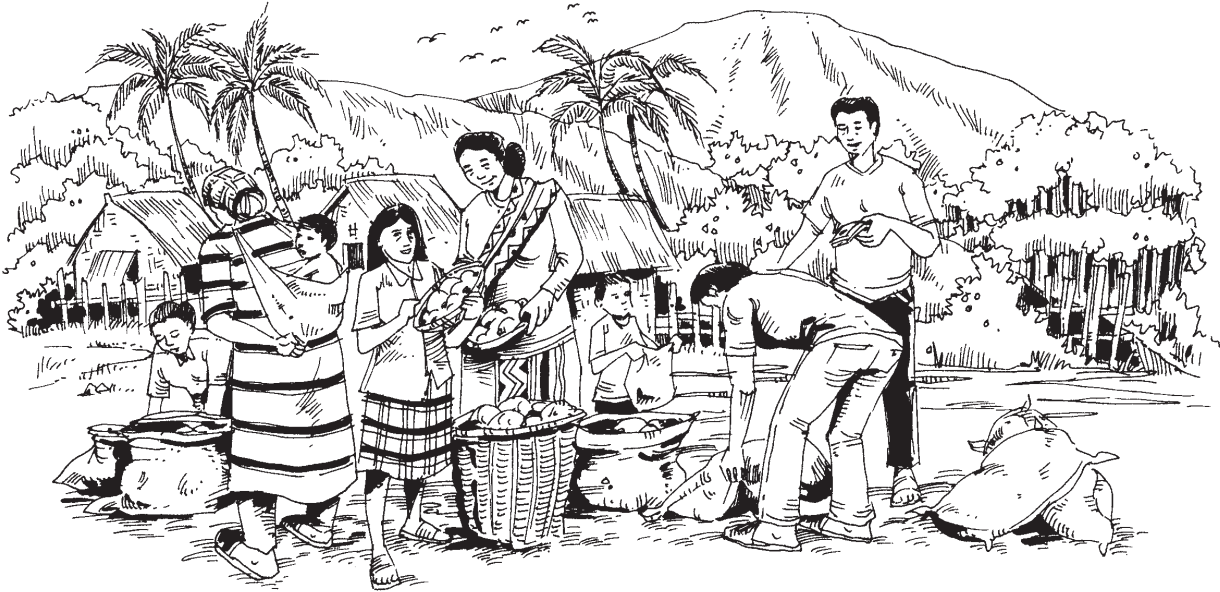# Poverty, Indigenous Peoples and the Upland Poor: Design Issues

Why Do We Need to Opt for the Poor?

Until recently, East and Southeast Asia were the world's best examples of what could be achieved in human development. Between 1975 and 1995, populations of the absolute poor (i.e., people living on less than one dollar a day) in East Asia declined by two-thirds from 720 million to 350 million and critical social indicators such as life expectancy at birth, infant mortality and literacy rates improved significantly. These achievements were, however, seriously threatened by the financial crisis that gripped the region during 1997-99, leading to the collapse of employment, declining real wages, sharp increases in prices and significant public spending cuts. In Indonesia, the crisis gave rise to widespread unrest and ethnic violence as the food security of the poorer households came under increasing pressure.

The Asian crisis exposed the consequences of a development paradigm that has largely ignored the sectors of food-growing and subsistence agriculture in the marginal rural areas and over-emphasised income from cash crops in high potential areas and out-migration. It was a timely reminder about the scope and severity of poverty in the region.

In the past, spectacular macro-economic performance had distracted attention from the plight of the rural poor, including the fact that East and Southeast Asia has more poor people than elsewhere in the world. Indeed, the stark reality is that, despite the dramatic reduction in poverty mentioned above, many groups of people who are politically marginalised have remained very poor.

The Marginalisation Process

These groups include the indigenous peoples living on the outer islands and in the hilly areas of Indonesia and the Philippines and throughout the hinterlands of Southeast Asia. Most of them combine swidden and terraced rainfed cultivation with the gathering of forest products; they can be called "farmers in the forest". Another group of marginalised peoples comprises the highlanders or mountain dwellers of the Himalayas and the surrounding ranges, who rely even more on gathering of non-timber forest products and animal husbandry. Although it is true that their isolation has to some extent buffered them from the Asian crisis, theirs is a situation of persistent and rising crisis.

What little development assistance the upland populations have received has until recently been guided by the primary concerns of the lowlands and the mainstream societies. Indeed, the conventional industrial and agrarian sectors rarely flourish in the hills and mountains, due to strong comparative disadvantages (e.g., in terms of production costs). The uplands do have attractive assets, but past efforts to exploit their comparative advantages have tended to dispossess the local populations. The current process of globalisation enhances the risks of further marginalisation, disempowerment and desperation. Measures specially adapted for these areas are urgently needed to prevent this.

Indeed, upland timber, fuelwood, hydropower, minerals, uncultivated soils, biodiversity and opportunities for eco-tourism are very attractive to outside investors and capital. However, their development to date has followed the classical exploitation (extractive) mode rather than an empowerment approach based on genuine involvement and generation of real benefits to the local populations. If this is allowed to continue, the conflicts already experienced in many countries could spread throughout the uplands of Asia.

The marginalisation of indigenous peoples is leading to a rapid social and environmental breakdown. Building up their resilience against future economic adversities is an important and strategic necessity for enabling recovery and for the promotion of broad-based economic growth for the region. The traditional coping strategy of the upland poor has been out-migration, an immediate response to rising population pressures and deterioration of their basic renewable resources. However, when migration is motivated by marginalisation induced by external forces, it is often associated with violence and conflict.

Having subsisted at the margins of the economic miracle for the past 30 years and becoming increasingly aware of their own marginalisation, a silent but growing discontent is developing amongst the upland poor. Shortages generated by rising population pressures and environmental changes have already provoked destabilising population movements that appear, in turn, to be the main cause of many of the ongoing upland conflicts and wars.
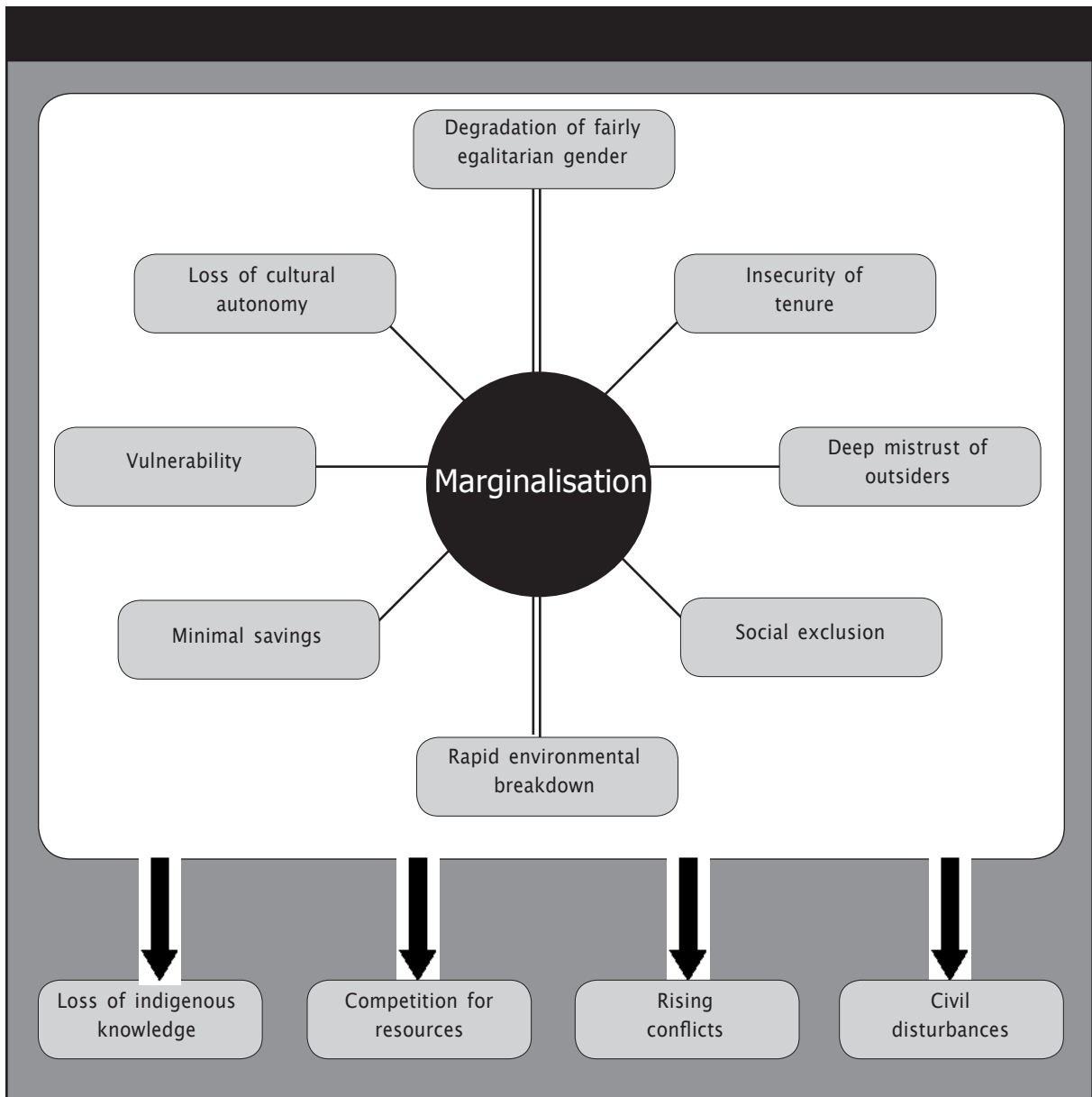
Some Windows of Opportunities

Fortunately, there is a small awakening of the need to redefine the paradigm for the development of the uplands. The value of regenerative and environmentally-sound agricultural practices that maximise the use of locally adapted resource-conserving technologies has been recognised. Upland poor people think about their resources holistically. They plan their household economics on the basis of all the local resources available to them. Upland dwellers have an important role to play as the stewards of biodiversity and the environment, and hence in the sustainability of life on our globe.

Indeed, an interesting opportunity for the development of these areas is linked to their potential for generating positive effects on world living conditions. The Kyoto conference on the environment

highlighted the need to reduce hydrocarbon emissions as one of the most pressing environmental issues. Asia's vast uplands, with their steep slopes and marginal soils, are well suited for afforestation and the empowerment mode is a way to do this sustainably. Innovative ways are being explored for linking up those willing to pay for environmental services with the deprived populations who need finance for development. Instrumentalities that are being tested include: the commoditisation and sale of watershed and landscape services, the financing of biodiversity conservation through bio-prospecting fees, carbon offsets, etc. Opportunities for investment include value-adding activities in forestry and agroforestry, the harvesting of valuable non-timber products, medicinal and aromatic plants, environment-friendly production of high-value products such as vegetable seed, mushrooms, cardamom, ginger and fine wool. Finally, the uplands and mountainous regions in Asia have some of the world's most pristine settings, eminently suitable for eco-tourism.

Elements of a Development Strategy for the Upland Poor

Process

Win the confidence of the upland poor by developing a participatory and people-centred approach to design. Take time to undertake a diagonostic review and institutionalise a periodic impact monitoring system by the upland poor themselves. An analysis of the changing gender relations amongst the upland poor is crucial. Some key indicators relate to decision-making at the household and community levels, control over assets, access to new knowledge and technology, and savings and investment decisions.
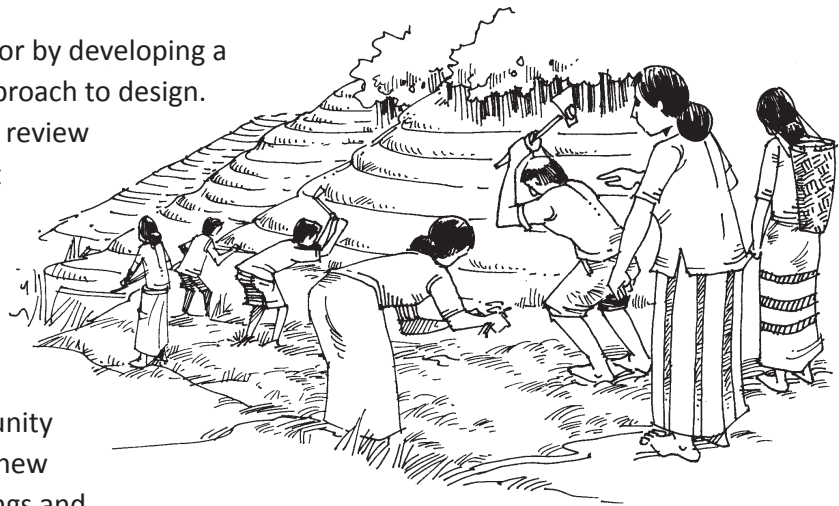

Tenure

Improve practices aimed at securing access to and control over natural resources by the marginalised upland poor. Transform the relations between the upland poor and outsiders from exploitation to empowerment and partnership-building, with a special emphasis on gender and equity. In matrilineal societies, note the growing breakdown of women's control over natural resources.

Technology

Develop and disseminate locally developed technologies using indigenous technologies as the starting point and – where feasible – try to create niches for the benefit of the upland poor. Promote regenerative agriculture and forestry for the local people.
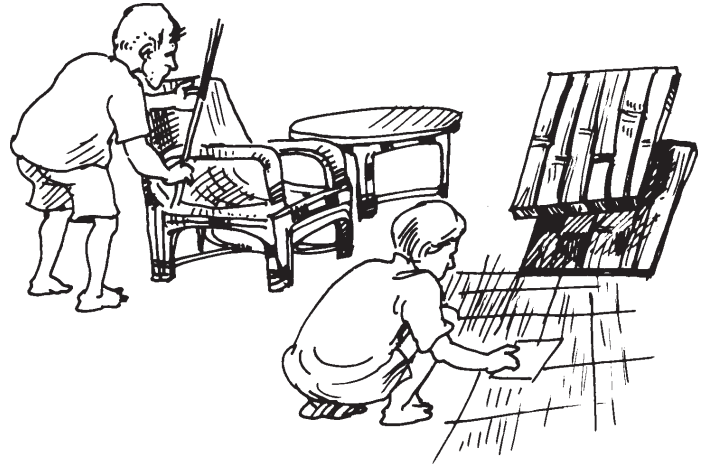
Market linkages

Maximise financial and subsistence benefits by exploiting new market opportunities.

