenge of ‘participation’. Governments are opening up their budgeting processes and spending to public scrutiny, and non-governmental organisations (NGOs) have had to come together in what has been for many a new way of working. The media too is beginning to examine its role in helping the public understand and get involved in the development and monitoring of PRSPs.

The second half of this report consists of reports commissioned from NGOs in three countries; Uganda, Lesotho and Ethiopia. Each report examines the role of government, parliament, civil society and the media in the process of developing the PRSP. Has the potential role of women in poverty reduction been taken on board? Were the voices of the grassroots really listened to?

At present, as the three country studies show, many people still do not know what a PRSP is. ‘PR – is that post-referendum?’ asked one journalist in Uganda. If PRSPs are to work, it will entail greater understanding from a wide range of people in each of the countries concerned, from the grassroots through to government.

Can PRSPs make a difference? It is too early to say. But for the sake of the millions still living on a dollar a day, it is important to be clear about what remains to be done.

* Coalitions for Change, Address to the Board of Governors, Sept 28 1999.
Part A: Overview

1 What is a Poverty Reduction Strategy?

A Poverty Reduction Strategy Paper (PRSP) is a national strategy drawn up by governments of low-income countries, for targeting government expenditure on measures to reduce poverty. A PRSP starts from a diagnosis of the causes of poverty, then identifies the poverty reduction outcomes a country wishes to achieve and the key public actions – policy changes, institutional reforms, programmes and projects – needed to achieve these outcomes. It should establish targets, indicators and monitoring systems.

Once a PRSP has been approved by the World Bank (WB) and International Monetary Fund (IMF) the country qualifies for debt relief and concessional lending.

The PRSP approach was originated by the World Bank and IMF in September 1999, as part of an enhanced Highly Indebted Poor Countries (HIPC) initiative. But PRSPs are relevant to over 70 low-income countries, with around one third of the world’s population, as they will shape other World Bank assistance and open the way to other concessional funds. They have also been adopted by many donor countries as a framework for their development cooperation.

The WB and IMF work together to help countries develop and implement PRSPs, each concentrating on its traditional area of expertise. They collaborate on issues where they both have expertise such as fiscal management, budget transparency, and tax administration.

The World Bank and the International Monetary Fund

The World Bank and the International Monetary Fund IMF are known as the Bretton Woods Institutions (BWIs), after the place in the US where their establishment was agreed in 1945. They are specialised agencies of the United Nations (UN) system. They are also sometimes referred to as the International Financial Institutions (IFIs).
The World Bank gives loans to developing countries and advises on the social policies involved in poverty reduction. It consists of two institutions making loans for development: the International Bank for Reconstruction and Development (IBRD) which makes loans for middle-income and creditworthy poorer countries, and the International Development Association (IDA) which makes interest-free loans to the 78 poorest countries where average incomes are less than $500 per year. The Bank is owned and governed by its 183 member countries, who are also members of the IMF. The two World Bank institutions (along with three others) make up the World Bank Group.

The IMF has 184 member countries. Its role is to promote the health of the world economy: monetary cooperation and expansion of trade between countries; exchange rate stability and balance of payments stability for individual country members. It gives advice to governments on sound macroeconomic policies, helps manage crises, and provides loans to help governments manage balance of payments problems. In 1999 the IMF adopted poverty reduction as a goal in addition to economic stability. The IMF’s strategy for helping reduce poverty, in partnership with the World Bank, consists of: debt relief, promoting economic growth, and targeted social sector spending.

The Poverty Reduction and Growth Facility (PRGF)

This is a loan fund of the IMF, which replaced the Enhanced Structural Adjustment Facility in 1999. 77 low-income countries are eligible, with the same criteria as the World Bank’s IDA: countries must have a per capita GDP (in 1999) of less than $885. Loans have a fixed interest rate of one half per cent and a repayment period of ten years, with a five-and-a-half year grace period without repaying the principal. Targets for loans from the PRGF will be based on the countries’ PRSPs.

The HIPC Initiative

The Highly Indebted Poor Countries (HIPC) initiative is a programme of the IMF, established in 1996, to reduce countries’ external debt to manageable and sustainable levels – that is, to reduce the proportion of national income that countries have to spend on servicing their debts (interest and capital repayments). To qualify for HIPC debt relief, a country’s debt must be worth at least 150 per cent of its exports. It must also adopt agreed adjustment and reform programmes (opening its economy, reducing government expenditure etc) and carry these out for a certain period.
In 1999, the ‘enhanced HIPC initiative’ was adopted, sometimes known as ‘HIPC 2’. The number of countries eligible for assistance increased from 29 to 36 (41 countries are classed as Highly Indebted and Poor, but not all meet the other criteria) but a new condition was introduced: countries have to adopt a Poverty Reduction Strategy, intended to ensure that the funds released from debt servicing are spent on addressing poverty.

By March 2002, debt-relief packages had been approved for 26 countries, of which 22 were in Africa.

### Debt Relief under HIPC2

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<td>Zambia</td>
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According to the World Bank, these agreements will lift $40 billion of debt service payments, around half of what the countries owe. Other debt reduction agreements will bring the total reduction to about two thirds of what countries owe.

Debt service payments for countries receiving HIPC finance will average 9 per cent of exports and 14 per cent of government revenue, around half the typical developing country debt service payment ratios.

Before the HIPC initiative, eligible countries were spending on average a little more on debt service than on health and education together. Under HIPC, they spend three times more on social services than on debt payments.

Besides those mentioned above, the following countries are classified as being heavily indebted poor countries but have not yet qualified for HIPC debt relief: Burundi, Central African Republic, Comoros, Congo, Côte d’Ivoire, Democratic Republic of the Congo, Ethiopia, Ghana, Lao PDR, Liberia, Myanmar, Sierra Leone, Somalia, Sudan, Togo.

The process: how it works

There are two stages to the PRSP process.

Countries must first draw up an Interim PRSP. This is intended as a ‘road map’ for developing a full PRSP – including a plan for civil society participation, which is not a requirement at this stage.

The Interim PRSP involves:

- Assessment by the WB/IMF in-country staff – the ‘Joint Staff Review’; and recommendation to the Executive Boards of WB and IMF
- Endorsement of the plan by the Boards. This is known as the ‘Decision Point’
- At this stage, the country receives Interim debt relief – funds granted from the IMF to pay a proportion of the country’s debt service payments – and continuing WB/IMF assistance.

The second stage is the development of the full PRSP. This involves:

- Understanding poverty in the country
- Strategy design: choice of policy options and strategies
- Approval: by the government and parliament
- World Bank/IMF Joint Staff Assessment
- Endorsement by the Executive Boards of the Bank and IMF
- Implementation
- Monitoring and annual progress report
• After one year’s successful implementation, ‘Completion Point’ is reached and the agreed amount of debt under HIPC is cancelled
• Review and revision of the PRSP every three years, based on annual progress reports and evaluation

Other support from the World Bank and IMF will be derived from or shaped by the PRSP:
• The World Bank Country Assistance Strategy, which in turn shapes long-term low-interest loans for adjustment and projects under the World Bank’s International Development Association (IDA)
• Loans from the IMF’s Poverty Reduction and Growth Facility (PRGF)
• Poverty Reduction Support Credits (PRSCs) – from the Bank for implementation of PRSPs. These have already been developed for Burkina Faso, Uganda and Vietnam.

People planning – PRSPs are meant to be owned by governments and their citizens.
2 What’s new about PRSPs?

As envisaged by the World Bank, the PRSP approach is based on six core principles:

- Results-oriented – monitorable targets
- Comprehensive – integrating macroeconomic, structural, sectoral and social elements
- Country-driven – owned and managed by the government of the country concerned
- Participatory – all stakeholders should participate in formulation and implementation
- Based on partnerships between government and other actors
- Long-term as well as short-term goals.

The World Bank particularly stresses that a PRSP should be devised and ‘owned’ by the country – it should not be seen as something imposed by WB staff. The ‘participation’ of civil society in devising and implementing PRSPs was hailed from the beginning as a very important innovation, by the Bank and donors. It was welcomed and supported, though sometimes cautiously, by many non-governmental organisations (NGOs) despite the backdrop of distrust built up over the years between developing country societies and the World Bank and IMF.

The origin of PRSPs

The aim of the PRSP approach is to focus development efforts on poverty alleviation. By the 1990s it was clear that after decades of ‘development’ aid and projects, the situation of poor countries and poor people within those countries was not improving.

Although the proportion of people living in extreme poverty fell, according to the World Bank – from 28 per cent in 1987 to 23 per cent in 1998 – the absolute numbers were larger: in 1998 1.2 billion people lived on less than a dollar a day, 2.8 billion on less than two dollars.

The 1980s and 1990s were decades of growth in wealth for many, as the world’s total economy grew, benefiting from new technology, liberalisation, and growth of trade – globalisation – but the gap between rich and poor was increasing. The IMF introduced structural adjustment policies (SAPs) as a recipe for helping poorer countries join in the global party. These were meant to stabilise national finances and open economies to international trade, both
seen as the essential foundation for economic growth. But SAPs did not seem to have succeeded. According to critics, they actually increased poverty, partly because the preconditions for receiving loans were that governments reduced public spending, and this often meant cuts in education, health, and welfare – cuts that hit the poorest hardest.

The response of the World Bank and IMF to these realisations was a new emphasis on reducing poverty. Poverty reduction was always the goal of the World Bank, but this had not been the case for the IMF – whose goal was international financial stability. For the IMF the formal adoption of poverty reduction as a goal was a significant step.

The changes came about as a result both of new thinking within the Institutions themselves and of outside pressure from member governments and civil society. There had been sharp criticism of the negative impact of SAPs on the social welfare of developing country economies. Meanwhile high levels of debt for poor countries caused great concern, as evidenced by the large-scale popular support for the Jubilee 2000 anti-debt campaign. The feeling grew, not just among anti-globalisation protesters but in the heart of the global establishment, that something new was needed to tackle poverty.

Steps along the path included:

- The World Summit on Social Development, where 186 governments resolved to eradicate poverty
- The declaration of the first ‘United Nations Decade for the Eradication of Poverty’
- The launch by the World Bank/IMF of the HIPC initiative – to reduce the poorest countries’ debt to multilateral institutions
- 1997–8 International Development Goals agreed, to halve the number living in extreme poverty by 2015
- 1998–1999 World Bank President James Wolfensohn introduced the Comprehensive Development Framework (CDF) approach. A precursor to PRSPs, the CDF was to be a country-led strategy involving all a country’s development partners
- Poverty Reduction Strategies and Poverty Reduction and Growth Fund introduced
- The Meltzer Report to the US congress, which was critical of the performance of the World Bank and IMF
- The UN Millennium Declaration – an endorsement of the International Development Goals, agreed by over 160 world leaders at the UN General Assembly
**UN International Development Goals**

**By 2015:**

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<tr>
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<th>Goal</th>
<th>Target</th>
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<tbody>
<tr>
<td>1</td>
<td>Eradicate extreme poverty and hunger</td>
<td>Reduce by one half the proportion of people living on less than a dollar a day</td>
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<tr>
<td></td>
<td></td>
<td>Reduce by half the proportion of people who suffer from hunger</td>
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<td>2</td>
<td>Achieve universal primary education</td>
<td>Ensure that all boys and girls complete a full course of primary schooling</td>
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<td>3</td>
<td>Promote gender equality and empower women</td>
<td>Eliminate gender disparity in primary and secondary education preferably by 2005, and at all levels by 2015</td>
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<td>4</td>
<td>Reduce child mortality</td>
<td>Reduce by two thirds the mortality rates for infants and children under five</td>
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<td>5</td>
<td>Improve maternal health</td>
<td>Reduce by three quarters the maternal mortality ratio</td>
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<tr>
<td>6</td>
<td>Combat HIV/AIDS, malaria and other diseases</td>
<td>Halt and begin to reverse the spread of HIV/AIDS</td>
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<td></td>
<td></td>
<td>Halt and begin to reverse the incidence of malaria and other major diseases</td>
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<td>7</td>
<td>Ensure environmental sustainability</td>
<td>Integrate the principles of sustainable development into country policies and programmes, reverse the loss of environmental resources</td>
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<td>Reduce by half the proportion of people without sustainable access to safe drinking water</td>
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<td>Achieve significant improvement in lives of at least 100 million slum dwellers, by 2020</td>
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<td>8</td>
<td>Develop a global partnership for development</td>
<td>Open trading system, special needs of least developed countries (LDCs), debt, employment, access to medicines, ICTs</td>
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The Bank moves on...


- **Opportunity** promoting economic opportunity for the poor
- **Empowerment** making state institutions more responsive
- **Security** reducing risk of and vulnerability to wars and disasters

The new emphasis on reducing poverty also found expression in the three-volume study *Voices of the Poor*, published in 2000–2001, the results of consultation with over 20,000 poor people in 20 countries. The study found that low income was only one of several crucial aspects of poverty.

Deepa Narayan, *Voices* lead author and principal social development specialist at the World Bank, said: ‘Poverty has many dimensions, and they combine to create and sustain powerlessness, lack of voice, and a lack of freedom of choice and action.’

*Drop by drop – the UN aims to reduce the proportion of people going hungry by half by 2015.*
3 How will PRSPs help reduce poverty?

It is too early to see results, and there is plenty of debate on how and how much PRSPs will actually have the intended impact. Some analysts doubt whether the impact will be as great as the World Bank and the IMF hope. But there is plenty of positive news so far.

The mere fact of debt relief will release funds for social spending. The use of these funds – put into a special fund, targeted at poverty-reduction – is the heart of the PRSP. Assessments of the impact of PRSPs highlight not only the impact of this spending (which in many cases has not yet begun) but the impact of changes in overall government policy and behaviour associated with the PRSP process.

The following impacts are starting to emerge: optimists see signs that they will be achieved over the coming years, while sceptics are inclined to regard their absence as evidence that the whole process and concept is flawed.

1 The consultative approach:
   ‘The open and participatory nature of the PRSP approach is regarded by many as its defining characteristic and its most significant achievement.’
   ‘The PRSP is believed to bring a new culture of consultation of the poor, accountability and sense of ownership of one’s national development,’ says the Pastoralist Forum Ethiopia.

2 The PRSP approach requires and has produced strong analysis of poverty – lots of effort, including consultation with poor people themselves, has gone into identifying who they are, the causes of their poverty, their needs etc.

3 It has highlighted the need for better data about poverty and inequality – for improved ongoing data collection and better analysis. Often the data countries have at present is patchy and outdated: for instance, says NGO World Vision, much of the planning in Tanzania was based on a ten-year-old household survey.

4 It requires governments to focus available funds on sectors that help the poor create and benefit from economic growth – such as education, health, and rural infrastructure.
5 It requires finance departments to prioritise poverty when allocating national budgets. It also means that national projects and programmes must be costed so that implementation can be monitored.

6 It requires programmes and projects that will have measurable results and clear indicators of success, so that results can be monitored. This is recognised as important by the World Bank and by NGOs, because monitoring is one of the main ways in which civil society will be involved and will be able to hold governments accountable. The other benefits of the PRSP process, to some extent, depend on this one. In some countries, the indicators and monitoring systems have yet to be set up:

‘The PRSP has put in place certain indicators that interested stakeholders can use to measure whether or not it is being implemented... However, currently there are no specific instruments or proper methods for monitoring, it is hoped these will be developed and put in place before the next review period is due,’ says the Civil Liberties Committee from Malawi.6

There are a number of key directions that governments are already taking, as identified by the World Bank’s 2002 Review:

1 Good governance
   • Improve Public Expenditure Management (PEM) to increase efficiency, transparency and accountability
   • Implementation must be reported annually, and each country’s PRSP reviewed and amended after three years
   • Stimulate coherence of policymaking within governments, requiring different departments to work together
   • Stimulate engagement of civil society in planning and implementation
   • Address corruption

2 Rural development is a goal, though the means to achieve it are not very defined. All mention rural credit and most rural infrastructure

3 Access to education is a priority in all PRSPs

4 Access to health services, especially primary, is a priority in African PRSPs

5 Most emphasise the role of the private sector in growth, with access to markets as key.
4 Pro-poor growth – truth or wishful thinking?

The overall goal of PRSPs is ‘pro-poor growth’. Economic growth is seen (generally, though not universally) as a necessary condition for reducing poverty. But growth alone often benefits the rich more than the poor, so measures to achieve and manage growth must be specifically designed to ensure that the poor benefit.

The actions needed to achieve pro-poor growth can be considered as being on two levels:
1. Creating the macroeconomic conditions to encourage growth.
2. Measures to include, support or protect the poor – usually spending in social sectors such as education, health, infrastructure etc.

Definitions

**Macroeconomic**: national performance and policy on money, prices, inflation, interest rates and investment, output, growth, trade, exchange rates, national budgets and budget deficits, systemic causes of unemployment.

**Microeconomic**: how an economy allocates resources between different uses, firms and individuals. Matters of markets, consumption, firms, competition, demand factors of production, individual economic behaviour, and government interventions such as taxation.

The necessary macroeconomic conditions for growth, according to the Bank and IMF, are stability – low inflation and reduced budget deficits (through reducing government expenditure and increasing exports); good governance and efficient service provision (which often means privatising services); and liberalisation to enable the country to increase its participation in the global economy. (This combination of structural adjustment and liberalisation as the recipe for growth is sometimes known as the ‘Washington Consensus’).

The productive sectors promoted may themselves have particular impacts for the poor, and there are social interventions to increase opportunities for the poor to participate – for instance, rural roads,
communications, education – and to make social welfare accessible and to some extent cushion the poor against negative effects. There may also be some redistribution. The World Bank points out in *Attacking Poverty*, ‘In societies with high inequality, greater equity is particularly important for rapid progress in reducing poverty. This requires action by the state to support the build-up of human, land and infrastructure assets that poor people own or to which they have access.’

**Arguments about growth**

Everyone welcomes the emphasis on poverty. Most NGOS and experts accept that growth is necessary to reduce poverty in the long term, and most are happy to engage in discussion of the sectoral pro-poor measures – additional spending on education, for example. But there is a lot of debate about whether the World Bank/IMF structural adjustment and liberalisation prescription, reflected in PRSPs, is the right way to set about reducing poverty. UNCTAD (the United Nations Conference on Trade and Development) for instance, believes that ‘the PRSP approach is a major opportunity to achieve greater poverty reduction, but realising this opportunity will require a real break with the policies of the past’ – which they do not see happening.

Former World Bank chief economist Joseph Stiglitz argues in a recent book, *Globalization and its Discontents*, that free markets don’t automatically and quickly transform poor countries, and that globalisation left millions of people worse off in 2000 than they were in 1990.

Some critics argue that there is no convincing evidence that liberalisation and structural adjustment are the key to growth; there may be many other factors. According to one recent study, the Bank itself acknowledges that growth in the past two decades was greatest in countries which were not liberalising but were pursuing different and idiosyncratic policies for growth. Other studies have found that progress was greater on many indicators including per capita income growth during the decades 1960–1980 (before liberalisation became the universal policy prescription) than in the ‘liberalisation decades’ 1980 – 2000.

Many believe that if a thorough review and analysis of structural adjustment were carried out, it would show that the impacts on growth and poverty were negative – but this has not been done. Countries have not included an analysis of the impact of SAPs in their analysis of the causes of poverty.

Many critics do not think that PRSPs as they exist at the moment
(and have been accepted by the BWIs) contain enough measures to ensure that the poor will share in the benefits of growth.

They point out that PRSPs to date have not highlighted pro-poor growth as a goal, but have remained neutral on this issue. One study of six full and seventeen interim PRSP documents found that only a quarter were explicit that growth should be ‘pro-poor.’ The others seem to rely instead on growth alone, but even the World Bank staff, in the Review of PRSPs, suggest that we need to know more about the connections between growth and poverty.

Critics charge that in order to work in favour of the poor, growth must be accompanied by decisive measures to redistribute wealth and promote equality. However, most PRSPs do not include such measures. For instance, land reform – important for reducing rural inequality – is ‘almost studiously avoided within most PRSPs’ according to NGO World Vision.

Many studies have suggested that attacking gender inequality would make a major contribution to poverty reduction. Most PRSPs have paid very little attention to this issue.

Policies dating from the era of SAPs, such as user charges for services and privatisation of services, are still present in some PRSPs. Critics say that there is ample evidence that these have a negative impact on poor people’s access. It seems that impact assessments to estimate the social and economic impacts on the poor have not been carried out.

Social welfare interventions are needed to protect the poor, but some NGOs feel that governments are treating the symptoms of poverty rather than the causes. In Nicaragua, for example, one NGO debated whether the government’s indicators for poverty, such as high birth rate and limited access to information to get jobs, are the causes of poverty – as the government holds – or symptoms of something deeper.