Participatory methods

Use systematic and widespread participatory techniques, including participatory monitoring and evaluation.

Equity and Gender

Share equitably the benefits from improved access to and management of local forest products. Develop participatory indicators with the upland poor to assess the trends of local capital formation. Promote self-help groups for using saving methods already known to the people themselves.

Transform gender relations in ways that emphasise women's control over resources and their involvement in household and community decision-making. Include strong participatory gender analysis in the design and implementation of projects and programmes intended for the indigenous peoples and the upland poor.

Institution-building

Focus on local institution-building through a process of participatory learning and networking.

Networks

Mobilise local knowledge networks and cultural traditions of experimentation. Use indigenous knowledge as the starting point for blending local and new technologies especially where resource pressures are high and traditional practices need to be adapted accordingly. Use innovative learning and networking approaches to develop local champions and national/international mentors of the upland poor.

Examples of Successful Upland Development Initiatives

Ningnan County (West Sichuan, China): From stagnation to progress
In Ningnan, one of the poorest counties of China, people's income and product availability increased manifold within a period of 15 years. The vital emphasis of the development approach was on selecting agricultural activities and overall land-use patterns according to natural suitability, i.e., harnessing the niche and rehabilitation/upgrading of marginal land resources. Decentralisation, people's involvement, use of new technologies and market links were the key instruments. Besides agroforestry, high-value crops such as cereals, vegetables, oilseeds, fruit and other food crops were promoted according to location suitability. Post-harvest processing, marketing and agro-industries further enhanced the overall income and resource generation for reinvestment in a chronically poor area.

Meghalaya (India): Savings method of the Khasis
The Presbyterian Churches in the Khasi Hills in Meghalaya (India) have been built with funds raised through a traditional savings mechanism whereby each household sets aside a handful of rice before a meal is prepared. This rice is taken

Prepared by:
Phrang Roy

Poverty Reduction Strategies: A Part for the Poor?

Poverty Reduction Strategies

Poverty Reduction Strategy Papers (PRSPs) are at the heart of a new anti-poverty framework announced in late 1999 by the World Bank and the International Monetary Fund (IMF). They are intended to ensure that debt relief provided under the enhanced Highly Indebted Poor Countries (HIPC) Initiative, and concessional loans from the international financial institutions, truly help to reduce poverty in the poorest, most indebted Southern countries.

To get creditors' approval for debt relief, countries have to prepare a PRSP outlining their poverty reduction goals and plans for attaining them. Countries must then demonstrate progress towards these goals before any funds are released. There is time pressure on both sides. Countries want to benefit from debt relief as soon as possible, while the financial institutions want to be seen to be taking swift action. Of the 40 countries currently eligible for HIPC debt relief, about 25 hope to have PRSPs in place by the end of 2000.

The focus of PRSPs, according to the World Bank, is to "identify in a participatory manner the poverty reduction outcomes a country wishes to achieve and the key public actions-policy changes, institutional reforms, programmes and projects which are needed to achieve the desired outcomes".

In many respects, this new approach is a triumph for the non-government organisations (NGOs) and the concerned public around the world who have campaigned for debt relief. It offers an unprecedented opportunity for development efforts to re-focus on poverty reduction, and for civil society organisations (a term that includes NGOs, labour unions, business and professional associations, religious bodies and other citizens' groups) to influence anti-poverty policy.

But it also raises many concerns:

- Will it be seen by poor countries as yet another imposition from abroad – just the latest form of aid conditionality to be accommodated?
- How do we ensure that the rushed timetable and conflicting interests do not undermine the proposed participatory approach?
- How do we avoid excessive emphasis on the paper, as opposed to the underlying strategy, which is, after all, the point of the exercise?

There are many who doubt whether the good intentions enshrined in the PRSP principles can be achieved in practice, especially given the tight timeframe. Yet one thing is clear: if the PRSP approach is to succeed in its ambitious objectives, building effective participation into the process will be essential.

Who Should be Involved?

Besides central government, who is expected to take the lead in the process, many other "stakeholders" need to be involved. Most important are the poor themselves. Finding ways to engage their input is critical. Others who have a significant stake in the process, or a role to play as enablers, advocates, or channels for information, include:

- local governments;
- politicians and political parties;
- organisations representing poor people (community groups, religious leaders, trade unions, farmers' associations, traditional authorities, NGOs);
- academic researchers and analysts; and
- the press and broadcast media.
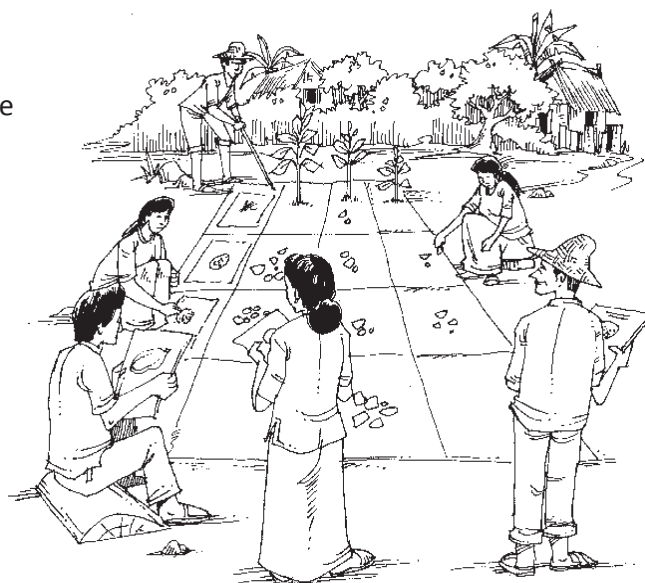
Two other important groups also have a legitimate stake in the process – donor agencies and the better-off sectors of the population. Both are likely to have a strong influence on the success of any anti-poverty strategy. Efforts are therefore needed to win their commitment, or to at least ensure they are not against the process.

Building Participation into the Process

Participation can happen at various stages in the process of formulating a poverty reduction strategy and to varying degrees. It can range from simple information-sharing, to more extensive consultation and joint decision-making, and to situations where the relevant stakeholders take on responsibility for monitoring the process and evaluating its success.
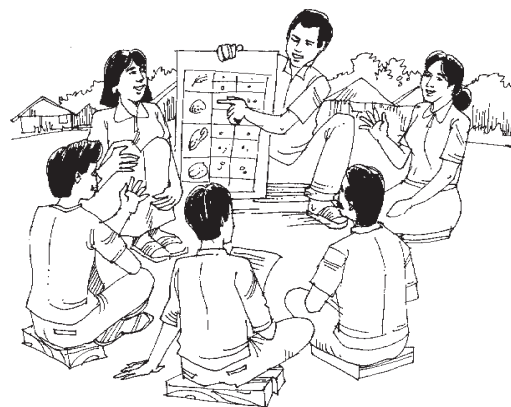
The process of drawing up and implementing a poverty reduction strategy will vary from country to country and it will take place against the backdrop of national planning and electoral cycles. To identify opportunities for participation, it is helpful to think of the process as having five basic stages, as sketched out in the diagram *(see next page)*. At each stage, particular activities will be happening and different forms of input may be appropriate. However, there is no fixed blueprint to follow: countries need to map out their own process and define who exactly needs to be involved, and when.

Building meaningful participation into the process will be a challenge for all concerned. In some countries, governments already consult with civil society organisations when drawing up an implementing policy. But in others there is no such tradition – participatory approaches are new and unfamiliar, and little rapport exists between government and civil society actors. Here, governments will often have much to learn from the NGOs and other agencies.

Lessons from Experience

Countries now embarking on PRSPs are heading into uncharted territory. However, there is valuable experience to build on from previous efforts to build participation into policy.

Encouraging ownership

For participation to be meaningful, those involved need to feel they "own" the process to a significant extent. Although governments and donor agencies are increasingly adopting participatory approaches, many have difficulty "taking the back seat". Ownership tends to stay with the donors; sometimes it stretches to national governments, but it rarely extends to the civil society.

There are exceptions. In Bolivia, the government recently convened a second national dialogue on development in which NGOs were invited to participate. The NGOs set their conditions relating to access to information, adequate follow-up and other procedures, and only agreed to participate once these were accepted.

Where Participation Fits In

Stages in the Poverty Reduction Strategy

How Participatory Approaches Can Help

Stage 1. Analytical and Diagnostic Work
Research to deepen the understanding of poverty and reflect the diversity of experiences (e.g., according to gender, age, ethnic or regional groups)

Participatory Poverty Assessments can supplement conventional data-gathering and capture the multi-dimensional nature of poverty and different groups'

Stage 2. Formulation of the Strategy
- Analysis of the poverty impact of a range of public expenditure options.
- Identification of public actions which will have most impact on poverty.

Participatory analysis of the poverty impact of public expenditure can generate deeper understanding than analysis by officials and "experts" only.

Negotiation between different national stakeholders over priorities can lead to broader ownership and more widely accepted consensus.

Stage 3. Approval
Approval at country level, then formal approval by the World Bank and IMF Boards – at which point debt relief and/or concessional loans become available.

Also important is public approval, reached through extensive consultation between civil society representatives and their constituencies. Though non-binding, this is vital for broadening

Stage 4. Implementation
- Agreeing roles and responsibilities with government and service providers at local level.
- Monitoring implementation.
- Feedback to revise the strategy and

Negotiation of roles and responsibilities with civil society can help generate agreed standards for performance, transparency and

Participatory research can enhance people's awareness of their rights and strengthen the poor's claims.

Participatory monitoring of effectiveness of policy measures, public service performance and budgeting can contribute to efficiency

Feedback to next

Stage 5. Impact Assessment
Retrospective evaluation of the poverty reduction strategy to derive lessons for subsequent versions.

Participatory evaluation can bring to bear the perceptions of actors at different levels and their experience of

Nurturing in-country ownership of PRSPs will not be easy, given their origin in Washington D. C., USA. Their very broad scope also makes ownership problematic. They have to cover macroeconomic policy, for example, an area where global financial institutions have a tight grip in poor countries and power relations are deeply entrenched. To avoid undermining local ownership, donors and creditors will have to learn to step back from their traditional dominant position.

Promoting two-way information flow

Good information flows, both upward and downward, are essential. Upward flows are needed to help policy-makers understand better the realities and perspectives of those living in poverty. Participatory research has proved useful in this regard. Downward flows are needed to inform people of their rights and to let them know what policies are being enacted on their behalf. Research suggests that only when they are translated into a concrete policy, advertised widely, and implemented and monitored, do people realise that rights or entitlements are theirs to claim.

To ensure good information flows, governments need to announce early on that a poverty reduction strategy is being developed, explain the stages involved, and highlight where the civil society can take part. This should be followed up with regular information updates and steps to encourage media coverage and public debate.

Being involved

The process of participation can be as important as the information it generates. Broad public participation helps raise public awareness and build consensus, and it can overcome some of the political constraints that stall policy change. It also creates ownership of the resulting policies and helps enhance their legitimacy.

For civil servants, activities that bring them into contact with NGO workers and the people directly affected by state policies can transform their outlook. In Uganda, central and local government, NGOs and academics are working together to bring the voices of the poor into policy. Besides generating valuable information, this is building capacity and forging lasting relationships between the very diverse actors involved.

Enhancing accountability

Participatory approaches can be used to make governments and service providers, such as health officers, more accountable. This can be particularly important for the poor, given their weak voice. In some cases, initiatives have been prompted by governments; in others, citizens' groups have taken the lead.

The South African Women's Budget Initiative, for example, set out to make the national budget more gender-equitable. In this model, researchers, NGOs and parliamentarians are analysing budgets as part of

the national budget cycle. One offshoot is Budget Transparency and Participation Scorecards, designed for monitoring fiscal performance and delivery at the provincial level.

In a PRSP context, accountability means:
- ensuring that the process of drawing up the PRSP explicitly reflects the needs and priorities of the poor;
- establishing realistic mechanisms so that ordinary people can hold government and service providers answerable for the delivery of policies and goods, and for the spending of public funds; and
- involving citizens directly in monitoring how the strategies laid down in the PRSP are being implemented and whether anti-poverty commitments are being fulfilled.

Setting up these mechanisms will be difficult and will require strengthening the capacity for budget and policy analysis in PRSP countries, particularly among civil society groups. Development agencies could play a useful role by supporting this.

Monitoring the Quality of Participation

Making participatory approaches mandatory in PRSP formulation raises the question of what standard of participation is acceptable, and who judges it. New indicators are being developed to assess the quality and impact of participatory processes. These seek to capture:
- the level and nature of participation in the process;
- the impact on the participants and on their capacity to become involved and influence policy processes in the future; and
- the ultimate impact of participation on policy and change.

General quality standards for participation in poverty reduction strategies can be agreed at a global level, covering basic principles of transparency, accountability and ownership. But detailed monitoring in specific cases demands a more tailored approach. Ideally, it should be designed and undertaken by a multi-stakeholder group including government, civil society organisations and donors. This two-tiered approach allows for diversity between countries while ensuring that there are some non-negotiable starting points to prevent standards from being pushed down to the lowest common denominator acceptable to all.

Being Realistic about PRSPs

It remains to be seen to what extent the new approach can really offer a meaningful part to the poor. Providing poor people with the chance to contribute to PRSPs, directly or via their civil society representatives, is an important start. But it is only the first step in making development strategies truly responsive to the needs of the poor.

The PRSP model is highly ambitious and, as yet, untested. Inevitably, there will be flaws in the first batch of papers. If an honest and open "learning approach" is adopted, however, early errors should lead to improvements.

Ensuring a high level of participation in the process is vital. But participation needs to be viewed realistically. Expecting all stakeholders to be involved at every stage is neither feasible nor desirable. Decisions as to who participates, when and how, are therefore crucial. These decisions need to be made transparently, in a way that commands the respect of civil society organisations and the broader public.