**Nicaragua**

In Nicaragua, 50.3 per cent of the population live below the poverty line, debt per capita was the highest in the world (before HIPC), the government’s reserves are very low, and in 2001 the country was rated 77 (out of 91) in Transparency International’s Corruption Perception Index. 60 per cent of export earnings come from four products. Coffee is the biggest export but very vulnerable to falling prices.

Nicaragua’s Interim PRSP was accepted in December 2000, and its full PRSP in 2001.
The PRSP is based on a strong analysis of poverty based on several pre-existing surveys, according to the WB/IMF. The PRSP has four pillars:

1. Broad-based economic growth and structural reform
2. Investment in human capital
3. Protection of vulnerable groups
4. Governance and institutional development

And three cross-cutting themes:

- Ecological vulnerability
- Social inequality
- Decentralisation.

The targets of the PRSP are:

- All the United Nations International Development Goals
- Implementation of a Sustainable Development Strategy by 2005
- Reduce child malnutrition to seven per cent (from its present 20 per cent)
- Sanitation services to cover 95 per cent of the population
- Reduce illiteracy to ten per cent (from its present 19 per cent)

The macroeconomic goals of the Strategy include strengthening the legal system to encourage private investment; strengthening property rights; rural development; encouragement of small and medium enterprises; and decentralising responsibilities to municipal level. Growth is focused on four poles – tourism, textiles, forestry and coffee.

The cost of the PRSP is estimated at $1.1 billion of capital spending over five years. Ten social programmes will be financed from HIPC debt relief. The WB/IMF Joint Staff Review comments that the PRSP relies for some of its funding on growth and significantly on new donor aid which has not yet been committed.

Systems for monitoring results (by various government bodies) are outlined, but not in much detail.

Civil Society participation was, according to the Bank and IMF, better than expected considering the lack of a tradition of participation. NGO involvement in project-level discussions (Pillars 2 and 3) was considerable, and they will probably be involved in implementation and monitoring (including Pillar 4) in due course, because officials recognise NGO strengths in these areas.
NGOs themselves, however, report concerns and disappointment on a number of issues:

- Participation was through a Commission, whose members were appointed by the government
- Political polarisation in the country meant that the two sides in the dialogue (government and NGOs) often saw each other as adversaries rather than partners, and this made constructive debate difficult
- Paradoxically, the current pact between the two political parties tends to exclude other voices and stifle debate
- The NGOs’ idea of what participation means was more comprehensive than the government’s. They expected to participate in policymaking including discussion of the macroeconomic framework, but were not given an opportunity to do this.
- The NGOs do not accept that the liberalisation/structural adjustment basis of the PRSP (Pillar 1) is the best approach to reducing poverty.
- The NGOs observe that the macroeconomic framework was not open to debate – partly, they believe, because the PRSP was largely determined by a separate IMF (PRGF) programme being negotiated at the same time. The NGOs feel that the conservative neo-liberal views of the IMF and its officials dominate.

**Is the debate open or closed?**

Many NGOs feel frustrated with the PRSP process so far. A major reason for this is that there has been no opportunity to debate the macroeconomic framework of PRSPs, which they had expected to be able to do. The PRSP rhetoric of ‘participation in economic policy-making’ implies debate at both macro- and microeconomic levels. But in fact the Bank and IMF – and governments – appear, for whatever reasons, **not** to be open to debate on the macroeconomic issues. At least, there hasn’t been any real sign of debate over alternatives at a serious level, and NGOs have not been invited to participate in any such debate. This has never been openly stated. Yet the World Bank itself in its PRSP Review recommends that more debate *is* desirable about economic policy alternatives. This ambiguity leads to confusion, disappointment and ill-feeling among NGOs.
Most NGOs are convinced that the macroeconomic policy directions are not up for discussion and have in effect been fixed in advance. For instance, German NGO Brot für die Welt reports that when the Honduran NGO Interforos withdrew from the country’s PRSP process because it felt alternative approaches were being pushed aside, the government responded that the Fund’s position on macroeconomic policies was not negotiable. The firm but contradictory position of the UK’s Department for International Development (DFID) is typical of the attitudes of the IFIs and major bilateral donors: ‘Growth is essential for poverty reduction. It depends on having market-based policies which promote investment and deliver effective macroeconomic management. This means a continued commitment to economic reform and liberalisation.’ Yet at the same time, ‘national strategies for poverty reduction... must be based on sound analysis, widely debated – including by poor people themselves.’

Other approaches to poverty reduction, apart from liberalisation-led growth, are possible. In a paper commissioned by the World Bank’s Operations Evaluations Department, four different approaches to poverty reduction were defined:

1. Market-based pro-poor growth
2. Sustainable livelihoods – focus on interventions to reduce the vulnerability and protect the livelihoods of the poor
3. Resource redistribution, both of physical and social assets – based on the analysis that inequality slows poverty reduction
4. Rights-based – empowerment and a redistribution of political power

Analysts find that the PRSP approaches are overwhelmingly the first, with a glance at the second, and no reference at all to the third or the fourth. It is not clear what the reasons are for this uniformity – whether all governments agree with the World Bank and IMF’s analysis; whether they lack the capacity or confidence to propose their own alternative policy frameworks; or whether they have been under pressure from the World Bank and IMF, as some critics maintain.

Debate about alternatives is happening elsewhere – for instance, in a five-year seven-country study on the impacts of SAPs, SAPRIN (Structural Adjustment Participatory Review Initiative Network). The findings strongly questioned the efficacy of rapid trade liberalisation, privatisation and deregulation. But though the Bank is a member of the review team, it has allegedly ignored the findings. Nor are they reflected in official government positions and completed PRSPs. Uganda, for example, was one of several
countries that requested the World Trade Organisation (WTO) to assess the impact of SAPs before launching a new round of trade liberalisation talks – but these doubts, at government level, about the impacts of liberalisation, are not reflected in the PRSP.

One reason for the uniform commitment to liberalisation in PRSPs given in the World Bank’s Review is that PRSPs are a continuation of previous policies, which were in the direction of liberalising and adjusting. Another reason, according to some observers, may be that the IMF, which is generally less open than the World Bank to debate and participation, has great influence over PRSPs in practice, if not in theory.

Some NGOs suggest another reason: they say the Bank and IMF want to impose the liberalisation model, which allows minimal government intervention in economies, because they do not trust developing country governments. ‘[Developing country] governments are assumed to be wholly corrupt and to use any leverage they have in the economy to ‘buy off’ political opponents.’

Another area of criticism of PRSPs is that they are raising expectations, which cannot be fulfilled, because they will not in fact lead to much change or release much additional funding. One analysis of the likely economic impact of the PRSP in Uganda found that it would not be large, because Uganda is still involved in more than 20 other loans – worth $1 billion – under a previous set of conditions, over which the PRSP has no influence. These are likely to undermine the achievement of the PRSP goals. For example, the Poverty Reduction Support Credits, which are supposed to support PRSPs, have issued directives on water privatisation that may undermine the health goals of the PRSP.

Other observers of PRSPs charge that the amount of debt repayment that will be released for pro-poor expenditure is quite small. Many PRSP proposals require additional funding – either from savings in other areas of the national budget, which may be difficult to make, or from new donor funding, of which rather little has yet been committed.

Besides, PRSPs are based on predictions of growth that may not be attainable. Commodity prices are falling: markets may be flooded for some commodities as many producers aim to increase exports; the impact of the country’s membership of the World Trade Organisation has not been taken into account. But most PRSPs lack contingency strategies for falling commodity prices.

The Bank accepts some of these criticisms in its Review, as pointers for concern and improvement. For instance, it points out
that some PRSPs do not explain clearly enough how the required growth is to be achieved; and suggests that the lack of fallback strategies in case of external shocks is a weakness. The Bank and IMF think these issues can be solved with a bit more work, whereas critics tend to assume that they are symptoms of fundamental political differences – whether between the Bank and the poor people they are trying to assist, or between elites within countries and the poor. The critics refer to bad experiences of privatisation and foreign trade liberalisation. They conclude that PRSPs are based on prescriptions which have on the whole been failures rather than successes.

**Cambodia**

Political stability returned to Cambodia after the devastation of the Khmer Rouge regime in the 1970s. Economic growth has been strong, averaging four per cent from 1994–2000, but per capita GDP was still only $260 in 2000. Poverty rose a little to 36 per cent and inequality increased, with rural areas falling behind. Social spending in 2000 was only $5 per person per year, malnutrition is prevalent, and foreign aid forms 17 per cent of GDP. Agriculture supports 77 per cent of the population but produces only 42 per cent of GDP, while industry supports 18 per cent of the population and produces 37.7 per cent of GDP. 70 per cent of exports are from the garment industry, that is vulnerable and constrained by quotas and tariffs in importing countries.

Cambodia’s debt situation is complex. 82 per cent of its debt is bilateral; much of its debt to the US and Russia incurred during the 1970s and 1980s. The present government does not recognise this debt. The IMF values the total debt at $2.2 billion, 77 per cent of GDP and 207 per cent of exports; the government gives a debt figure of $1.6 billion, 52 per cent of GDP.

The Interim PRSP was approved in January 2001; the full PRSP is expected at the end of 2002. Its birth has been problematic. Cambodia already had several development strategies in progress, with different Ministries and supported by different donors. The government proposed that one of these (the Second Socioeconomic Development Plan 2001–5 – SEDP II) should be combined into one process with the PRSP, for coherence and perhaps also in order to reduce the administrative burden on the government, whose resources and capacity are very limited. The World Bank rejected this proposal,
demanding a separate PRSP process and document. The Bank also rejected the first draft of the Interim PRSP, which went through eight drafts before final approval.

Critics allege that the underlying reason was institutional rivalry between the World Bank and the Asian Development Bank (ADB). Whatever the reason, the result was a greater burden on an already overburdened government, a hastily drawn up PRSP, and a lack of national ownership.

The main focus areas of the full PRSP are likely to be:

- Fast growth – the target is seven per cent annual growth rate
- Privatisation of remaining state-owned banks and enterprises
- Creating favourable conditions for foreign investment
- Trade, especially exports – including rice and other cash crops
- Commercialisation of agriculture
- Land reform to promote a market in land
- Urban poverty
- Social programmes – education, health, rural infrastructure

The World Bank regarded the Interim PRSP process as widely consultative; others disagree, pointing out, for example, that the eight drafts of the document were only available in English, not Khmer, making it hard for local NGOs, and for some in government, to read them. The PRSP has not been reviewed or debated by the National Assembly. The NGO community (360 Cambodian NGOs and 172 international) is well-organised for contributing to PRSP discussions, through an NGO Forum. Due to poor planning they were not able to contribute effectively to the discussions on the Interim PRSP. They have since produced two in-depth critiques, and engaged the government and World Bank in dialogue on the process. They have also commissioned commentaries on the PRSP from two major NGOs in other Asian countries. However, few are optimistic that their ideas will be adopted.

The Bank and IMF warn that expectations of the Cambodian PRSP must be modest, due to lack of government capacity – and will fund some capacity building. Many NGOs criticise the macroeconomic framework and the lack of prioritisation and say that reducing inequality, which many NGOs regard as an essential plank of poverty reduction, is hardly mentioned.

They also conclude, from the way the Bank and IMF handled the process, that ‘the PRSP appears less a new instrument for building poverty-reducing policies... than a way of achieving the political and institutional objectives of the World Bank.’
One of the most significant innovations of PRSPs is the requirement that governments draw them up with the participation of a wide range of national stakeholders, including civil society.

What type of participation, and exactly who should be involved, is not specified, but the general concept was widely welcomed by NGOs and many donor governments. The quality of participation has been one of the most widely scrutinised aspects of the whole PRSP process. There have been plenty of positive experiences. There has also been some disappointment – partly because different actors have interpreted the requirement differently. All would agree that in most countries there is room for improvement.

What is civil society participation expected to achieve?

The Bank and IMF perhaps tend to regard participation as a means to an end – achieving better policies, greater ownership, and better implementation. Others seem to regard participation as an end in itself and almost a political right of civil society in a democratic society.

The minimum PRSPs are expected to achieve is policies that better reflect and address the realities of poverty, and systems for holding governments accountable for implementing these. The Bank and many observers feel that this is starting to happen already. NGO Oxfam says: ‘[The process] obviously offers the potential for the further development of institutional obligations towards increased civil society participation. While this process of change is fraught with problems, it provides substantially improved access for civil society to policymaking and implementation.’

Those NGOs who hold the view that participation should include more profoundly political debate with the possibility of changing the whole liberalisation agenda have been disappointed so far. The difference in view is about the ultimate nature of the PRSP: In Nicaragua, for example, officials see it rather as a large project, which receives a certain amount of money to finance some sub-projects, than as a comprehensive national vision on how things could be made different.

In Uganda, some Civil Society Organisations (CSOs) feel that they have been used, to appear to give their blessing to a programme which they don’t in fact believe in. ‘Among CSOs...
there is growing concern that perhaps their participation in the endeavor has amounted to little more than a way for the World Bank and IMF to co-opt the activist community and civil society in Uganda into supporting the same traditional policies... to create a perception that the NGO community has given its blessing to a strategy which [it opposes].

Who should participate?
In some countries it has just been selected civil society organisations, in others there have been consultation meetings around the country. In Kenya, over 60,000 people took part, while in Uganda it was only 1,000.

Participation in what?
Different actors and countries have interpreted this differently. Participating at what stage? Shaping development of strategy or merely invited to approve and understand it? Consulted for information about poverty, or invited to debate how to address it? Various levels of participation have been identified by academics.

- Information sharing: this is the minimal level but even so there are issues such as at what stage is information shared (eg after the document is completed?), and how accessible is it (a one thousand word report?)
- Consultation: are the views listened to? Do the people consulted represent the groups they are supposed to?
- Joint decision-making: it is rare for civil society organisations to be involved
- Empowerment – initiation and control by stakeholders. This is more likely to occur at the stage of monitoring policy implementation than in making policy

Are governments committed to civil society participation?
Some governments seem to have regarded it merely as something that had to be done to satisfy the World Bank/IMF; others are fully committed. Some have used NGO lack of capacity as an excuse to exclude them; or at least have not been good at listening to what they are saying, especially if NGOs lack professional economic skills. Critics think the political implications of making poverty strategies really open to debate by the poor are huge, and in most countries the government is not really taking them on.


Government capacity

Even governments that are committed are not accustomed to transparency and participatory decision-making – strategies for doing this needed to be worked out, and in many cases weren’t. Some of the frustration among civil society organisations has been due to ineffective processes.

Participation of other stakeholders, such as parliaments

The Bank and IMF recognise that in general, parliaments have been neglected, and should be more involved. In some countries, such as Tanzania, where parliament has been involved, ‘the part it has played is considered to have been an important investment in the country’s democratic process.’

Finance Ministries have led the process in most countries – because it is largely to do with budgeting and budget allocation, and because fiscal policies are one of the pillars of PRSPs. The extent to which other government departments have really been collaborators varies. Parliaments too have played a very small role in most countries – generally asked to rubber-stamp the paper, with little time even to read and digest it, never mind contribute ideas or challenge assumptions early on.

Kenya

In Kenya, despite a large-scale process with local fora and high-level political participation, the contribution of MPs was disappointing. ‘Despite their rhetoric on fighting for the poor, not more than ten per cent of MPs attended meetings at all levels. Most claimed to have other engagements on the days of consultations, even when these meetings took place in their own constituencies.’

At the beginning of consultations in November 2000 after the provincial launch, politicians expressed strong opposition; they were convinced that the process was a waste of time and there was nothing new about poverty. To them, causes of poverty and their solutions were well known. They recommended that the Kshs 140 million (over $1 million) committed by development partners to support the PRSP preparation should be used to provide water, build roads and provide medicines in hospitals. This was said, even though simple arithmetic showed that Kshs 140 million could only construct ten kilometres of road, or if the money were to be shared amongst Kenyans as was suggested,
each Kenyan would only receive Kshs 4.60. Media coverage of PRSPs focused more on this than on the issues themselves. At no time ‘during the PRSP preparation process were discussions from leaders focused on causes and effects of poverty and collective actions that could reverse the increasing trend of poverty’. \(^{28}\)

And yet, a big countrywide consultation was organised by an independent NGO partner involving 60,000 people through dozens of consultation workshops. During the forums, all categories of stakeholders, including the most marginalised, such as youth, pastoralists and people with disabilities, were allocated equal space to voice their views and opinions alongside the Kenyan elite.

**Capacity in civil society organisations**

‘Participation’ is not easy – who is to represent civil society? Do they have enough information and capacity? Many civil society organisations are not participatory, do not represent the poor or exclude certain social groups such as ethnic minorities, and have little legitimacy. Most of those involved have been urban-based. It’s not clear whether poor people themselves have been involved in most countries, and whether they have directly or indirectly had an impact.

The initial task of participating in development of a PRSP is very demanding for the ‘civil society community’. In most countries, there are few organisations with experience of engagement in economic planning processes, and the need to engage in detailed discussions in a short time frame was beyond the capacity of a large number in many countries.

In addition, civil society organisations are not used to acting together and often don’t have the same views and positions. In some countries civil society is very fragmented; each section only considers its own sector – wages for unions, taxes for business, etc.

Women’s groups/gender champions have found it hard to participate, and the resulting PRSPs have been poor from a gender perspective.

**Time constraints**

There is a conflict between the need to get strategy agreed in order to mobilise debt relief quickly, and the long time frame needed for participation. Some civil society organisations are asking for the
PRSP process to be delinked from debt relief, so that it can go forward more slowly and thoroughly. The World Bank/IMF, on the other hand, believe that the amount of debt relief that is actually linked to PRSPs is not very large – most countries have substantial ‘interim debt relief’ before the PRSP is completed, so there is no need to delink.

Should a minimum quality of participation be a requirement?

To approve a country’s PRSP, the Bank/IMF require a description of the participation that has taken place, but not an assessment of its quality – there is no model or minimum quality standard applied. To some civil society organisations, this lack suggests that the Bank and IMF are not serious about participation, and some are asking them to develop guidelines and standard criteria. However, they reply that the political situations and the potential for participation varies so much from country to country that no single blueprint would be appropriate.

The Bangkok-based NGO Focus on the Global South believes the World Bank holds the minimal view of what participation means: ‘As long as people are allowed to speak... about their hardships, this is considered participation in the eyes of the Bank... what the Bank has yet to figure out is that genuine participation is a deeply political process of representation and negotiation.’

What has civil society participation achieved to date?

There have already been a number of achievements as a result of the process itself, including:

- Poverty is being redefined – powerlessness and voicelessness have emerged as dimensions of poverty.
- Consultation has often been channelled through or led by an umbrella organisation. This has strengthened information sharing and debate among civil society organisations, and has enhanced their advocacy capacity.
- Many organisations have learned fast and developed approaches to monitoring implementation – the crucial next stage.
- The concerns of poor people are more likely to be voiced and heard because official attitudes to CSOs have improved and civil society is now more able to contribute to political analysis.
- There has been a new government openness – making documents available, even macroeconomic and budget information – even if CSOs have not been invited or had the capacity to engage in dialogue at this level.
Observers at the UK’s Institute of Development Studies note that ‘Civil society participation can add considerable value to PRSP processes and to transforming policy environments in ways which are beneficial to the poor and supportive of better governance and more responsible behaviour by governments and donor institutions.’

However, this has not happened in all countries, and much more could have been added with better-quality participation processes.

**Public awareness and the role of the media**

Genuine consultation requires not only participation by civil society but also debate of the issues through the media. Trends in media in many developing countries are providing major new opportunities for public debate by means of radio phone-ins and talk shows. Rapid liberalisation of the media has created more complex, dynamic and democratic media environments. At the same time, an increasingly advertising-dependent and consumer- and business-oriented media is squeezing out substantive debate of poverty-related issues. Addressing these issues is likely to be critical in determining whether PRSPs can genuinely be debated by the public at large.

The media was used to inform about the PRSP process by means of advertisements and articles placed in the press, sometimes by government at the behest of CSOs. But media people have not all taken on the PRSP as part of the news agenda:

- Because many editors regarded this as a ‘development’ issue and therefore lower down the agenda than politics or entertainment
- Because there are few specialist journalists, particularly in Africa, and for journalists who are generalists, PRSPs do not come high up the list
- Relationships between the government and journalists are sometimes strained
- Relationships between journalists and CSOs are also sometimes difficult
- In Africa in particular, few journalists are trained in either economics or development
- In some countries, the media requests payment for placing stories. Where this was not forthcoming, stories were not carried
- Media in many countries remain very urban-based, with little interest in remote rural areas

The World Bank has begun to recognise that so far too little attention has been paid to the importance of information – through
the media and other channels—in creating a sense of national ownership and readiness to participate in PRSPs. During 2002, a new chapter on Strategic Communication is being added to the Bank’s online guidelines for governments developing PRSPs, the PRSP Sourcebook.32

**Niger’s Strategic Communication Plan**

Niger is one of the few countries so far that has invested in a planned, thorough and systematic communication campaign to raise national awareness of, and support for, the PRSP. Led by members of the World Bank staff and the national PRSP secretariat, the campaign began in 2001 with field research into the different audiences and appropriate messages for each. This covered the range of political and civil society, including ministers and members of parliament, local government officials and representatives, political parties, religious organisations, schools, academics, unions and professional associations, youth and women’s organisations, traditional village chiefs, and the private business sector.