With the pressure on to complete PRSPs, all of the main stakeholders face significant challenges. In particular:

- **Organisations representing the poor** need to learn fast how they can make the most of this opportunity, both to feed into the PRSP and to build up their influence and legitimacy in the longer term. This will require strengthening their links with poor constituencies and acquiring a range of new skills.
- **Governments and borrowers** need to take participation seriously and embark on the process with a commitment to broad-based involvement over the whole life of the Strategy, not merely as a cosmetic exercise during the preparatory phase.
- **Donors and other outside agencies** need to strike a fine balance in how they channel their support, and learn to facilitate the process, without dominating it.
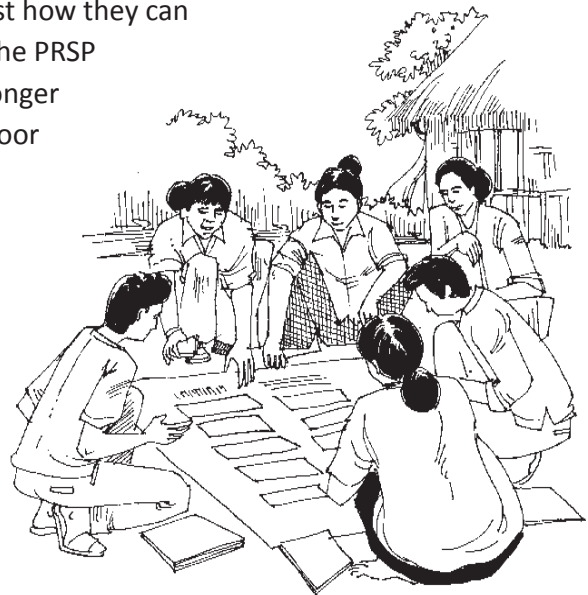
Further Reading

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IDS. 2000. Accountability through participation: Developing workable partnership models in the health sector. IDS Bulletin Vol 31 (1), January.

McGee, R. 2000. Participation in poverty reduction strategies: A synthesis of experience with participatory approaches to policy design, implementation and monitoring. IDS Working Paper No 109, Brighton: IDS, United Kingdom.

Useful Web Sites

IDS Participation Group: www.ids.ac.uk/ids/particip

Institute for Democracy in South Africa: www.idasa.org.za

International Budget Project: www.internationalbudget.org

World Bank: www.worldbank.org/poverty/strategies

Decentralisation and Participation

D ecentralisation is a key element in empowering local communities to take decisions. For decentralisation to succeed in the long run, the capacity building and participation of community organisations at the grassroots level are crucial.

During 1960-1990, the Panchayat (party-less) political system of Nepal, introduced "participation" as a tool to legitimatise its system as democratic. A number of policies and practices were introduced but most of these did not reflect the people's aspirations. It was only during the 1990s, during the advent of the multiparty system, that opportunities were opened up for people's participation. However, the feudal and autocratic attitude of many leaders remained unchanged. Leaders were often unwilling to share power and to come to terms with the concept of decentralisation and people's participation.

Today, a number of programmes, such as PDDP and Local Governance Programme (LGP), are working towards advocating decentralisation, participation and capacity building of communities at the grassroots level. The Local Self-Governance Act of Nepal (1998) has opened up new avenues to facilitate and nurture the decentralisation process by assigning increased authority, responsibility and resources to local bodies to plan, manage and coordinate development activities by themselves.

> This paper is based on the UNDP–assisted Participatory District Development Program (PDDP) in Nepal where capacity building and participation of community organisations (COs) are critical components of the process of decentralisation.

Policies Initiated by the Local Self-Governance Act of Nepal (1998)

- Coordination and integration of the rural development programmes being carried out by different agencies.
- Emphasis on the delegation of authority, allocation of budgets to local bodies, development of human resources at local level, technical capacity and flow of information to local bodies.
- Developing competence, autonomy and accountability of local institutions in order to mobilise local resources and technologies effectively.
- Mobilisation of community-based organisations and non-government organisations (NGOs).
- Transparency in the functioning of local bodies.
- Participation of women and oppressed ethnic peoples in decision-making processes.
- Enhancing of the bureaucracy's responsiveness towards local bodies.
- Institutionalisation of a decentralised monitoring systems in all levels of governance.

Changing Perceptions on Participation

- 1950: After the popular revolution of 1950, there was a tendency to promote welfare-oriented approaches.
- 1960–1970: The advent of technology transfer from outside. Sharing of these technologies was considered as participation.
- 1970s: The integrated rural development concept was introduced and participation was considered as volunteerism or "free labour" provided by beneficiaries at the grassroots level. The participation of local people in decision-making processes was never considered.
- Today, participation is viewed more as a partnership, coordination or ownership of the programme leading towards people's control over their resources.

Enabling Participation and Capacity Building

The first step to ensure participation and to sustain the process at an institutional level begins with social mobilisation resulting in the formation of self-governing institutions at the grassroots. This not only provides support for organisational development, skill enhancement and capital generation for creating community assets but also helps in the process of identifying community needs and preparing plans for implementation. It is also necessary to provide training for skills development and management of community organisations (COs).

The second step is to give priority to the areas of capital formation and human resource development to strengthen the communities as self-governing institutions.

Once the COs and functional groups firmly develop themselves as self-reliant grassroots level institutions, they further expand their links (vertical and horizontal) for development and management with government line agencies, NGOs, civic societies, banks, etc. This stage is the upper level of achievement of the Village Development Programme. The COs also receive support in the transfer of technology, i.e., improved seeds, off-season vegetable production, farming systems, non-farm activities, etc.

Process of Self-Governance Initiated by the PDDP

Preparatory Stage

Preparation
- Meetings are held at the village level to sensitise people about the need for social mobilisation.
- A baseline study using PRA processes is conducted, in order to identify and analyse the indigenous groups, organisations and systems at village level.
- A team of external "social mobilisers" continue this process until at least 80% of the village households become ready for community organisation (CO) formation.

Institutional Development

Phase I Formation of community organisations

CO Formation
A series of dialogues are conducted at the village level between the community and a team of social mobilisers. Once the people are ready, the CO is formed. COs can be of three types: for men, women or mixed. The COs meet regularly, make weekly collections of savings and discuss various issues of their community.

Phase II Graduation of community organisations

Strengthening and Graduation
During this stage, the process and impact of decentralisation resulting from participatory activities of the COs is evident.
- Regular weekly meetings are held and mandatory weekly savings are collected.
- Activities that need to be carried out are prioritised, e.g., building roads, digging tracks and trails, preserving the environment, plantation activities and literacy campaign.
- Planning and launching enterprise development to augment income is pursued.
- "Maturity certificates" are awarded to the COs; this becomes the departure point for the COs to receive seed grants, credit capital and skill development activities.

Maturity point

Economic Development

Phase III Activating community-based enterpreneurial services

Enterprise Development
Community organisations start undertaking individual and collective enterprises in farming and non–farming activities of their choice. The savings generated by the organisations are invested amongst fellow members to implement the enterprise plan.

Phase IV Implementing priority productive

Productive Infrastructure
Planning and implementation processes are initiated. These may include activities such as irrigation, water supply, community forestry and environmental conservation.

Self-governance
- Self-reliance
- Empowerment
- Local governance

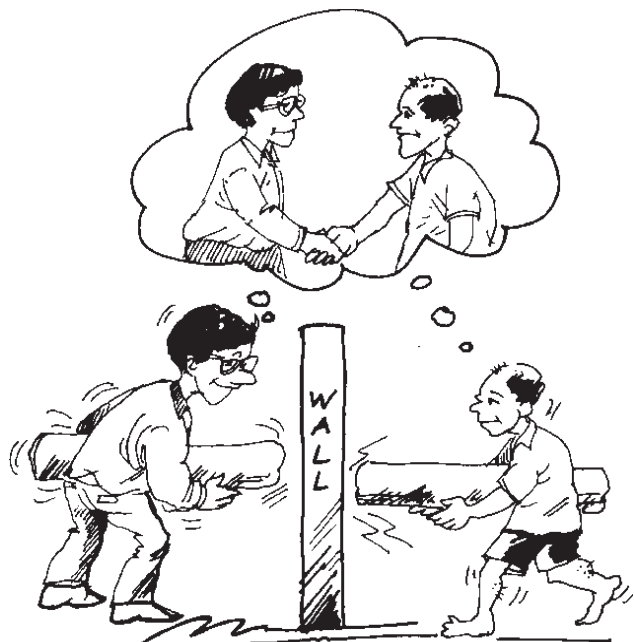# Some Benefits of Participation

More achievements at lower cost
Through participation, local government and donor agencies can create an environment where resource sharing is possible at grassroots level. Participation also promotes transparency.

Politically attractive slogan
The use of "participation" as a political slogan has its pros and cons. However, this can create a greater awareness amongst people at the grassroots level about the importance and benefits of getting involved.

Indicators of a Mature Self-Governing Community Organisation

- The organisation has rules to govern its affairs and transparent accounts.
- At least 80% of members are active.
- The organisation has its own assets or budget.
- Each member benefits and the benefits should exceed the costs.
- Decisions are based on consensus; not just on majority–rule.
- Sanctions for breaking rules are applied.
- Conflict resolution is fair, legitimate and mutually agreed to.
- There are self–initiated community activities.
- The CO shows respect for autonomy,

Economically appealing proposition
It is now recognised that the long-term sustainability of investments is linked to the active participation of the poor, e.g., the Grameen Bank of Bangladesh has proven that the poor are as reliable as clients as any other acategory. Similarly, the experience of COs in Nepal has proven that participation ensures that resources are equally distributed and utilised.

Breaking barriers
Participation brings the poor in direct contact with funders and authorities. In a decentralised participatory system, decision-making is facilitated resulting in quicker responses to the needs of the poor. Government units have thus begun to advocate and apply "participatory tools" in its work.

Promotion of human resources
Participation helps the community to improve their social cohesion, cooperation relationships and knowledge of local realities. All these are necessary to make any investment at the grassroots fruitful. Participation also provides the venue for managing all these human dimensions needed for development.

Scope for exercising decentralised power

Participation enhances the process of decentralisation pattern at different levels. If all the people of a village, including women, participate in the planning and decision-making processes, widespread changes and benefits can be brought

"Hidden" Costs-Benefits to Participating Communities

P roject funds normally provide financial overheads to cover direct operational costs but tend to overlook the "hidden" costs (such as human costs, social costs and time costs) incurred by communities participating in projects and programmes. These are "hidden" for two reasons:

- they are not incurred by projects, but by communities; and
- they are not always incurred in terms of money even individuals and communities normally do not perceive them as "costs". Benefits, similarly, are not always monetary.

For local people to invest in any participatory arrangement, they must be convinced that collective action brings greater benefit (relative to cost) than individual action. It is therefore important to gain a deeper understanding of the value of these hidden costs and benefits as these affect villagers' participation in project activities. This link between hidden costs and benefits and participation needs to be understood at various levels. Project managers and staff need to realise that the level of community participation can be extended if these hidden benefits and costs are recognised and explicitly considered in project processes. Also, external agencies need to see just how investments in social capital formation through participatory approaches can result in sustainable projects.

Recognising Hidden Costs and Benefits

Examples of hidden costs

Intangible and non-monetary costs are often not recognised as costs even by those incurring them. Thus, it is important to identify and describe them in more detail, so that project stakeholders recognise their true nature.

Individual costs

- **Time**

Individual participation in project activity has a cost. The farmer has to take time off regular work, the poor may have to lose daily wages, women may have to spend extra time later to catch up on postponed housework. While wage labour can be easily monetised, other costs may be more difficult to measure.
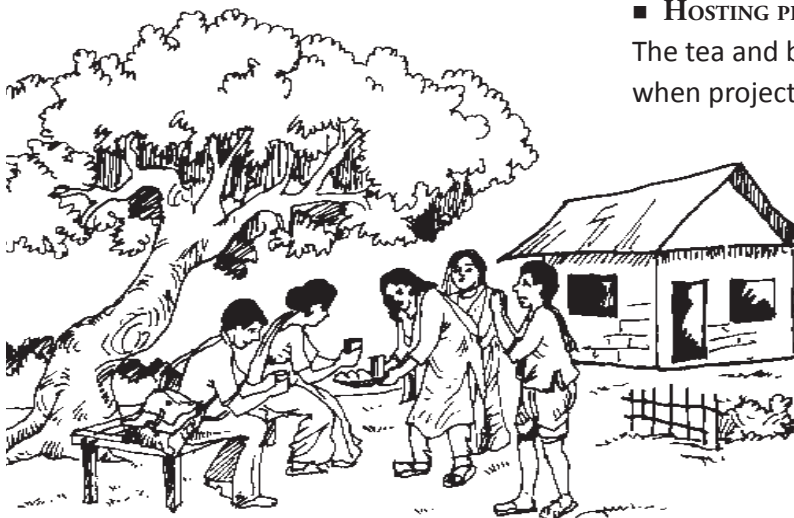
- **Hosting project teams**

The tea and biscuits that appear somewhat magically when project teams arrive in a village, or in the middle of a participatory exercise, have a cost. These are either contributed by an individual, or have been paid out of community funds. Similarly, a "free" drop to the bus stop on a villagers' motorcycle costs him money. And his generous offer to guard you overnight in a dangerous locality means he goes without sleep – and will have to postpone the work he planned to do the next day.

- **Voluntary contributions**

Somewhat more recognisable are the voluntary contributions of material, cash and labour for participatory project activities. Since they deal with either money or tangible items (like bricks, cement, stones, etc.), these are more easily recognised, even by villagers, as costs. While project management considers these "participants' contributions", they are actually costs.

- **Consequences of "speaking out"**

While participatory exercises encourage villagers to "speak out", there may be adverse consequences for those who do so, especially in caste-ridden or male-dominated communities. At the individual level, women may have to contend with husbands displeased with having domestic information "shared" during participatory exercises.

■ **DOMESTIC DISCORD**

Participation in project activities may sometimes result in domestic discord. For example, the wife may take time off domestic chores, resulting in either work lying undone or the husbands having to do them. Husbands may express their resentment directly (verbally or physically), or indirectly (lack of cooperation, constant criticism, etc.). Men who neglect their regular work, including sharing of household tasks, may cause wives to express the same resentments.