Although the idea of a strategic communication plan was new in Niger, people quickly took it up. The role of politicians was particularly important: they made the PRSP their key plank, never missing an opportunity to promote it vigorously to the broader public.

The campaign consisted of publications, workshops and meetings throughout the country; and activities to engage youth including a concert, sports events and contests. The media, from national press and TV down to community radio level in all national languages, were thoroughly engaged and made an enormous contribution to formulating the PRSP. The campaign to mobilise the media included the production of a press information pack and regular bulletins, an image archive, press conferences, seminars, editors’ lunches, production of a TV documentary and radio and TV sketches.

More than simply raising awareness, the communication campaign provided many opportunities for debate, feedback and sharing of knowledge to strengthen the development and implementation of the PRSP.
6 Progress to date

The PRSP approach is taking hold in some 60 countries. By March 2002, ten countries had completed their first full PRSP and three had completed their first annual PRSP implementation progress report (Uganda, Tanzania, Burkina Faso). 42 have completed their Interim PRSPs.

The World Bank’s Review

From August 2001 to March 2002, the World Bank carried out a major review of PRSPs, consulting with governments, other in-country stakeholders, international NGOs, and other aid donors. There was also a specific review of civil society participation. It is too early to see whether the process is delivering the intended reduction in poverty, but the Review found that progress was good so far. It also made some important recommendations for improvement.

The main findings of the Review are:

- There has been widespread acceptance of the PRSP approach, among countries and the donor community
- Many low-income countries are recognising the importance of instituting and maintaining sound policies and their own efforts
- There is a more prominent place for poverty reduction in policy debates
- There is a growing sense of ownership among governments
- There is more open dialogue within governments and with some parts of civil society
- There is a growing emphasis on policies that will accelerate growth, and thus make this reduction in poverty sustainable
- The development of PRSPs is a major challenge for low-income countries – there is a need to have realistic expectations
- Strategies must be followed up by actions – attainable short-term targets are needed and monitoring procedures must be developed, so that all partners know whether the country is moving along the right track

Other issues include:

- The need to improve understanding of the links between policies and poverty outcomes
- The need for realism in setting goals and targets, and in managing expectations
• The importance of openness and transparency
• The desirability of debate about alternative policy choices
• The importance of patience and perseverance with implementation
• Scope for improvement in content and process: good practice includes improving Public Expenditure Management systems, and strengthening participatory processes
• The need to develop capacity for more analysis of the impact of policy choices on poverty and social welfare
• The need to develop indicators and structures for monitoring of progress
• The need to cost and prioritise proposed actions
• The need for sharper analysis of the sources of growth, and flexibility to deal with external shocks
• Inadequate attention to gender issues in most PRSPs
• Inadequate attention to AIDS
• Lack of capacity, and the inability to use existing capacity effectively.

Some NGOs are critical of the whole Review process, charging that it was tightly managed in order to play up achievements and play down problems. For instance, they say it was hard for NGOs to participate in regional consultation seminars organised as part of the Review.36 They also dispute the finding that governments are taking ownership of the PRSP process.

How should PRSPs develop in the future?

There are a number of areas where it is clear that there is room for improvement. These include:
• Augmenting the capacity of governments, and other stakeholders, so that they can engage in policy dialogue
• Monitoring is just as important a role for CSOs as participation in the policymaking. There is a need for impact evaluation of the policy package agreed and for indicators of success at all levels
• Budgets are becoming more open in some countries. There needs to be a closer link between budget and actual outcomes
• PRSP goals need to be integrated with other policy goals and a multi-sectoral approach needs to be taken
• Development support needs to be consolidated and the role of other donors integrated with PRSPs
• The media needs to be integrated into the PRSP process at both government and NGO level.
1 PRSPs and poverty in Uganda

In Uganda 44 out of 100 people live below the poverty line. 80 are subsistence farmers; 62 are illiterate; only 49 have access to safe water and 19 to toilet facilities. Life expectancy at birth is 42.

The Ugandan government has in the past undertaken a number of plans to target poverty. In particular, the 1997 Poverty Eradication Action Plan (PEAP) and Uganda’s Vision 2025 included consultations with various stakeholders. However, the participation of civil society in such plans in a major way only began in 1999. The major global lending institutions, the World Bank and the IMF, made it a conditionality for countries like Uganda to involve civil society in national policy frameworks if they were to benefit from any assistance. In May 2000 the PEAP was revised into the Poverty Reduction Strategic Paper (PRSP).

PEAP/PRSP aim to accelerate economic growth; to raise Gross Domestic Product (GDP) growth performance to nearly five per cent per capita per year. This focus on economic growth is similar to previous World Bank/IMF models.

The strategy has four pillars:

1 Fast and sustainable economic growth and structural transformation, to be achieved by providing an enabling environment for the private sector in order to enhance private investment.

2 Good governance and security.

3 The increased ability of the poor to raise their incomes. This is to be achieved by ensuring access to appropriate technology, adequate infrastructure, access to and control over productive assets (land, capital, etc) by both men and women, implementation of the Land Act, promoting access to employment opportunities (formal and informal), ensuring that the environment can continue to support agricultural production, and that the poor are able to cope with temporary fluctuations in their income.

4 Increased quality of life for the poor by providing basic services, particularly healthcare, safe water supply, sanitation and education.
However, civil society organisations are not convinced of the government’s commitment to the poor. At a conference organised by the Forum for Women in Democracy (FOWODE), in June 2002, Professor Yash Tandon, Director of the International South Group Network observed:

‘The four pillars of the PEAP/PRSP are in reverse order of importance... economic growth through privatisation and... increasing the ability of the poor to increase their incomes is contradictory; you cannot privatise everything – even public utilities – and then claim to be improving the lives of the poor’.

2 The participation of civil society

The participation of civil society began in December 1999, when the government invited the Uganda Debt Network (UDN), OXFAM GB in Uganda and DENIVA to a meeting in which they were presented with an outline of the proposal for the revision of the PEAP.

In response to this, UDN, in conjunction with OXFAM, organised a two-day meeting in Kampala for over 50 civil society organisations. The meeting established a Task Force composed of national and international organisations and institutions. The chair of this NGO Task Force (UDN) was invited to attend all meetings of the Government Task Force.

The Task Force organised national and regional meetings for the purpose of soliciting people’s views and concerns. For example, six regional meetings were organised and attended by the community representatives and local leaders.

The consultations were held in eight zones – North-East, East, North, Central, South, South West, West and West Nile) around the country between March 3 and April 11, 2000. They were attended by 644 participants.

Between 10 and 15 participants were drawn from each district, with the exception of Kampala which had 45 participants and Katakwi which sent four participants due to insecurity.

Consultations were based on the four goals of the draft revised PEAP. Primary focus group discussions were used to collect qualitative data on people’s views. The selection of the participants to the regional meetings was based on categories used earlier during mobilisation for debt relief campaigns by UDN, ie grassroots organisations. But the involvement of the community-based groups was mainly at the stage of extracting their views.

The questions that were asked during the regional meetings included: people’s concerns about economic growth; who benefits
and how can it be boosted?; the tax system; debt management; security; ways and means of increasing the ability of the poor to raise their incomes; and challenges and solutions on HIV/AIDS and family planning, water and sanitation, education, and housing.

It is the general feeling of the organisations involved that the time given to hold countrywide consultations was too short, considering the limited resources (financial and human) at their disposal.

3 Gender balance

The involvement of women on the civil society Task Force was through the key women’s organisations that were invited to be part of the process. These were Action for Development (ACFODE) and Uganda Women’s Network (UWONET).

At the regional meetings there were 405 men and 239 women.

<table>
<thead>
<tr>
<th>Region</th>
<th>% Attendance of women</th>
<th>% Attendance of men</th>
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</thead>
<tbody>
<tr>
<td>North-East</td>
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<td>West Nile</td>
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Warren Nyamugasira, former leader of the Task Force, and currently the National Coordinator of the National NGO Forum, points out:

‘Wherever we went for consultations, we made sure we had a significant number of women on the team. It is these women who identified the gender issues and concerns that were incorporated in the PRSP. Because PEAP was seen as a gender-blind plan, this time around, the criteria was to include some of the women’s organisations that would be able to identify the gender issues’.

But OXFAM disagrees.

‘PRSP has a very weak gender analysis. Plans do not in themselves overcome existing biases in government policy and
practice. In agriculture, for example, plans from improved extension service make no reference to gender yet there are major problems with extension workers targeting male farmers or groups and ignoring women.’7

4 Input from people’s representatives
Few members of parliament were involved in the PRSP process. Keith Mukahanizi, Director of Economic Affairs in the Ministry of Finance, Planning and Economic Development, says that a consultative workshop was organised for Members of Parliament. They, on the other hand, claim that the invitations were given at the last minute and only five managed to attend.

5 The media
Of 30 senior journalists, including editors, only 15 responded, but all either bluntly or vaguely indicated their ignorance of the PRSP. Only two working on the parliamentary ‘beat’ said they had heard about it in the day-to-day activities; seven said something like: ‘What is that? PR... Post Referendum... What is this thing? Never heard about it’.

Ibrahim Ssemujju, working with The Monitor newspaper and a journalist with The New Vision (who declined to be identified) said they had heard about PRSP in parliament. They said it is regrettable that such national strategies are formulated without the input of journalists. Ssemujju said: ‘Journalists know a lot about the country and people because of their daily interactions with them. So if a poverty reduction strategy is being developed, journalists are likely to give neutral information’.

All journalists said that generally government, donors and civil society organisations don’t involve them in national causes apart from when CSOs require media coverage.

Teresa Nannozi of The Monitor says: ‘Ugandans, particularly in government, think that journalists don’t have much to contribute to any debate. That you only need to call them when they are launching your final document, after all discussions are complete’.

Esther Banyezaki of the Uganda Media Women’s Association said she was disappointed that despite big media representation during the consultative meetings, they did not report on the issues. ‘Sometimes the editors don’t find development-related stories sellable so they simply don’t publish them.’
The Task Force says it had a media programme for PRSP. According to Catherine Anena, a Policy and Research officer at UDN, UDN developed a popular version of the revised PEAP and translated it into four major languages. Regional workshops to disseminate PEAP information were also organised by UDN together with the CSOs that were involved in the consultations. Audio tapes were developed and radio broadcasts, television programmes and talk shows were organised. Newspaper pull-outs were published and distributed by the largest daily newspaper. Press releases and conferences were also organised.