■ **LOSS OF COMPETITIVE ADVANTAGE**

When individuals volunteer to share their skills with others in the community, they may be losing future income. For example, if the demand for the skills (and the consequent output) is fixed, an increase in supply will reduce the earnings per person.

■ **LOSS OF INDIVIDUAL OWNERSHIP OF IDEAS**

When an individual brings up a "good" idea which is adopted by the village group, there could be a perceived loss of ownership (comparable to the loss of intellectual property rights).

■ **VOLUNTEERING RESPONSIBILITY**

Men or women who step up to take on project-related responsibility usually do so on a voluntary basis. While the project usually views this as "delegation of responsibility", the cost to the individual is not usually taken into account. Apart from time, such action can involve tedious work (e.g., chasing people to contribute, managing inter-personal conflicts, making logistical arrangements, etc.).

■ **THE RISKS OF SOCIAL POSTURING**

Individuals may feel the need to put on a "pleasant mask" (e.g., village elites wanting to cultivate relationships with project staff so that their village is chosen to be part of the project) or try to please everyone (e.g., individuals within the groups). These people often find themselves "stuck" in between and pleasing no one.

Community costs

■ **ACCENTUATED CONFLICT**

Social change processes can imply a shift in power balances between groups and within groups, which can accentuate social conflict in the village. The effects of such conflict are felt by the entire village, and could last a long time.

■ **Loss of power**

When village elites have to sit down in the same group as labourers or lower castes, they may feel a loss of power, which may be expressed in several subtle ways, some of which may be detrimental to group building. Similarly, negotiations across unequal social groups can lead to a feeling of a loss of social power by one group, with adverse consequences for meaningful participation.

■ **Costs of negotiation**

When a village community negotiates with another as part of a project's participatory process, the give-and-take may imply costs to the community. These may include giving up some customary water rights, rights to collecting forest products, or just the loss of village identity or sovereignty when making joint decisions. However, costs of negotiation can also be felt at the level of the institution attempting to promote participation. When a negotiation involves many stakeholders, as in many participatory projects, considerable time and effort has to be spent to facilitate the process. This give-and-take process involves patience, diplomacy, flexibility, openness and compromise – all of which imply "costs".

■ **The burden of "carrying on"**

Participation in project activities also implies that the community must take up the responsibility of carrying on the work even after the project has withdrawn. Without the support structure of the project, these may prove too much for the village community – unless they realise significant benefits from "carrying on".

Examples of "hidden" benefits

Apart from tangible improvements, participation in projects can also bring the following less visible "benefits"; many are non-monetary and based on perceptions.

Individual level

■ **Confidence and self-respect**

Villagers, particularly in remote rural areas, tend to be shy and to suffer from a feeling of inferiority. But participation in project activities, especially in groups, builds trust, confidence and self-respect. Although this is a more visible benefit of participation especially, among women, it is often taken for granted or reduced to anecdotal reporting.

■ **Liberation from fear**

Closely related to confidence, and yet distinct, is liberation from a variety of fears. By engendering social change or even by simply providing information – projects can "liberate" individuals and community groups from fears of oppression, social stigma, fallacies and superstitions, and more.

> When asked what an IFAD project in Maharashtra had done for her, a lower–caste woman replied, "I no longer walk on the edge of the road, but walk on the middle of the village with my head held high."

■ **Training and skills**

Another intangible benefit of participating in projects is attending training programmes which develop individual skills and enhance income opportunities.

■ **AWARENESS AND INFORMATION**
Participating in project processes builds awareness about other issues.

■ **RAPPORT BUILDING**
Participatory project processes allow villagers to meet in different groups than what they are accustomed to (e.g., clan, kinship or neighbourhood groups). This could have the positive consequence of building new rapport between group members.

■ **RECOGNITION AND SOCIAL STATUS**
Taking up project-related responsibility in villages can bring increased recognition and social status. Both these can have important future consequences (e.g., election to political posts).

■ **ENTERTAINMENT VALUE**
Although it may sound trivial, a large part of the reason why initial meetings or PRAs draw a crowd is the desire to see new faces, clothes and vehicles. Project teams do have entertainment value.
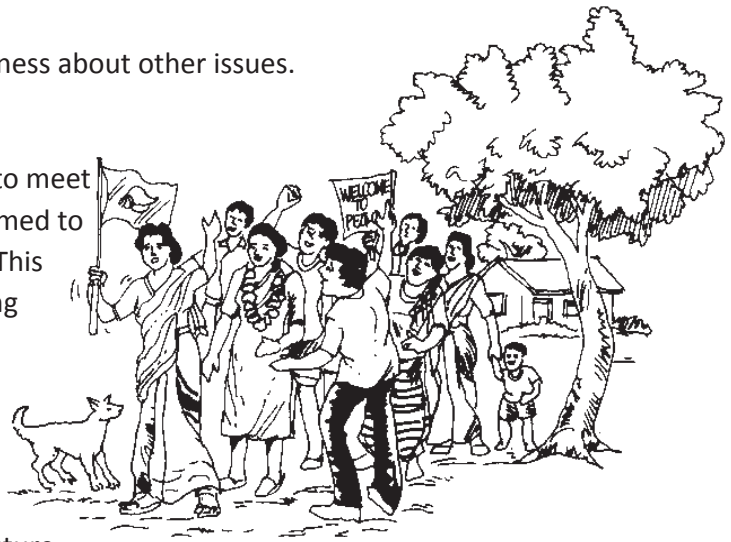
> Several community women who were selected and trained to be project "social organisers" by the Doon Valley Watershed Management Project (Dehradun, India) contested successfully for village elections after working for a

Community benefits
■ **TRUST AND RECIPROCITY**
Development of trust among individuals in communities facilitates co-operation by reducing transaction cost and this liberates resources needed for project implementation. Trust is reciprocated by trust, resulting in group unity and the creation of a social obligation.

■ **UNITY**
Participating in project activities can increase unity within the community. For instance, the formation and fostering of self-help groups, and even attending project meetings, can demonstrate the power of joint work. The resulting recognition of the power of group action can lead to other related activities, such as joint lobbying for community development.

■ **GROUP OWNERSHIP**
Sharing the joys of success and the pain of failure in groups increases the sense of "belongingness". Success also raises group esteem and increases members' sense of social responsibility.

■ **NETWORKS AND LINKAGES**
Participating in projects brings more members of the village community in contact with potentially useful people (starting with project management, but including government officials responsible for their village, local business people, NGO staff, etc.). Establishing personal relationships can give village communities and groups the confidence that they "know important people" for future assistance. Such networks can also lead to potentially beneficial linkages.
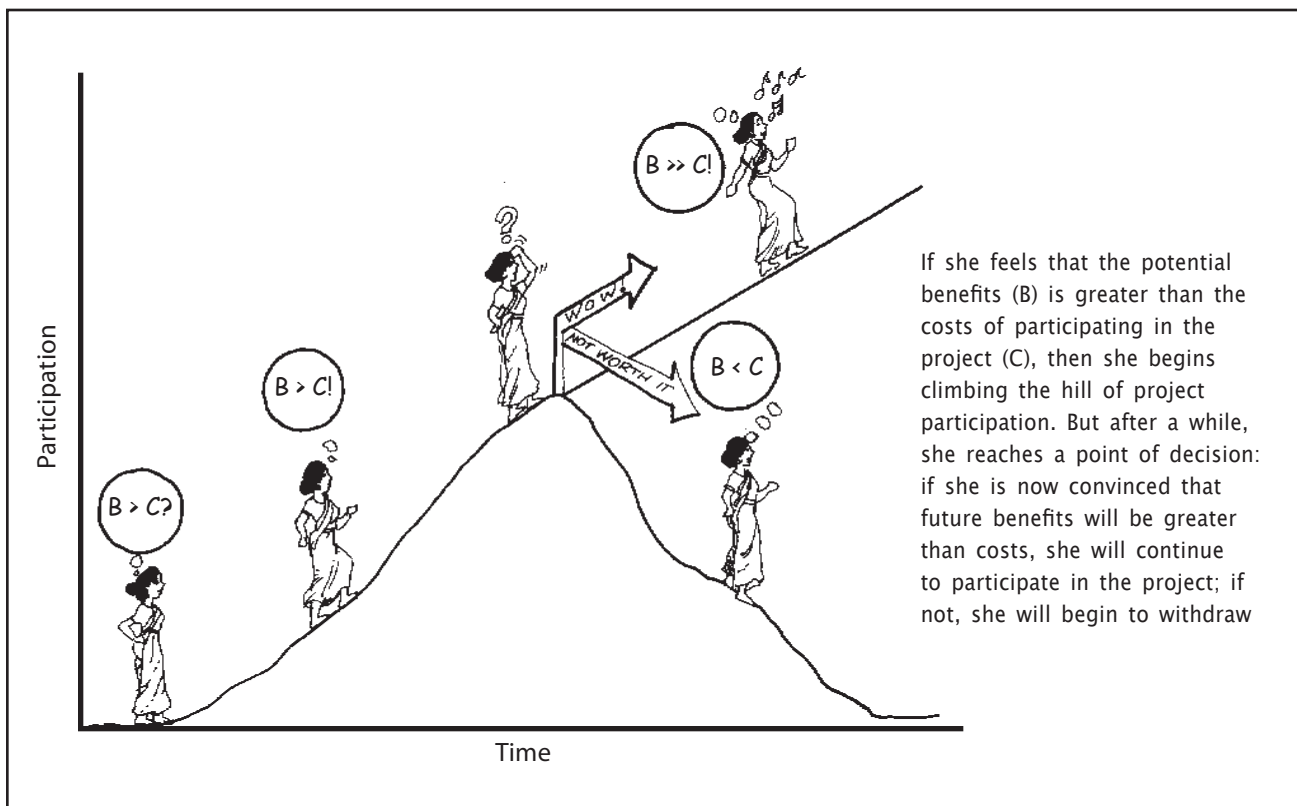
Recognising village-level (as opposed to individual level) impacts of everyday activities (e.g., fuel and fodder collection, grazing, groundwater use, etc.) is an important learning for the community as a whole, and may bring the added benefit of community-level decisions to change their patterns of resource use.

Hidden Costs-Benefits and Participation

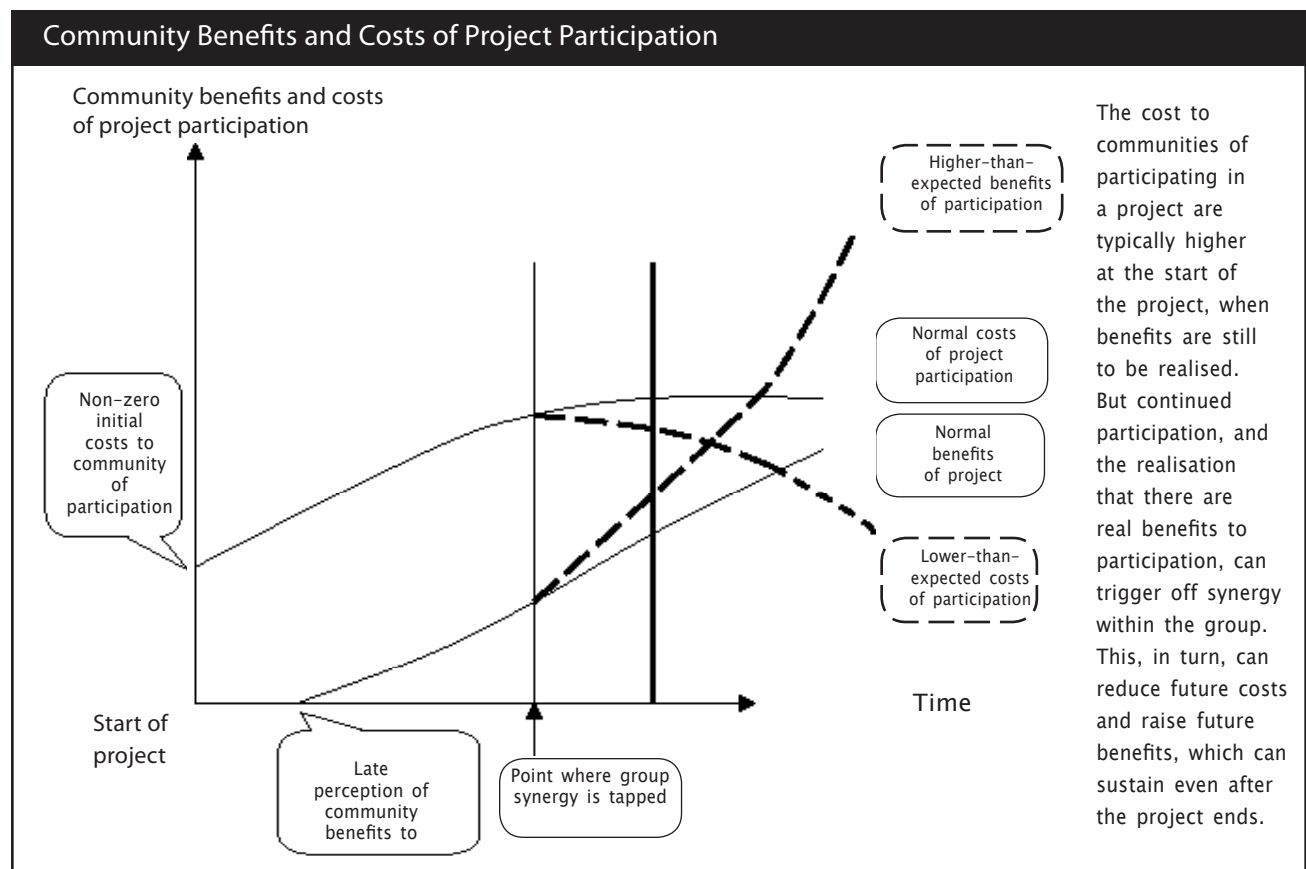### Hidden costs and benefits affect participation

In most cases, individuals and groups do not compute the costs they incur in participation because they do not even perceive them as "costs", but as their share in the project, etc. Coming to meetings, hosting meetings, volunteering responsibility and mobilising participation do involve costs. These are the costs that are sometimes weighed (in an informal and mental "benefit-cost analysis") against perceived benefits, leading some individuals to decide not to participate. At the start of a project, it is often difficult to demonstrate the future benefits. This is largely why initial levels of participation are low. Once project benefits become visible, participation increases. If the project fails to demonstrate successes – or to overcome the "limits to participation" (e.g., distrust and inappropriate management systems), the resulting delays, confusion, dissatisfaction and demoralisation could cause participation to decline. In other words, when costs do not fall sufficiently or benefits do not rise enough, new costs appear and participation begins to decline.

If she feels that the potential benefits (B) is greater than the costs of participating in the project (C), then she begins climbing the hill of project participation. But after a while, she reaches a point of decision: if she is now convinced that future benefits will be greater than costs, she will continue to participate in the project; if not, she will begin to withdraw

Participation affects hidden costs and benefits

The converse relationship is also true. Participation levels can pass a certain threshold, beyond which they rise rapidly. This threshold which marks the tapping of the synergy of participatory activity, usually follows the initial successes of project-led group activity. The realisation that participation can work, leads more people to participate. But this stage can only be reached given an enabling environment including capacity-building, policy support, etc.

Tapping group synergy can lead to a fall in costs (e.g., responsibilities and burdens are shared more equally and within a larger group) and to a rise in benefits (e.g., growth in self-help group funds, economies of scale in non-farm production, etc.). The graph depicts that as the outward shift in the benefit curve and the downward shift in the cost curve.

Community Benefits and Costs of Project Participation

Community benefits and costs of project participation

Higher–than–expected benefits of participation

Normal costs of project participation

Non–zero initial costs to community of participation

Normal benefits of project

Lower–than–expected costs of participation

Start of project

Late perception of community benefits to

Point where group synergy is tapped

Time

The cost to communities of participating in a project are typically higher at the start of the project, when benefits are still to be realised. But continued participation, and the realisation that there are real benefits to participation, can trigger off synergy within the group. This, in turn, can reduce future costs and raise future benefits, which can sustain even after the project ends.

How to Increase Participation in Projects

Participation can be increased by reducing costs and increasing the benefits of participation. Conversely, participation will fall if costs rise or benefits fall. Participating communities and project management should understand the value of hidden costs and benefits and should put more emphasis on them (even though they are not monetised) within any participatory arrangement, as these affect project outputs. It is also important to put more effort in building local capacities, interests and commitments, so that participating communities have their stake in maintaining structures or practices once the flow of monetised incentives stop.

Informing participants about the costs and benefits of their participation (although not monetised) is to foster positive attitudinal changes, such as the feeling of ownership, confidence, self-respect. Such "benefits" might make it "worthwhile" to bear the burdens of participation. Such "benefits" contribute to the creation of long-term obligations between people. This can be done through reflective exercises where participants engage in a visioning workshop.

Measuring hidden costs and benefits is difficult because they are perceived with differing subjectivity, occur at different points in time and are affected by a variety of circumstances. It is best to understand what they were from the past experience, acknowledge they exist and appreciate them as projects are implemented with real people.

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Social and Equity Concerns in Participatory Watershed Management in India

Today, watershed development has become the main intervention in natural resource management in India. Watershed development programmes not only protect and conserve the environment, but also contribute to livelihood security. Watershed development programmes in the country are funded largely by the government, which has made substantial budgetary provisions for the rehabilitation and development of micro-watersheds. Programmes are funded also by international organisations such as World Bank, DANIDA, DFID, SIDA, SDC, IFAD and the Indo-German Watershed Programme.

Out of a total geographical area of 329 million hectares, 175 million hectares of land in India has been classified as "degraded". Most of this area is rainfed and prone to recurring drought. Further, about 65% of the net sown area in India falls into the category of "rainfed". The purpose of watershed development is to rehabilitate and conserve the land and water resources in these areas for food and livelihood security.

Evolution of "Watershed Plus"

In the past, watershed development programmes in India mainly concentrated on the technical aspects of soil and water conservation. These programmes often failed to achieve their objectives, or were not sustained, because the intended beneficiaries of these programs were not involved. In fact, watershed projects sometimes increased disparities between small and big farmers, because technical inputs were "hijacked" by the large farmers who were the dominant groups in the village.
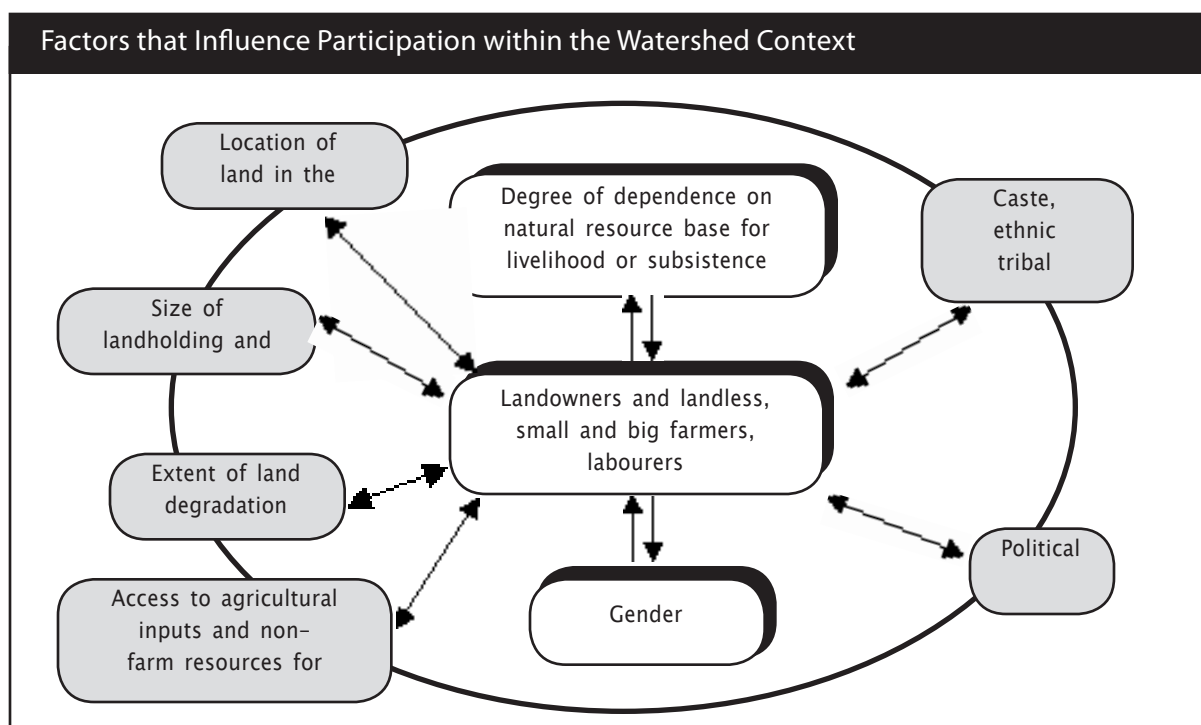
Experience and learning from the field has brought into focus various issues and dimensions of watershed development, which had not been recognised before. Several local initiatives by non-government organisations (NGOs) highlighted the need for community participation, and the government responded by integrating this learning into what is now referred to as the "Common Guidelines for Watershed Development" of the Ministry of Rural Development. These guidelines came into effect in 1995.

With the understanding that community involvement was the pre-requisite for the successful implementation of the watershed development programme came the concept of "watershed plus", which implies that watershed development goes beyond soil and water conservation to encompass social and equity aspects as well. It also emphasises that watershed development is an integrated, inter-sectoral programme whose success depends on how "integrated" the approach is in its implementation.

Constraints to Participation in Watershed Management Projects

In the Indian context, many factors influence an individual's ability to participate in the planning and implementing process of a watershed management project. These factors may relate to the individual's access to and dependence on the natural resource base, or, they may be related to the individual's bargaining power in the community.

Factors that Influence Participation within the Watershed Context

- Location of land in the
- Degree of dependence on natural resource base for livelihood or subsistence
- Caste, ethnic tribal
- Size of landholding and
- Extent of land degradation
- Landowners and landless, small and big farmers, labourers
- Access to agricultural inputs and non-farm resources for
- Gender
- Political

■ **Degree of dependence on the natural resource base**

The degree of dependence on the natural resource base for livelihood or subsistence needs is determined by land ownership and size of the landholding, e.g., poor landless households have a high degree of dependence on common land. Land-owning households can obtain fuel wood and fodder from their own land, but if their landowning is small, then there will be some degree of dependence on common lands. Better-off households might switch to kerosene or gas. Similarly, some livelihoods like leaf plate making are completely dependent on the natural resource base.
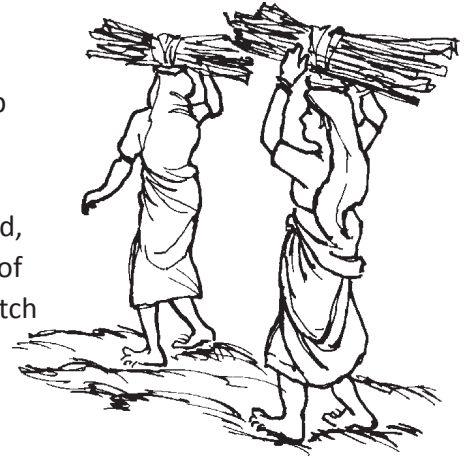
■ **Gender**

As a group, women are landless and have less control over resources than men. However, the degree of dependence on the natural resource base is also determined by whether or not they belong to land owning families. It has been observed that women from "higher caste" or "better-off families" are less interested in the management of common lands. Women also generally have lower bargaining power in the community.

■ **Caste, ethnic/tribal affiliation**

Traditional, caste-based occupations still exist and many of them (e.g., those of craftsmen and artisans) depend on the natural resource base. In some villages it is found that certain castes are landowners and others are landless. Caste also influences bargaining power in the community, with lower-caste people frequently having little say in issues affecting the whole community. Tribal populations are also more dependent upon the natural resource base and often have less control over these resources.

■ **Political affiliation**

Affiliation to the dominant political party in the region facilitates access to natural resources and to bargaining power in the community.

■ **Location of land in the watershed**

This is important, since lands in the valleys often receive the most benefit from treatment in the watershed. Also, greater investments are required for treating lands on the upper slopes and the farmers may not be able to afford them. Fertile lowlands are generally owned by richer farmers while it is the poorer farmers who own the uplands.
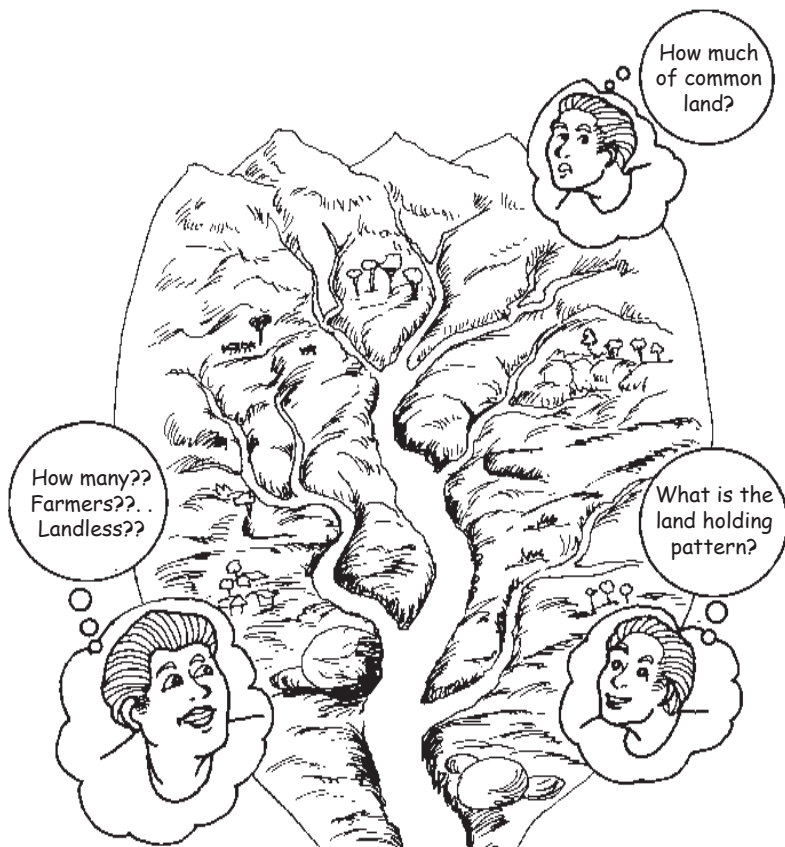
- **Size of landholding and land ownership**

  The size of landholding determines the economic status and bargaining power of the farmer as well as the extent of his/her dependence on the common lands for fulfilling subsistence needs.

- **Extent of land degradation**

  This affects the productivity and also the investments required for rehabilitating the land.

- **Access to agricultural inputs and non-farm resources for development**

  Large farmers have greater access to agricultural inputs than small farmers. Women farmers rarely have access to resources and extension services.

These factors determine an individual's capacity to contribute to the planning and implementation of watershed project activities. Decisions taken for project implementation, in turn, have an impact on the livelihood of the individual.

Effect of Access to and Control of Natural Resources on Participation

- In most watershed management projects, access to common lands – which are often located on the upper slopes – is closed off in order to allow the land to regenerate. Most poor households depend upon these common lands for meeting their subsistence needs. When their access is cut off, women have to go further away to collect fuel and fodder. In some instances, women have had to sell off their goats, which were a source of personal income to them, because they had no place to graze them. In addition, when these areas are opened up, grass and fuel wood is often sold on a "cut and carry" basis, or auctioned. If this happens, households have to buy resources that they never had to pay for earlier, which increases their financial burden. The control of these common property resources lies in the hands of the local village-level governing body and they are the ones who take the decisions.

- With the recognition that cost-sharing by stakeholders contributes to the sustainability of the project, members of the watershed community are expected to contribute in cash or through labour towards project activities. The contribution is determined as a percentage of the cost of the activity. Different percentages need to be fixed for private and common lands based on the benefits that are expected from the activity. While the poorer households will benefit more from treatment on common lands, they may not be able to contribute a high percentage of the costs.