Nyamugasira and Banyenzaki concur, ‘The media was expected to report on the PRSP process but never lived up to this expectation’.

For Nyamugasira, ‘The biggest problem is that you never know when the media are your friends and when they are not. They are never permanent allies, so they are not a group that you can always think about when you are preparing something serious’.

Allen Sekindi, in charge of *The Other Voice*, an advocacy newspaper, owned by the Uganda Media Women’s Association, and Beatrice Were, formerly working with the National Association of Women Living with Aids, (NACWOLA) note that, ‘The media is one of the most marginalised institutions in this country. There are few journalists trained in issues such as PRSP, HIV/AIDS, and reproductive health. But the public expects the media to analyse and give good stories without those concerned taking deliberate efforts to educate journalists on these issues. This is not fair!’

Sekindi adds, ‘Civil society organisations or development agencies should expect good media coverage only if they have invested in it. They should have a specific sensitisation programme for media personnel before they can embark on a publicity campaign’.

Nannozi wants government and civil society to look at journalists as partners, ‘Because we really are. A lot of people get to learn about issues like this from the media and the better, the earlier, we understand the issues involved, the more likely we are to make an accurate representation to our audiences’.

**6 Can civil society claim ownership of the PRSP?**

A policy analyst working with one of the civil society organisations in Uganda said: ‘ideally it [the PRSP] would be owned by all Ugandans, since it is a strategy that should have come up after countrywide participatory consultations with the different groups of the population’.
But fewer than 60 civil society organisations and not more than 1,000 people were consulted at both regional and national workshops.

The government, together with some CSOs, owned the consultative process in the sense that they organised the meetings and they could have influenced the direction of the debate. It should be pointed out here that many community-based organisations still do not know what PRSP means.

Donors had clear terms and conditions for the government to follow. They also facilitated the biggest part of the exercise in terms of resources. Nyamugasira says, ‘While there is consensus that ownership of one’s own programmes, policies and projects is more likely to bring about success, much of it can be more rhetoric than reality. It could also be a way of getting recipient countries’ policy-makers not only to do what it recommends, but also to believe in it’.8

Irungu Houghton of UDN adds, ‘PRSPs have their origin in the lending frameworks of the World Bank and IMF. They were externally developed and in most cases have been driven by the promise of external resources. Most of the work was done by consultants, World Bank officials and a technical team. Civil Society and the poor were not engaged at the level where they can claim ownership’.

### 7 Challenges for future participation

In its report on civil society in the PRSP process, the UDN notes that:

- Most civil society organisations and institutions lack the capacity to engage donors and policy planners in meaningful dialogue about policy issues. The danger therefore is that CSOs might end up endorsing positions about which they have little knowledge.
- The initiative by CSOs to build their own capacity needs to be supported and enhanced. The process of, for instance, monitoring poverty, is complicated and needs a lot of resources and high-level organisation. Most CSOs are small-scale.
- There is a need to have a clear NGO policy in each of the respective countries. NGOs in Uganda for years had been denied the right to form a national organisation through which they would channel their input, represent themselves and speak with one voice.
- The commitment by government and donors cannot be evaluated unless respective CSOs and institutions are mainstreamed within policy planning. Some government officials
view the participation of CSOs as merely legitimising the government agenda. Criticism by CSOs is still viewed with suspicion.

- There is a need to fully understand and analyse the donor agenda.
- Bringing community-based groups on board is one of the biggest challenges. Magdalen Nandawula, in charge of partners at OXFAM asks: ‘How do we ensure that the majority of poor people know their rights, and start demanding them? We must institute pro-poor programmes to disseminate information. But poor people must be empowered in order to interpret it to be able to use it’.

In order for this to happen, CSOs need to start working more closely together. Nandawula says: ‘We need to become more complimentary than competitive, prioritise the same issues and strategic objectives. Then we shall be speaking the same language and impact on policy and on the lives of the poor more meaningfully’.

*Faces of the future – people need to know their rights and start demanding them.*
In Lesotho, the real per capita GNP was $1,680 in 1997, and the country ranks 127 out of a list of 174 countries on the United Nations Development Programme’s (UNDP) Human Development Index. Some estimates put the poverty incidence at 68 per cent, and 70 per cent of these are classified as ‘destitute’. The spread of poverty is said to be more acute in the highlands and remote rural areas where it reaches 80 per cent. In the lowlands and foothills it is 70 and 54 per cent respectively. Income distribution in Lesotho is one of the most unequal in developing countries. A 1998 estimate suggests that 45 per cent of the total national income accrues to the richest ten per cent of the population, contrasting with the less than one per cent which goes to the poorest ten per cent.

Lesotho is not classified as a highly indebted poor country.

Over the past two years, the Lesotho Council of Non-Governmental Organisations (LCN) has entered into a partnership with the Government of Lesotho (GOL) to prepare a national strategy for combating and reducing poverty. It was understood from the beginning that the escalation of poverty in the country could be an indictment of earlier interventions. Emphasis was therefore placed on ensuring the centrality of ordinary people. The key principles of the PRSP are listed as:

1. National ownership
2. Results-orientatedness
3. Comprehensiveness
4. Participation.

The Interim strategy emphasises rapid growth, which is to be grounded on: export-led growth; prudent fiscal management; macroeconomic management; cautious monetary policy; employment creation; and accessibility and efficiency of quality social services. The Interim strategy also contains a matrix of measurable targets and indicators for monitoring progress.

The first round of grassroots consultations with communities and other stakeholders was concluded in April 2002, and district reports of the surveys are being consolidated. The surveys took place under the aegis of a partnership between LCN and the government.

The present study was commissioned by the LCN to assist in the evaluation of the stakeholders’ perception of the process so far, as
well as to beef up the prospects of greater success in the phases to follow. LCN surveyed four categories of stakeholders and potential participants in the process, namely:

- Civil society organisations
- The government and members of the Technical Working Group (TWG) on PRSPs
- The media
- Communities

2 Civil society organisations

Civil society organizations (CSOs) all began from a point of sympathy for the PRSP process. A total of six non-governmental organisations out of the 18 participating in the PRSP were interviewed to assess CSO perception of the process, their initial capacity, and their own assessment of the effectiveness of any capacity building that has since been directed at their sector.

The participating CSOs noted a similarity between the PRSP and the Structural Adjustment Programme (SAP) but did not feel the urge to revisit the macroeconomic framework sculpted by the government in the pursuit of the PRSP. This contrasts somewhat with the posture formerly adopted by the CSOs in the context of the SAP. The present disinclination for unpacking the policy package may be informed by the perception of continuity between SAPs and the PRSP, and the experience of defeat on this matter in the context of SAPs.

All the responding NGOs had been invited to participate in the PRSP by the Lesotho Council of NGOs after it had received an invitation from the government.

CSOs had created a lot of time for the process, but in some cases this meant that certain regular organisational tasks had to be put on hold.

LCN staff and other respondents noted that a good number of NGO representatives have come to be considered ‘dormant’ since they never respond on the PRSP process.

All the CSOs visited said special efforts had been made to encourage women’s participation. Specific groups were formed during community surveys – women, youth, herdboys, etc – so they could discuss their input without any inhibitions. The process was said to have been effective as women were free to express themselves.
3 The Government

The Technical Working Group of the PRSP (TWG) had made a sensitisation visit to Parliament, but there was no parliamentary debate on the subject, though parliamentarians participated intermittently in the national PRSP forums.

All the TWG members felt the PRSP strategy is integrated into the other government strategies. It was pointed out that the strategy links well with the goal of sustainability, in that it uses existing local structures, and involves the communities at various stages, thus ensuring local ownership of the process.

In the case of encouraging community involvement, however, one constraint was mentioned. This was the fact that the community surveys were too close to the general election date; this made community members suspicious that this could be a vote-buying ploy. While nothing could be done about this pressure, the purpose of the consultations was thoroughly explained to the communities.

The members of the TWG gave other useful comments:

• There is a feeling that the Ministry of Development Planning is dominating the TWG: ‘Sometimes I have a feeling that it does not matter what members of the TWG want or think, Planning will do what it decides to do anyway’.

• Too much outside influence, eg too many consultancies resulting in loss of the ‘local’ origin of the content of PRSP.

• High turnover of membership of the TWG, with new faces appearing every other sitting.

• Shrinking membership enthusiasm. At the time of the study only 15 out of 31 members were still active.

• Is the Ministry of Development Planning the right ‘home’ for the PRSP, and should the Secretariat really be made of government officials?

• There is a need to involve more ministries and more communities.

• There is a need to sensitise the media about the PRSP process.

• The PRSP Civil Society forum should report to the TWG, to enable the TWG to monitor the process.

4 Community members

A total of 112 persons (63 females and 49 males) in 11 communities were interviewed. 98 per cent were aware of the PRSP process. Asked for their source of information on PRSP, 60
community members mentioned the chief, while 36 mentioned government officials, and 15 neighbours.

A majority of 107 were aware that surveys relating to the process were carried out in their community. When invited to state the purpose of the surveys, 101 respondents mentioned poverty reduction, and 11 mentioned eliciting community ideas about poverty. 98 persons said they took part in the surveys, and 14 said they did not.

110 respondents said the surveys took the form of community meetings (*pitsos*). 72 said they actively participated in the surveys; 40 said they attended and listened. 88 were satisfied with the role they had played, while the remainder were not.

In explaining their answers, the group who answered ‘yes’ said that the opportunity to air their own views, and seek clarification of certain matters, was useful and showed respect for the community. Among those who were not satisfied, the explanations were that the community was taken by surprise, and not given enough time to think over the issues. Asked to say how they would like to see their participation in the process improved, 24 mentioned regular follow-up meetings and implementation of the suggestions made, and training. 81 people said they thought their views would be implemented, while eight gave ‘other’ answers.

The villagers were also invited to give their own assessment whether the process would really relieve poverty. A large majority of 107 answered positively while two were not optimistic. Some said they were hopeful because their own input had been asked; while the ones who said ‘no’ said they did not have trust in the government.

Villagers were asked whether special efforts were made to encourage women’s participation, what forms such efforts took, and the degree of their perceived effectiveness. Altogether, 83 respondents said these efforts were made, 21 said they were not, and the remaining eight said they did not know. The community members who answered positively said the efforts were visible in the free participation of women, non-discriminatory nature of the community meetings and election of women to the village committees, while those who said ‘no’ said women did not participate a lot.