Whereas individual landowners will benefit from treatment on private lands, some small landholders may not be able to contribute as much as the larger ones. If a high percentage contribution is determined for landowners, the small farmers may not be able to take advantage of the project activity.

■ Where work on common lands is concerned, people are not willing to contribute unless they perceive some benefit for themselves. NGOs have found that fuel wood and fodder security motivates community members to contribute to treatment of common lands. However, this happens only after there has been some demonstration of the impact of watershed works.

■ Conflicts sometimes arise when decisions have to be taken in relation to the location of water harvesting structures, soil erosion control measures and the use of common lands. Seva Mandir, an NGO in Rajasthan, has been working to free common lands from "encroachment" by private individuals, so that these common lands can be made accessible to the poorer households in the villages. One of the strategies used to motivate the villagers to come together to oppose the encroachments is to demonstrate, on other lands, the impact of watershed development interventions. Privatisation of grazing land has increased pressure on smaller land areas, leading to further degradation of these lands.


Effect of Bargaining Power on Participation

■ When a watershed project is introduced in the village, it is usually the landowners and dominant groups that come forward to participate in the project. Special effort needs to be made to identify and involve the other stakeholders and ensure their representation on the decision-making bodies.

■ Watershed Committees (WCs) at the village level are expected to have representatives from the "landless" villagers, "backward castes" and "women". However, marginalised groups are often unable to voice their concerns in meetings that are dominated by the better-off, "upper caste" or predominantly male groups. The representation must be made effective and capable of influencing the decision-making process. One way in which this can be ensured is through capacity-building activities for the committee members.

■ Specifically, women find it very difficult to voice their needs in a male-dominated meeting. Also, one woman cannot represent the needs of all the women belonging to different sub-groups in the community whose needs are varied. Women are generally able to participate if they are in a group and if they are given special space in the meeting to communicate their views.

■ NGOs have developed their own strategies and have succeeded to a great extent in involving marginalised sections of the communities in decision-making. A common strategy is to form homogeneous sub-groups within the watershed. However, care should be taken that these sub-groups are involved in the decision-making process; otherwise they remain outside mainstream watershed activities. Women's self-help groups (SHGs) are a classic example of this – these SHGs have become an "add-on" activity for women in most watershed projects but they are rarely involved in decision making in the context of watershed activities. While SHGs have many other advantages, they need to play a specific role within the watershed context as well, in order to ensure that women's needs are addressed by the project. NGOs like OUTREACH are building the capacities of women's SHGs to manage the watershed projects.

■ Political affiliations create power centres in the village communities. Decisions related to the management of natural resources are influenced by these power centres, making it difficult for other villagers to voice their needs and opinions. This constraint can be addressed by forming committees and local institutions for the project outside the Panchayat (local decentralised government elected body at the village level) and political system. Efforts are increasingly made to work together with the Panchayat and to build a common platform where local institutions at the village level can work together for a common purpose.

■ Bargaining power is conditioned by ability to take advantage of new resources. Water-harvesting measures create new water bodies like percolation tanks, farm ponds, ponds of water formed behind nullah bunds, etc. and these can favour groundwater recharge which increases the potential for irrigation. Various decisions need to be taken in relation to these water bodies and the use of groundwater, e.g., should the water be left to percolate (recharge the groundwater) or can some of it be used for irrigation? Sometimes, farmers who have the resources lift this water for irrigation, while the poorer farmers are unable to do so. In areas where water is scarce, decisions need to be taken regarding cropping patterns to be adopted by the farmers (e.g., to grow less thirsty crops instead of crops like sugarcane which are water intensive). Farmers cannot resist changing to cash crops once water becomes available and, since it is the large farmers who have the resources as well as the decision-making powers already referred to, they are the first to do so.

In Ralegan Siddhi village situated in a drought–prone area of Maharashtra, the better–off farmers wanted to grow sugarcane but the villagers decided they would not do so, although water became available for irrigation due to the success of the watershed development programme. In the Pani Panchayat movement, the landless were also given water rights which

- The most immediate perceived benefit of watershed development is wage employment during implementation of conservation measures. Most of the physical works are undertaken during the summer when the poor need wage employment. Although the official wages are the same for men and women (as declared by the government and NGOs), in practice it is sometimes found that different wage rates are paid, even for the same work. One reason why this happens is that NGOs prefer to structure the payment of the wages on the basis of the current agricultural wages in the village and local men do not want to accept the same wages as the women. A study conducted by the author (1996-98) showed that the wages paid to the women were 30% less than the wages paid to the men in some projects.
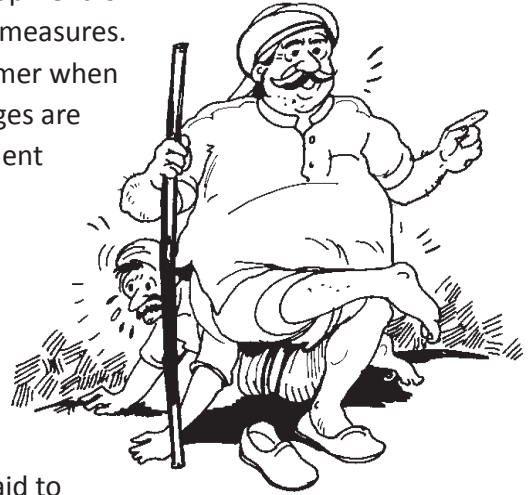
Overcoming Constraints to Participation in a Watershed Project

Watershed development aims primarily to secure the livelihoods of the people and ensure increased and optimal access to the resources within the community. It does not aim to re-distribute resources within the watershed. In the short term, rather, it aims to secure access to the people who now rely on them. It is extremely important that different members of the community perceive benefits from the project. For example, if prosperity in the village increases, there is a rise in agricultural wages, along with availability of work within the village itself; this is a direct benefit to the landless labourers, and an indirect, perceived benefit to the others. Similarly, a small farmer whose land is submerged during the rainy season because he donated it for a percolation tank, may be able to grow a crop in the dry season. For him, this may be adequate compensation for donating his land to the village.

There have been different experiments for overcoming constraints related to differential access to resources and bargaining power. For example, usufruct rights to common lands have been given to groups of landless villagers for securing access to meet subsistence and livelihood needs as well as increase their bargaining power in the community. Another experiment is to promote and invest in capacity building of small homogeneous groups of poor people within the watershed area who are included in the watershed committee. Although several NGOs have adopted these strategies, they have yet to be used on a large scale.
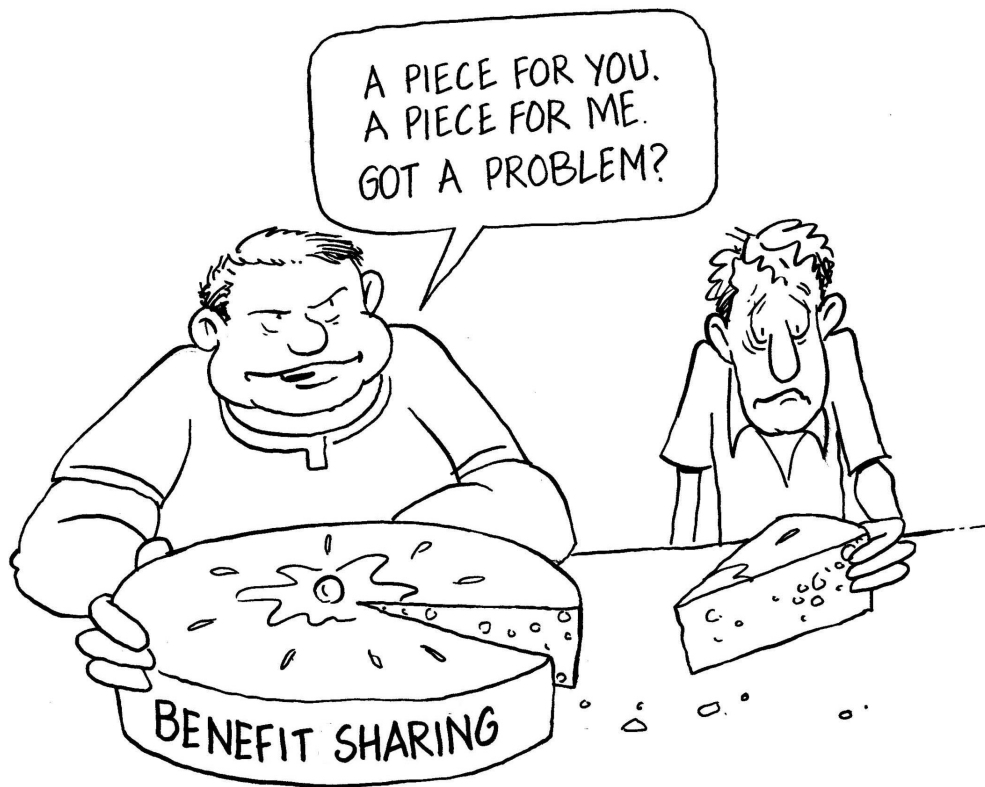
Reference
OIKOS and IIRR. 2000. Social and institutional issues in watershed management in India. OIKOS, India and International Institute of Rural Reconstruction, Y. C. James Yen Center, Silang, Cavite, Philippines.

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Participatory Poverty Assessment

P articipatory Poverty Assessments (PPA) seek to understand poverty in its social, institutional and political context. Conventional approaches have focused mainly on the material and measurable aspects of poverty and deprivation such as income levels and nutritional intake. PPAs recognise that other aspects of deprivation and well-being, such as dignity, respect within the community, love and religion, may be equally, if not more, important for the poor in determining their livelihood strategies. These subjective aspects of poverty, which lie in the domain of the psychological and spiritual, are difficult to measure and are best captured by qualitative measures. Many of the techniques used in PPAs are therefore participatory and iterative.

A Participatory Poverty Assessment (PPA) is an iterative, participatory research process that seeks to understand poverty from the perspective of a range of stakeholders especially the poor.
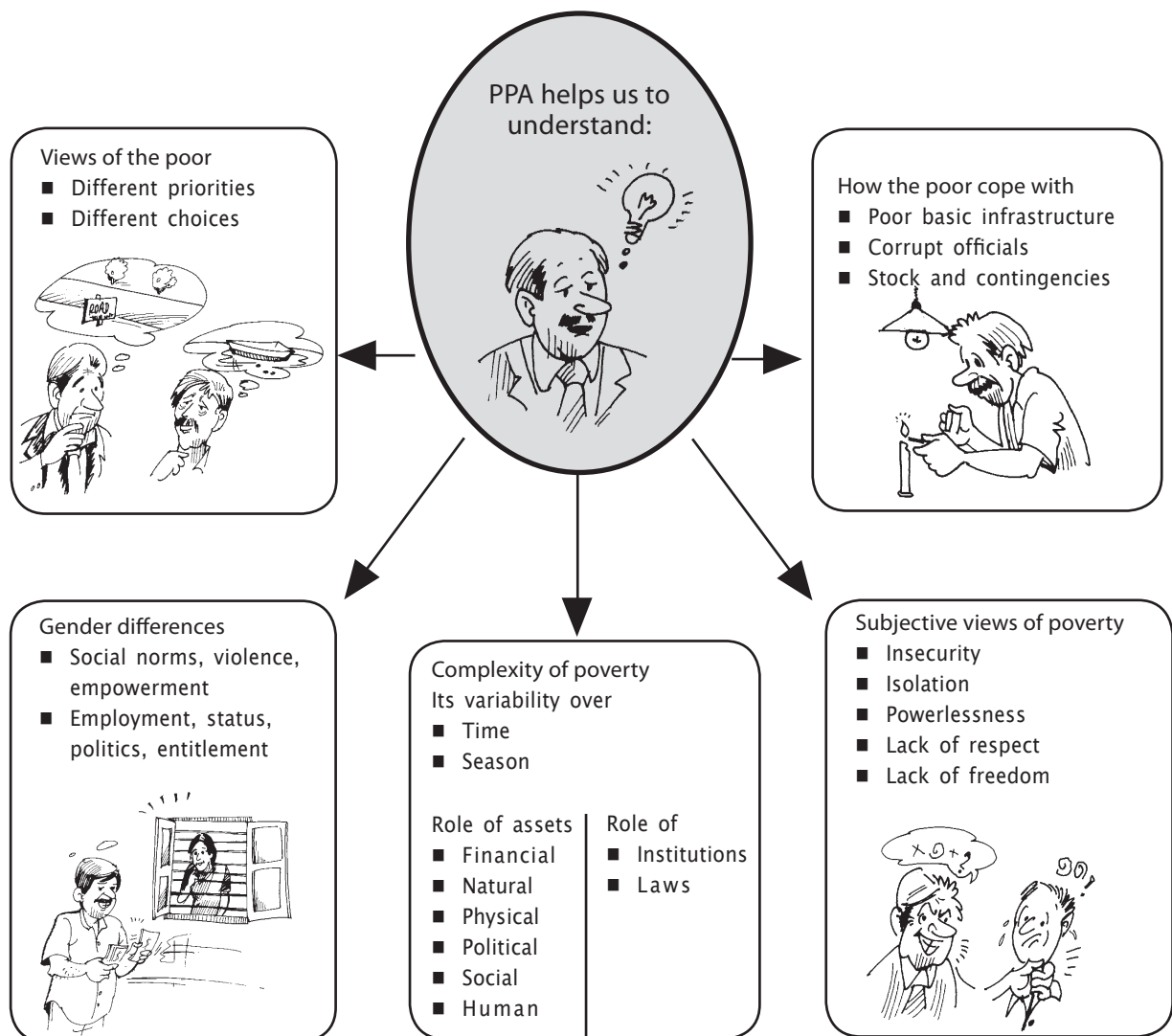
Narayan

Principles of PPA

- Poverty must be analysed and understood in a holistic fashion.
- The perceptions of the poor, themselves, must be incorporated in poverty assessments.
- The role of the poor as researchers and planners must be recognised and they must be actively engaged in identifying the causal factors of poverty and in planning poverty alleviation strategies.
- Other stakeholders must also be involved in the process if lasting solutions are to be found.
- PPAs can contain hard data, too.
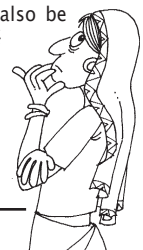
A central principle of PPAs is that the poor can play a critical role in identifying the real issues that underlie poverty. In other words, the poor are not just providers of information, they are analysts and researchers too.

Although the most important stakeholders are the poor themselves, other actors are also part of the process. Secondary and tertiary stakeholders include government officials at all levels, civil society organisations (a term that includes NGOs, labour unions, business and professional associations, religious bodies and other citizens groups) and local leaders. Perhaps more attention also needs to be given to the specific perspectives and concerns of children. By revealing and reconciling different interests and perceptions, solutions are more likely to be viewed positively by the various stakeholders. Follow-up actions to problem-identification are likely to be more focused, widely accepted, prompt and successful if a range of stakeholders is involved and a best compromise is found.

PPA helps us to understand:

Views of the poor
- Different priorities
- Different choices

How the poor cope with
- Poor basic infrastructure
- Corrupt officials
- Stock and contingencies

Gender differences
- Social norms, violence, empowerment
- Employment, status, politics, entitlement

Complexity of poverty
Its variability over
- Time
- Season

Role of assets	Role of
■ Financial	■ Institutions
■ Natural	■ Laws
■ Physical	
■ Political	
■ Social	
■ Human	

Subjective views of poverty
- Insecurity
- Isolation
- Powerlessness
- Lack of respect
- Lack of freedom

## Participatory, Open-ended and Iterative

A key feature of PPA is continuous learning, which feeds into the research strategy. At every stage, new dimensions and characteristics of poverty are revealed and further investigation is based on this. At the same time, whatever has been collected is analysed to piece together a picture of how different details fit together vertically, horizontally, historically and seasonally. PPA is almost diametrically opposite to conventional approaches whose pre-determined questions and definitions are rigid and preclude a multidimensional understanding of poverty.

Complementing Quantitative Data

Poverty data has typically attempted to express phenomena quantitatively due to the widespread conviction that hard numerical data are superior. Such measures yield results that leave many gaps in the story. For example, poverty lines based on nutritional levels cannot tell us anything about the overall vulnerability context of a person or her/his prospects for exiting from poverty. There is no information on what endowments and assets she/he can draw upon in terms of education, health, social background, employment and kinship networks or anything about the services available locally. Therefore, it is entirely possible that a woman within a household that is above the poverty line may be absolutely poor herself. She may have very few assets which leaves her vulnerable to contingencies. PPAs are particularly good at identifying less visible and vulnerable groups of people – casual agricultural labourers, street vendors, disabled people, new immigrants, people with no access to safety nets – and giving a voice to their concerns with a view to finding solutions that will help them. PPAs are a good starting point for dealing with the difficult subject of illegal or taboo activities – which could actually be an important livelihood support.

PPAs can help us in the interpretation of data collected through surveys. For instance, official data show that there was a deceleration in non-agricultural employment growth and a shift towards agricultural work in the post-reform period in many locations across India. There was also an increase in subsidiary workers, who are mainly women, engaged in agricultural work. It is not clear from the data alone whether this was a positive development or a distress measure related to lower rural non-agricultural opportunities and higher poverty. In such a case, qualitative research is needed. PPAs can also generate hypotheses that can then be tested through surveys. Therefore, the two methods – surveys and PPAs – complement each other.
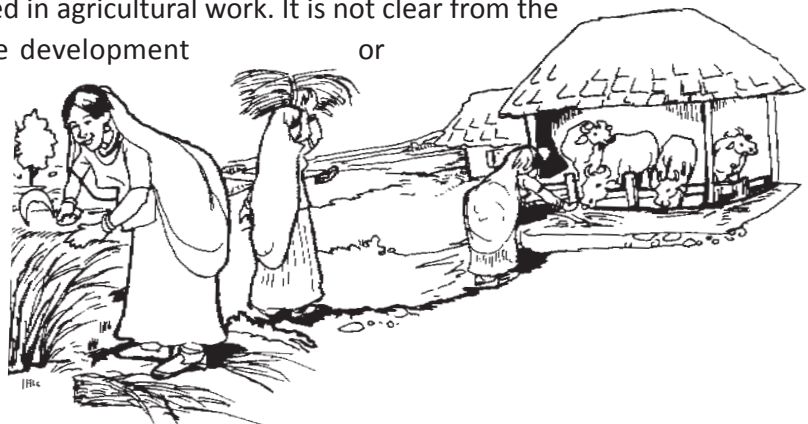
The PPA Process

In order to understand poverty holistically, we need information on many aspects that are not measurable – such as access to resources and services, the role of institutions and social networks in people's lives and seasonal fluctuations in vulnerability. PPAs use a range of participatory and open-ended methods to gain an understanding of such factors. However, PPAs can contain quantitative information and are therefore not strictly qualitative.

The PPA research process follows many of the norms developed in other contexts, e.g., anthropological practice, participatory rural appraisal (PRA), social assessment and gender analysis. Good rapport and trust are essential and the results of the exercise depend on this. **The skills of the researcher are of paramount importance. Researchers must be good listeners, willing to understand different perceptions and not impose their own, have good analytical skills and be good communicators. In fact, the capabilities of the research team are key in the PPA process and are its greatest asset; they could also jeopardise the quality of the PPA.** A commitment to change on the part of government and other formal institutions is a prerequisite for PPAs to succeed.

Information collection and analysis

Many of the methods used are already tried and tested: PRA; rapid rural appraisal (RRA); beneficiary assessment; self-esteem, associated strength, resourcefulness, action planning and responsibility (SARAR); semi-structured interviews; and, focus groups. Some earlier PRAs used these methods in a more extractive manner than they have been in a project context because the results feed into policy and the impacts of these changes may not be felt by the poor immediately.

PPAs can yield large quantities of information that may make it difficult to incorporate them into existing findings or to use them for policy purposes. Recurrent themes in the results of PPAs can be identified using methods such as systematic content analysis. Qualitative data analysis software like non-numerical unstructured data indexing searching and theorising (QSR NUDIST) is available.

Some of the issues that have emerged through PPAs and how their coverage differs from conventional methods are shown below.

| Issues	Aspects addressed through PPA	Aspects addressed by conventional surveys
Sanitation	Lack of access to clean water and toilets	Presence or absence of handpump or water point with very little information about the working condition
Corruption	How corrupt officials can prevent poor people from obtaining facilities that they are entitled to	Not usually addressed by poverty surveys
Definitions of poverty	How the poor understand, define, interpret poverty, its causes and effects	Poverty externally defined in terms of nutritional intake or income/expenditure
Risk and vulnerability	What kinds of events could pose a threat to livelihood patterns and what coping mechanisms the poor employ	Not covered in depth by poverty surveys
Access	Access to services, institutions infrastructure, common property resources	Yields or physical structures are taken as a proxy for access and availability

Analytical framework

Different practitioners may use PPA with different analytical frameworks in mind. Implicit in many of the more recent PPAs is the sustainable livelihoods (SL) approach. The SL approach helps us to recognise that a poor person's vulnerability context is determined by his or her ability to draw upon six different kinds of assets – physical, financial, political, social, human and natural – as well as the influence of transforming structures and processes, namely institutions, laws and regulations. What a person does for a living – his or her livelihood strategies – depends on this context (*see chart on page 37*). The livelihood strategies also reflect what the person intends to achieve in the longer term or in his or her livelihood outcomes.

While PPAs have tried to appreciate that the poor may have a different worldview, there is still reluctance to accept livelihood outcomes that do not "make sense" in terms of our rationality. At the centre of the PPA researcher's thinking is still an image of the "economic man" – a person who is bound to want to improve his lot materially and to amass personal wealth and other assets, given the right conditions. But is this necessarily true?
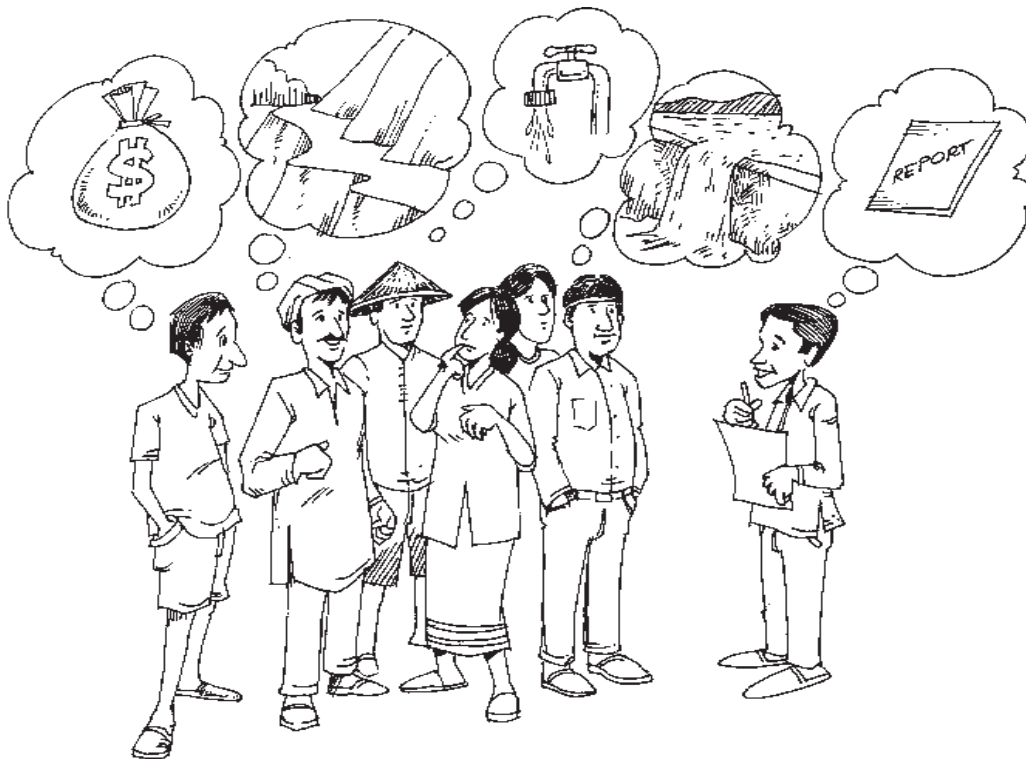
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Targeting Poor Communities: An Example from Africa
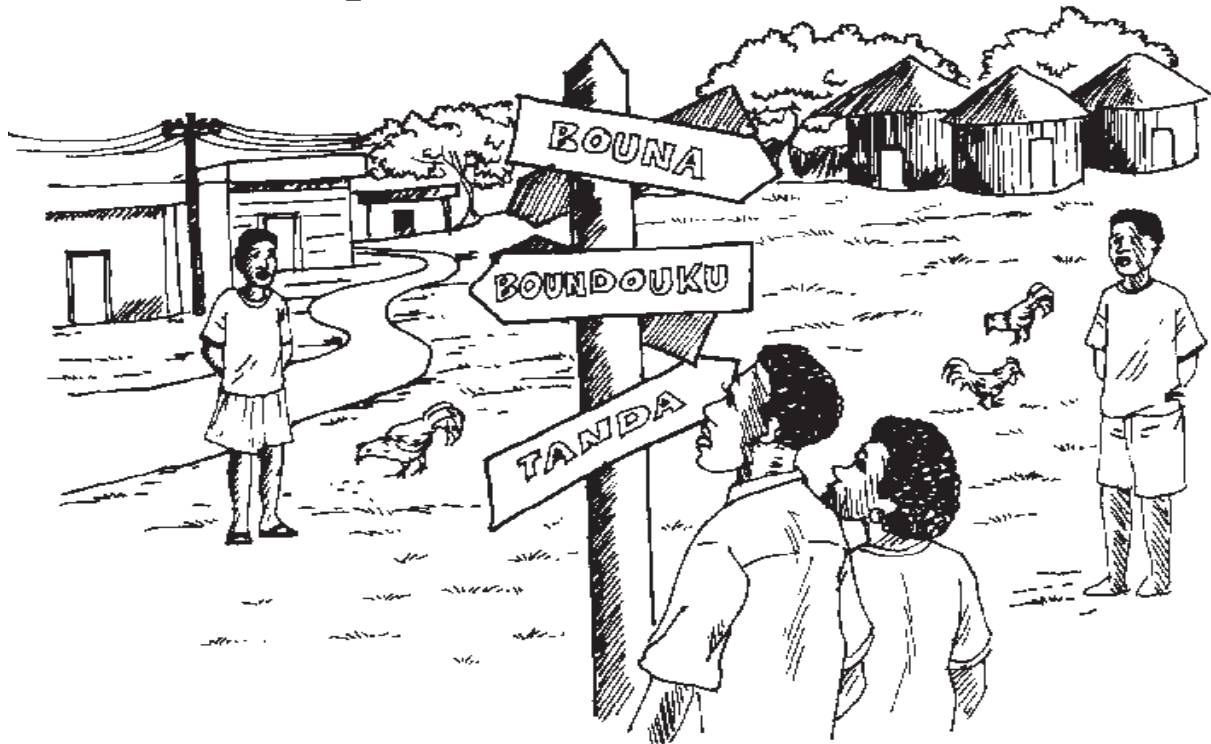
Implementation teams of rural development projects have to make choices about village selection. Even projects with clear poverty alleviation objectives often lack clear poverty-based criteria for screening villages. In the absence of explicit poverty-related criteria, there may be a tendency to favor richer and less remote villages because they are better organised, easier to work with and more accessible. The poverty alleviation objective can become no more than empty rhetoric in practice – something that happens all too often.

This paper is based on study conducted by Cabinet de Consultants Associês and a paper by John Hoddinot and Saul Morris, IFPRI.

Approach in Targeting Poor Communities

The approach is a tool for making comparisons across large numbers of villages to enable implementers to initially screen potential villages for project interventions based on a set of poverty criteria.

The approach can be used:
- for making poverty a more central concern to project implementers;
- for identifying "pockets" of poor communities;
- for identifying "poorest of the poor" communities;
- for prioritising district and sub–district infrastructure investments that reach the maximum number of poor people;
- for monitoring and evaluating the equity impact of project interventions; and
- as a supplement or pre–cursor to participatory approaches.