Similar questions were put on community participation. 89 persons said there were efforts to ensure community participation, 16 said there were no such efforts, and 13 did not know. Regarding the form taken by such efforts, 93 respondents said everyone participated in the community meetings. 82 also said the efforts were effective, while the remainder could not make an assessment. 88 said no problems were encountered in encouraging community
participation, while the remainder gave answers ranging from lack of community enthusiasm, to proximity of the surveys to election time.

5 The media

Six persons from as many media houses were interviewed to gauge the levels of awareness as well as the rate of participation of the media. Asked whether the journalists knew anything about the PRSP process three said they did, two of whom qualified their answer with ‘very little’; while the other three said they did not!

Five of the six said journalists do not participate in the PRSP process, while the remaining one said they did, but ‘very minimally’. All those interviewed felt that the media should play a role in the process. At least one answered ‘yes, but most media people do not take it seriously’. Their perspective was broadly that poverty is a public concern as it involves loss of human dignity for the individual. There is a moral compulsion to get involved in raising awareness about poverty and its eradication.

Four of the interviewees asserted that the editors are aware of the PRSP process, whereas the remainder said they were not. One said the editors never actually encourage their reporters to cover the subject. The reasons given were that political party wrangling is usually accorded a higher precedence.

The respondents were also asked to say whether their editors felt the media had a role to play in the PRSP. Four answered positively, while two stated that the PRSP process had not been given sufficient publicity.

Women’s work – 74 per cent of respondents said efforts were made in the PRSP process to encourage women’s participation.
Ethiopia

1 PRSPs and poverty in Ethiopia

The average per capita income in Ethiopia is less than half a dollar a day. In the year 2002, 5.2 million people are likely to be affected by drought or famine. One third of infants die from malnutrition. Social poverty is also on the rise – the majority of the population do not have access to safe water, education and healthcare. There is also a high prevalence of HIV/AIDS.

Over the years, Ethiopia has adopted different poverty alleviation and reduction strategies, for example, in the Food Security Strategy (1996 and 2002) and in the five-year Developmental Plan (2002). Despite this, however, Ethiopia has been continuously devastated by poverty. This is mainly because strategies and policies do not really emanate from careful analysis of realities and not much effort is put into learning from experience.

Ethiopia prepared its Interim PRSP in April 2000. PRSP is different from other poverty-reducing strategies in that it allows governments to prepare their own strategies with the contribution of civil society, particularly the poor. This is also a requirement to get loan relief from International Monetary institutions.

This begs the question: did the country fulfil the necessary requirements on consultation in order to reduce poverty or in order to get loan relief? The PRSP is believed to bring a new culture of consultation, accountability and sense of ownership. It also serves as a point of departure for many to reflect on the shortcomings of civil society by holding a wide range of successive consultations with the poor.

The methodology used to consult the poor took different forms, both at NGO and government level. The government undertook consultations at woreda (district), regional and federal levels. The NGOs gave more emphasis to the poor with whom they work. The preparation of PRSP took place within a very short time frame given the work required in mobilising civil society. However, NGOs in particular played a major role in consulting the poor and amplifying their voices.

But according to Ato Desalegn Rahmeto, the director of the Forum for Social Studies, the PRSP Interim document did not present any poverty analysis. It focused on the rural areas, overlooked urban poverty and lacked gender analysis.
The preparation of the Interim PRSP did not involve civil society. However, when it came out, the government organised a briefing session for NGOS and civil society and took the initiative to call for reflection and participation. This opened up the possibility of wider participation for NGOS in the preparation of the strategy paper. The draft for the national PRSP came out in late June 2002 and reflects the role of civil society much better than the Interim paper.

2 Government involvement
The Ministry of Finance and Development formed a PRSP secretariat, which is responsible for preparing and compiling the national PRSP. It organised consultation workshops all over the country. These were carried out in all regions in February and March 2002. Training was provided for the conveners. According to one of the officials in the department, the government heard the poor and the poor told their stories. ‘It is very difficult to involve everybody. It requires a lot of money, time and human resources, and we were quite ambitious to cover 116 woredas, 25 per cent of the total. If this becomes practical, it is indeed wonderful. The preparatory phase was not easy, however we tried our best to make the representation fair.’

The information collected from the consultation is likely to be of more use than the document itself. It was said that poor people were free to express themselves and that it was the first time the government had managed to do such well-organised work.

3 Non-governmental organisations
Many NGOs participated in the PRSP process, either by bringing their experience and expertise or by conducting consultation workshops and publishing the findings. For example, because the government did not call for consultation at the Interim stage, the Forum for Social Studies (FSS) organised seven consultation workshops in Addis Ababa with NGOs, the poor, journalists, investors and government officials. The Forum had planned to undertake consultations outside Addis but they had budgetary and human resource constraints.

The Ethiopian Economic Association (EEA) gave training for parliamentary members, journalists and civil society members on the meaning, preparation and process of the PRSP. According to a statement by a representative of EEA: ‘I realised in many PRSP consultations... the most terrifying thing is how our people are living in harmony with poverty. They cannot bear it any more and at the same time they cannot escape it. People cannot make a
single step to improve their conditions and this is frustrating and confusing.

On the other hand, when we asked poor people about their problems and solutions, we saw much wisdom. The poor appreciate the opportunity to discuss among themselves and to discuss their problems and solutions with different experts’.

The Christian Relief and Development Association (CRDA) networks other NGOs working on PRSP and facilitates links with the government. CRDA formed a PRSP Task Force composed of 11 member NGOs. This task force met every week to discuss the background and framework for poverty analysis, to evaluate the participation of NGOs in the PRSP, to update member NGOs with the process and to prepare the monitoring and evaluation of PRSP. They also contributed their experience on poverty analysis and strategy formulation to the government.

The CRDA director said that the problem with the PRSP strategy is that there is no standard set for it; countries can process it their own ways. In countries like Uganda and Kenya, they approve the interim paper together with NGOs. In Ethiopia, the government suggested NGOs should participate from the woreda level up.

He said that it is a great step to hear about poverty from the mouths of poor people. ‘Even NGOs often describe poverty from papers they read, but when they get the information from the poor themselves, then they have a real starting point. The other advantage is that there was not a culture of consulting the poor in previous times, so this will provide a chance to acknowledge the rights of poor people.’

The Inter Africa Group (IAG) has been actively engaged in the PRSP process by producing information materials. It also worked with the technical committee to provide a global perspective.

### 4 PRSPs and pastoralists

Pastoralist issues were marginalised in the Interim PRSP. The Pastoralist Forum Ethiopia therefore organised a national conference on PRSP and Pastoral Development in May 2001 in Addis Ababa. Participants were the Minister of Agriculture, NGOs working on pastoral development, relevant government offices, pastoralists and academics. The Minister noted that pastoralism as a way of life for more than ten million people has never commanded attention and as a result, pastoralists remain marginalised and unable to benefit from development. What is needed now is to formulate options that would benefit pastoralists.
The Pastoralist Forum Ethiopia also undertook three consultative workshops on poverty in the pastoralist areas, in Awassa for the southern pastoralists, Gambella for the western pastoralists and Awash for the middle valley and eastern pastoralists. The findings were compiled and submitted to the Federal PRSP secretariats for incorporation into the final PRSP.

The workshops tried to cover most pastoral groups in the country. The time between the consultations and the submission of the final findings to the government was very short. The pastoralists were not aware of PRSP in the beginning and there was a need to distinguish strategies from problem listing. The pastoralist consultation at each site took one day. The main languages used were Oromyffa, Hammer, Nuer, Afar, and Somali. Having various languages made the meetings very dependent on translators.

Women are well represented in almost all consultations (50 per cent among the Nuer and 30 per cent in other consultations).

There were four main areas of concern: land tenure, conflict, institutional policy and animal and human health.

**Land tenure**

This was one of the major issues of discussion. Pastoral land is communally owned and resources communally used. But encroachment by the government and other private investors negates this communal-use system and limits mobility. In addition, the expansion and diversion of the Awash River took a large area of land that would have been used for grazing.

The Afar, the Somali and the Keryu live in the Eastern and Middle Awash Valley. They described the level of their poverty as mainly related to land encroachment. The Keryu in particular suffer a great deal from the encroachment of industry and tourism on their lands. They tried to illustrate their expulsion from their land in the form of stories. A pastoral elder said that they are continuously being expelled from their areas for ‘development reasons’ and they are helpless to prevent this. Their voice has not been heard, although they continue to express it when there is an opportunity. This, he said, ‘should not continue. The land, which we graze and our livestock could be taken at any time and the fact that the pastoral lands belong to the pastoralists is not taken into account’.

The Keryu also stated that water pollution has become a big problem due to chemical residues from factories in the region. They no longer have access to safe water. They are pessimistic about the possibility of policy change. ‘We know that there will not be any change that solves our problems, we speak out because we have to and we will die speaking.’
• **Conflict**
Pastoral areas are the most conflict-prone areas in the country. Pastoralist movement across intra-boundaries and international borders in search of water and pasture often leads to disputes. Incessant conflicts arise among the Borena and Somali (Digodia, Gabera and Gerrii), Hammer and Borena and Afar and Issa, etc.

One elderly participant from Borena said: ‘We have been raided by the Somali, they steal our cattle and they steal our wives, and that is why we are poor’. The pastoralists believe that government is not intervening properly and territories are not properly demarcated. ‘Conflict in pastoral areas has therefore limited the necessary transhumance movement and so aggravated poverty.’

• **Institutional Policy**
Pastoral communities are characterised by low participation in government structures. The government’s pastoral policy has assumed that pastoralists resist change. An understanding of pastoralism requires a grasp of the multi-dimensional reality of the pastoralist situation today, which is a product of the dynamics of change within their own system and that of their neighbours. Pastoralists require an institutional policy that favours their livelihood. The pastoral areas possess few qualified people in terms of education and skills. Therefore, one Somali elder said at the consultation, ‘Government institutions should lower standards for employing pastoralists and at the same time implement capacity-building programmes’.

• **Animal and Human Health**
The other issue the pastoralists maintained was important was human and animal health. Regarding human health, most pastoral areas do not have health centres. Where these do exist, they are not well equipped. There were cases where the Hammer and Arbore had to walk 30 to 40 kilometres in order to reach a clinic. On the way, the patient might die. The development of such infrastructure, therefore, must be a major step in any strategy to reduce poverty.

5 **The media**
The media in Ethiopia is divided into government and private media. Both played a major role in awareness-raising on PRSPs at national level. However, neither has been effective enough in engaging the public at large. Both visual and print media picked up the issue of poverty reduction mainly because they linked it to an event and not because it was seen as an issue in itself. Development issues in general are not followed up in a sustainable manner.
There are a number of reasons for this.