The approach does not:
- provide a definitive choice of where investments will be made; or
- substitute for participatory diagnostic and planning exercises within individual villages.
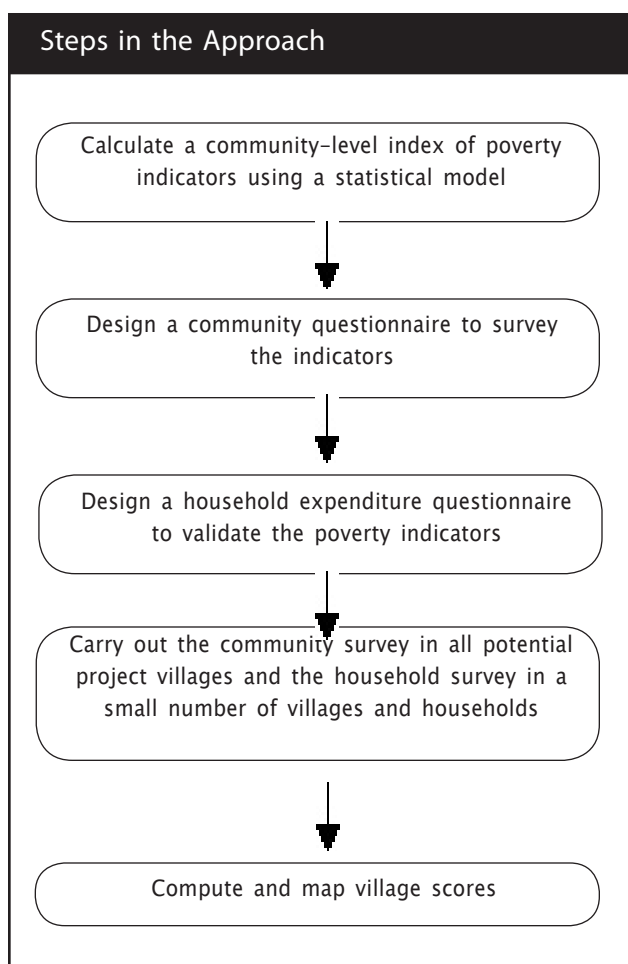
While participatory approaches are useful for poverty ranking within villages, they may be less useful for making wealth comparisons across a large number of villages. For making large-scale comparisons, judicious use of quantitative approaches can also complement participatory approaches to enable development projects to more effectively reach poor people.

The Project Zone
The International Fund for Agricultural Development (IFAD)-supported Rural Development Project in the Zanzan Region of Cote d'lvoire was designed in 1998. With a population of about 600,000 and over 1,000 villages spread over a large area, the region is comprised of three administrative departments – Bondoukou, Bouna and Tanda – which are very heterogeneous in terms of population density, economic activity and potential, and income levels. The northern most department, Bouna, is in the Savannah zone, while Bondoukou and Tanda are transition zones between Savannah and forest. Zanzan is among the poorest regions in the country, although agricultural potential does exist and much of the region has strong, but informal, commercial agricultural links with urban areas.

Rural social and physical infrastructure investment in Zanzan has been minimal relative to other regions, seriously hampering agricultural development.

Steps in the Approach

Calculate a community–level index of poverty indicators using a statistical model

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Design a community questionnaire to survey the indicators

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Design a household expenditure questionnaire to validate the poverty indicators

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Carry out the community survey in all potential project villages and the household survey in a small number of villages and households

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Compute and map village scores

Study Objectives and Methodology
In early 1999, with IFAD support, two economists from the Intemational Food Policy Research Institute (IFPRI) trained a nationally-recruited team to launch a survey in order to more effectively target interventions to the rural poor in the project zone through development of an initial screening mechanism for village choice.

Additional objective
■ Included testing the specific method for reliability, practicality, cost-effectiveness, and clarity for non-economists.

STEP 1 is to select proxy indicators for poverty using pre-existing survey data. One identifies a limited number of easily observable community-level variables that strongly correlate with income poverty by estimating a regression equation to weight the respective coefficients to arrive at a village-level score.

Cote d'Ivoire has a particularly rich set of data on poverty, having been one of the first countries to participate in the World Bank's Living Standards Measurement Surveys (LSMS). Nationwide surveys were conducted in 1986, 1987 and 1988. In rural areas, data were collected both at household and community levels.

Per capita annual household expenditure was used as the basic measure of welfare. All variables in the LSMS community questionnaire were examined to determine whether or not they were associated with household expenditure levels. The variables that resulted in the strongest statistical model included presence of nuclear and satellite settlements, length of time the village was cut off during the rainy season, distance to a post office, the portion of village girls attending school and proportion of births in clinics.

> Proxy variables are easily observable substitutes for variables that are more time-consuming and costly to directly identify. The most direct measure of income poverty is expenditure level, but this is prohibitively costly to measure on a large-scale. Carefully selected community-level variables can serve as indirect measures of poverty if one is reasonably confident that they approximate the true situation.

STEP 2 is to design a community-level survey questionnaire with questions related to the proxy indicators as well as to other community-level information of potential practical value for project implementation. Care is taken to keep the questionnaire short, but to also gather additional information of practical value for project implementation.

There were a total of 18 questions on the following topics: geographical background of the village and access problems; presence of community health and education infrastructure and service providers; main types of housing; sources of potable water supply; presence of development projects and existence of village and sub-village associations.

STEP 3 involves designing a detailed household-level expenditure survey to be carried out in a limited number of villages for purposes of validating the relevance of the proxy indicators to poverty in the project zone. Without this step, it is dangerous to assume that the proxies are valid indirect measures of income poverty in the project zone.

STEP 4 involves carrying out the community-level survey in all villages in the project zone, or in all villages with population greater than a pre-determined cut-off point. At the same time, the household expenditure survey is also implemented in a limited number of villages to double-check that the variables derived from the national survey are valid in the project zone.

The IFPRI experts stayed in the country for 10 days, during which they trained a local team composed of an economist, a statistician (who also served as field supervisor) and eight enumerators from the region. The team field tested and finalised the questionnaire, developed data entry and synthesis procedures and carried out the household-level expenditure survey.

The actual time required to conduct village interviews was 10-20 minutes. However, village protocol required a longer stay of as much as two hours to be properly introduced to the village chief and dignitaries, accept hospitality (at a minimum, a drink of water, soda, or palm wine, but sometimes reception of chickens or yams) and answer questions from the villagers about the new project. The most time-consuming part of the exercise was reaching the villages (including fair amounts of time getting lost) rather than completing the questionnaire. In retrospect, the opportunity cost of including a richer set of community-level questions would not have been very high (in terms of data collection and entry, not necessarily in terms of analysis later).

The household-level expenditure survey (for purposes of validation) was carried out in 2-6 villages per department, with 1-2 villages each considered rich, median or poor (as determined by the community survey). In each village, 30-50 households were randomly interviewed. Results of the household survey confirmed the validity of the community survey as there was a good correlation of income poverty as measured at household-level and community ranking.

The survey covered 17 districts and 1,073 villages. Initially, the team intended to survey only villages with more than 200 inhabitants. However, this idea was discarded because of the small average size of villages in Bouna (only about 130). The decision was therefore taken to visit all villages in the project zone.

STEP 5 is to compute and map village scores. Results for individual indicators are also useful to analyse and map. Using the statistical index, an example of how the scoring was calculated for an individual village is shown in the following table.

Example of a Village Score Calculation		
Question	Response	Number of points (example)
Regression constant	Same for all villages	➔164
Are there satellite settlements (campenents) attached to the main village?	If yes, –10.24 points; if no, 0 point	Yes ➔–10.24
In general, how many months per year is the road cut?	Response multiplied by –7.8 points	1 month ➔ 1 x–7.8
How far is the village from the post office or telephone?	If located in the village, 37.45 points; if not, 0 points	10 km ➔0
About what percent of school–age girls attend school? 1= nearly all 2= more than half, but not all 3= half 4= less than half 5= Just a few 6= None	Response multiplied by –10.15 points	2, more than ½ ➔ 2x–10.15
Where do the majority of women give birth? 1= at home 2= at a clinic (maternite) 3= in a hospital 4= other	If response is 2 or 3, 30.32 points; if 1 or 4, 0 points	1, at home ➔ 0
Result = 164 + -10.24 + (1x-7.8) + 0 + (2x10.15) + 0 = 125.66 points		

Results of the Village Scoring Exercise

For ease of presentation, villages were divided into five categories with scores of 50-point intervals. A solid majority of villages (about 60%) were in either category one or two (the poorest categories), confirming the general impression of the Zanzan region as having very poor access to infrastructure and services. Yet results highly vary between departments. By far, Bouna is the least blessed with nearly 80% of villages in the two lowest categories. In contrast, Tanda has only about one-fifth of villages in category 2 and none in the lowest category. Almost half of the Bondoukou villages are in the second category.

While Tanda is clearly better off, the number of less well-off villages is not negligible: about one-fifth of its villages are in the second category. Almost half of Bondoukou's villages are in this category. This points to the potential usefulness of the approach for identifying pockets of poverty in otherwise better-off zones.

Village Score Classification by Department

No. of villages

Categories
- Tanda Villages
- Boundokou Villages
- Bouna Villages
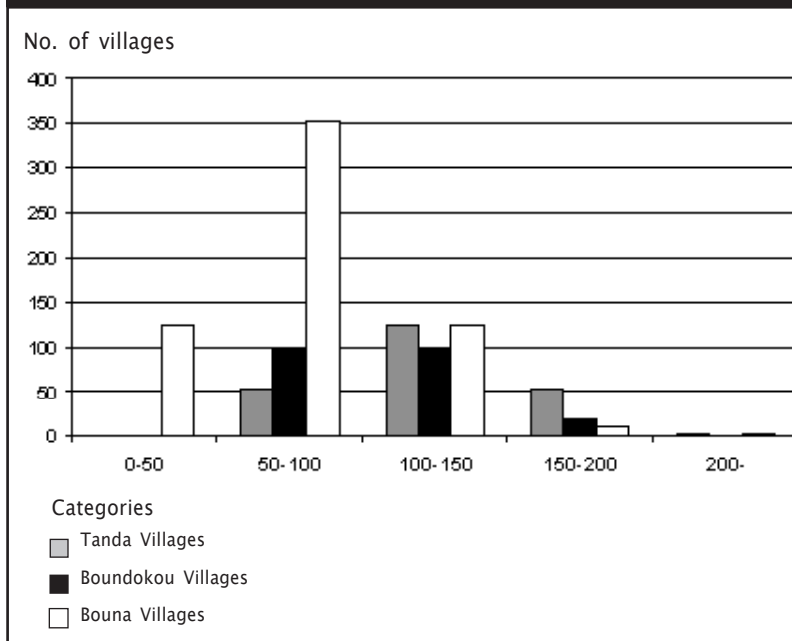
Generally "poor zones" are often assumed to be uniformly poor, thus discounting the need for targeting within those zones. However, the survey team found that variability of village scores (as measured by the coefficients of variation) was significantly greater in Bouna than in the other departments. Twenty percent of villages were in the bottom category and could be classified as "poorest of the poor" while 58% of villages were in the second category. If the goal of a development project is truly to reach the poorest of the poor, this approach can also be of assistance in not only poor villages but also the poorest villages.

The design team of an earlier IFAD project in Cote d'Ivoire attempted to use "minimum distance from a paved road" as a major decision rule for initial village selection. It had been specified that at least 75% of the villages selected for project interventions should be situated more than 5 km from a paved road. This was partly due to the tendency of projects to concentrate activities in villages where access was easy, and partly due to analysis from other countries demonstrating links between access to infrastructure and rural poverty. Yet these nuances were lost in the debate that ensued. Government officials viewed it as arbitrary and not reflecting local reality. The idea was dropped, and subsequently, the IFAD country portfolio manager was often kiddingly referred to as "Mister Five Kilometers".

Beyond village rankings, it is also possible to provide a rich level of reporting on individual variables for each zone such as access to health, education and communication facilities, transport and water problems, extent of village organization, and involvement with on-going development projects.

Potential practical uses include identifying poverty "pockets" and the poorest communities. It can be a powerful supplement (or pre-cursor) to participatory diagnostic and planning approaches. For investments at levels higher than individual villages (district and sub-district) like roads, a mapping of villages by their scores and populations can enable decision-makers to prioritise roads for rehabilitation that reach the maximum number of poor people. The approach can also be used for monitoring and evaluating the equity impact of project interventions.

In the specific context of Cote d'Ivoire, the approach appeared to be politically acceptable. An array of indicators was seen as consistent with common-sense notions of poverty. In addition, while variables were aggregated to derive a village score, the individual variables were generally consistent with common-sense notions of poverty. It also mattered very much to ministry technicians that practical uses were obvious and that results were generated quickly.

Summary of Strengths and Limitations	
Strengths	Limitations
Cost-effective in time and money for large-scale exercises (4-5 months duration and 0.5% of project costs)	Only for initial screening across villages; not a substitute for village-level participatory diagnosis and planning
Appears valid for making poverty comparisons across communities	Income-based, but poverty has many dimensions
Can supplement or precede participatory diagnostic and planning	Quantitative approaches may be sensitive to the choice of variables and their weighting
By making poverty criteria explicit in village selection, helps avoid natural tendency of implementers to work in "easier" villages	Reliable household expenditure and community survey data must already exist
Can be used to identify "pockets" of poor villages and "poorest of the poor" villages	May miss significant numbers of the poor if wealth disparities are greatest within villages

Future Considerations

As this is a new approach, it is worth considering different options for improving upon it. Could indicators be derived in more participatory ways? Using participatory approaches, villagers in a project area could be surveyed about what they consider to be easily observable characteristics of poverty at community level. If their perceptions are fairly uniform or varied in ways that could be easily stratified and adapted by zone or ethnic group, questionnaires and indices could be designed using locally-derived variables. This could potentially be more locally reliable, save time and be less demanding in technical expertise. The survey data could also be entered into a Geographical Information Systems (GIS). Additional data (including results of participatory exercises) could also be incorporated to enhance project planning.

Whatever the technique chosen, one thing is clear: there is a need to introduce more rigour into village selection in self-proclaimed rural poverty alleviation projects.

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