1. In the government media, departments working on development are not established.
2. Staff are assigned arbitrarily on availability and convenience; there are few specialist journalists.
3. Civil society often fails to engage the media as it is not considered a part of development activities. On PRSPs, there was not enough information and training given to journalists and editors.
4. There is no mechanism for monitoring the media role in engaging the public.

A number of interviews took place at the Ethiopian Television Station (ETV) and Radio Ethiopia.

According to a reporter at the Ethiopian Television Station: ‘We heard of PRSP for the first time at a briefing by the Ethiopian Economic Association to the parliamentary group. We know that PRSP is a requirement by the World Bank and IMF to developing countries. As journalists, we were not able to go to the main PRSP briefing or to participate in one of the consultations. The second time we heard of PRSP is when the African Development Bank stated the possibility of supporting those African countries that are engaged in the PRSP’.

‘In East Africa, particularly Ethiopia, every time development documents are produced, most of them remain as documents rather than being read more widely, which makes me pessimistic about how much will be implemented.’

The reporters suggested that journalists should have been given training on PRSP. The Ministry of Information is now working on government policies. If this includes the PRSP process, then they could be involved. PRSP also should be considered as a separate subject from other issues that media is covering.

‘We personally do not believe that the public is aware of PRSP. We do not believe that the media was used effectively. At ETV, there has been no discussion. The organisers of PRSP consultations have just called the media to cover the event. However, we believe that ETV is part of the government and has the responsibility to introduce people to government policies,’ the reporter said.

Compared to the reporters, editors and section managers are given more chance to participate in PRSP trainings. This is based on the assumption that they will in turn train the rest of the staff. However, most of the time this does not happen.

A programme producer at Radio Ethiopia said that, ‘Our fear is that since the emphasis of PRSP is on getting relief and concessional
loans, it has to consider the poor, but we do not think that they have reached the grassroots. People were asked to agree to the document rather than discussing strategies to solve their problems.’

‘The media has three functions: information dissemination, education and entertainment. The role of the media in PRSPs is the former. Radio Ethiopia has tried to create awareness on poverty. There were many programmes made on streetism, family planning, AIDS through various entertainment programmes. These issues could contribute indirectly to PRSP.’

The government media had more coverage of PRSPs than the private press, which generally covers politics and entertainment rather than development issues per se.

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**Recommendations**

Media activities should be redesigned in a way that will have a long-term impact on awareness creation. This could be worked out in four ways:

- Development of community radio that can reach many people, particularly rural areas which do not have access to visual media and print media.
- Civil society organisations should work closely with the media.
- Monitoring. Some journalists attend some workshops and trainings including the one for training for trainers. However the likelihood that they will train others when they come back to
their offices is low. Therefore, there must be a mechanism through which such activities are monitored.

- PRSP should be given a programme of its own on television and radio.

Notes - Part A

1. All information from World Bank and IMF websites
2. HIPC Creditors Debt Services projection, www.eurodad.org
3. ‘Voices of the Poor’ press release, World Bank, September 21 2000
5. Ethiopia country report – see Part B of this report
6. Malawi country report, commissioned by Panos London
13. Nicaragua PRSP Joint Staff Assessment, Staffs of IDA and IMF, August 2001; and see note 12
14. PRSP: Beyond the Theory: Practical experience and positions of involved civil society organisations, Irene Knoke and Dr Pedro Morazan, Brot für die Welt, Berlin, May 2002
18. Masters of their own development?, see note 12
20. Cambodia, Assessment of the PRSP Preparation Status Report, Staffs of IDA and IMF, Jan 2002; and Masters of their own development?, see note 12; and Structural Adjustment in the Name of the Poor: The PRSP experience in the Lao PDR, Cambodia and Vietnam, Jenina Joy Chavez Malaluan and Shalmali Guttal, Focus on the Global South, Bangkok, Jan 2002
22. New Strategies, Old Loan Conditions, see note 10
26 Making of a Country Poverty Reduction Strategy Paper, see note 23
27 See note 23
28 See note 23
29 Structural Adjustment in the Name of the Poor: The PRSP experience in the Lao PDR, Cambodia and Vietnam, Jenina Joy Chavez Malaluan and Shalmali Guttal, Focus on the Global South, Bangkok, January 2002
30 For example, in Kenya
31 Assessing participation in Poverty Reduction Strategy Papers, see note 25
32 www.worldbank.org, PRSP Sourcebook
33 Strategic Communication in PRSP (draft), Masud Mozammel and Barbara Zatlokal for the World Bank, July 2002
34 Review of the PRSP Approach: Main Findings, see note 4
35 See note 4
36 Masters of their own development?, see note 12

Notes - Part B

1 Figures from Ugandan government released in March 2001
2 Uganda Debt Network (UDN) is a pro-poor organisation, formed in 1996 advocating reduced and sustainable debt levels, accountability and effective use of national resources for the benefit of all
3 OXFAM is an international NGO specialising in poverty reduction, debt relief campaigns and fair trade
4 DENIVA (Development Network of Indigenous Voluntary Associations) is a network of community-based groups, formed in 1988
5 UDN, OXFAM, ACTIONAID, VECO-Uganda (this is a Belgium based donor Vredeseilanden Coopibo), Forum for African Women Educationists (FAWE), Makerere Institute of Social Research, (MISR) Centre for Basic Research (CBR) World Vision and African Medical Research Foundation, (AMREF)
6 The Poverty Eradication Action Plan (PEAP) revision, Civil Society Consultations: A Summary and Analysis of the Participants’ Views, the Civil Society Organisations Task Force for PEAP, April 2000 – at www.udn.or.ug
7 Link Oxfam Gender Newsletter, November 2000
8 Aid in Africa: Does Africa Deserve Aid Conditionality?, Warren Nyamugasira, UDN June 2001
9 The authors would like to thank the Acting Executive Director of the LCN; Information Officer Mr Lebohang Chefa and Accountant Ms Mots’eo Mohapi. We also wish to acknowledge the willing assistance and endurance of our field staff and enumerators Ms Mats’eliso Molise, Mr Motlohi Sekoala, Mr Senqunyane Mokemane, and Mr Liteboho Moseoeunyane. The interviewees in the different categories of information sources were patient and enthusiastic to entertain us at short notice, and we wish to salute their attitude and spirit.
10 Statistics for Lesotho are unreliable
11 Report by the Pastoralist Forum Ethiopia for Panos London
12 People whose main livelihood comes from livestock, often with a nomadic lifestyle
World Bank
1818 H Street, NW
Washington DC 20433, USA
Tel 1 202 473 1000
Fax 1 202 477 6391
www.worldbank.org

International Monetary Fund
700 19th Street, NW
Washington DC 20431, USA
Tel 1 202 623 7300
Fax 1 202 623 6278
publicaffairs@imf.org
www.imf.org

European Network on Debt and Development
Rue Dejonker 46
B-1060 Brussels
Belgium
Tel 32 2 543 9060
Fax 32 2 544 0559
info@eurodad.org
www.eurodad.org

The Development GAP
(Secretariat for SAPRIN)
927 Fifteenth Street, NW
Washington DC 20005, USA
Tel 1 202 898 1566
Fax 1 202 898 1612
secretariat@saprin.org
www.saprin.org

Participation Group
Institute of Development Studies
University of Sussex
Brighton BN1 9RE, UK
r.mcgee@ids.ac.uk

World Development Movement
25 Beehive Place
London SW9 7QR, UK
Tel 44 20 7737 6215
www.wdm.org

ActionAid
Hamlyn House
Macdonald Road, Archway
London N19 5PG, UK
Tel 44 20 7561 7561
Fax 44 20 7272 0899
mail@actionaid.org.uk
www.actionaid.org

World Vision International
Chemin de la Tourelle
1209 Geneva, Switzerland
www.developmentstudies.org

Overseas Development Institute
Poverty and Public Policy Group
111 Westminster Bridge Rd
London SE1 7JD, UK
Tel 44 20 7922 0381
Fax 44 20 7922 0399
d.evans@odi.org.uk
www.odi.org.uk

Focus on the Global South
c/o CUSRI, Chulalongkorn University
Bangkok – 10330, Thailand
Tel 662 2187363
Fax 662 2559976
admin@focusweb.org
www.focusweb.org

Oxfam
274 Banbury Road
Oxford OX2 7DZ, UK
Tel 44 1865 311311
Fax 44 1865 312600
Oxfam@oxfam.org.uk
www.oxfam.org.uk

Uganda Media Women’s Association
PO Box 7263
Kampala, Uganda
Tel 256 41 543 996
or 531 043
Fax 256 41 543 996
umwa@africaonline.co.ug
interconnection.org/umwa/

Civil Liberties Committee
PO Box 2553
Blantyre, Malawi
Tel 265 634 063
Fax 265 620 128
cilic@malawi.net

Lesotho Council of NGOs
Private Bag A445
Maseru 100, Lesotho
Tel 266 317205 / 325798
Lecongo@lecongo.org.ls
www.lecongo.org.ls

Pastoralist Forum, Ethiopia
c/o Panos Institute
PO Box 1570
Addis Ababa 1110
Ethiopia
Tel 251 1 666360
panos@telecom.net.et

Key resources
By the 1990s, it had become clear that after decades of ‘development’, poor countries, and poor people within countries, were not getting any less poor. In fact, the numbers of people living on less than a dollar a day were actually increasing — to 1.2 billion people in 1998. And the gap between rich and poor was also widening.

What then should the World Bank and the International Monetary Fund do? They are charged by the international community with supporting development and improving the health of the world economy, in particular in relation to developing countries. Previous IMF initiatives, such as Structural Adjustment Policies (SAPS), did not seem to have succeeded.

A new focus on poverty alleviation was needed. And so, in 1999, the PRSP — the Poverty Reduction Strategy approach — was born. Linked with debt relief and other aid, PRSPs are plans drawn up by poor country governments to focus their own resources and development aid on reducing poverty. Civil society in each country contributes to drawing up and carrying out the plan — an innovation which has been widely welcomed.

This report reviews the mixed experience so far, with many examples from around the world and three country studies from Uganda, Lesotho and Ethiopia. It examines the criticism made by non-governmental organisations in many countries - that PRSPs are based on the same policies that have failed in the past and don’t address the difficult position of poor countries in the world trading system.

Are the critics right or will PRSPs make a difference? It is still too early to say. But for the sake of the millions of people still living on a dollar a day, it is important to be clear about what remains to be done.