



International Development Research Centre
Centre de recherches pour le développement international

HOW CAN GOVERNMENTS AND NGOS WORK TOGETHER
TO ENSURE THAT BASIC HUMAN NEEDS PROGRAMMING
LEADS TO POVERTY REDUCTION?

Remarks to the CIDA/NGO Meeting

By

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As Delivered

In the 1970s, many developing countries introduced economic stabilization and structural adjustment programs to address the severe economic problems they were facing. To change the framework of their economies and -- hopefully -- improve their long-term economic health, they slashed public spending, devalued currencies, and liberalized their trade and financial sectors.

The human costs of these measures were immense. And they were easily identifiable. But policymakers were at a loss to come up with alternatives that could strike a balance between improving a country's economic outlook, while minimizing the negative impact on the poor.

IDRC's contribution to the debate began in 1989 when it introduced the ***Micro Impacts of Macroeconomic and Adjustment Policies*** initiative - better known as MIMAP. This program aims to assess the impacts of structural adjustment and provide policy alternatives.

I'd like to tell you how MIMAP works -- as a way of illustrating today's topic for discussion.

MIMAP was actually born in the Philippines under extremely painful conditions. The country was trying to cope with its economic troubles by reducing public spending and opening its local economies to foreign competition. But the poor were really suffering as a result. UNICEF challenged the new post-Marcos government to do something. Staff at the country's National Economic and Development Authority quickly realized that policymakers were concentrating on macroeconomic issues -- largely because they didn't have any hard data on how the poor were actually being affected.

MIMAP promotes a participatory approach to monitoring poverty *at the community level* in developing countries. It is research that is practical and that involves people in their own development -- both of which are what IDRC is all about. MIMAP brings together local researchers, government officials, NGOs, and other decision makers to conduct essential research into the economic situation, and to provide an ongoing picture of how economic policies affect the poor. Armed with this information, NGOs and government departments are able to develop policies that are efficient, sustainable -- and most importantly -- are equitable and contribute to people's well-being.

MIMAP attacks the issue on three fronts. First, it develops economic models that help countries understand and assess how, and to what degree, macro or national-level policies affect everyone -- from firms, to families, to individuals. To give you a recent example: In the turmoil created by the Asian financial crisis, the MIMAP team was asked by government agencies to assess the impact of the peso devaluation -- as well as alternative scenarios -- in light of the higher interest payments and the lower revenues the government was expecting for 1998. These policy impact assessments were made in the context of the recent negotiations with IMF.

Second, it develops "Poverty Monitoring Systems" -- which are a means of conducting frequent and timely poverty surveys. And finally, it supports focus studies that encourage a multi-disciplinary approach to drawing the poverty picture within a particular country.

I'd like to talk specifically about one aspect of MIMAP's work - the work that concretely

supports governments and NGOs efforts to reduce poverty - and that is poverty monitoring.

When MIMAP started in the Philippines, there was no well-organized, coordinated, regular monitoring system at the neighbourhood level to enable policymakers to assess the welfare status of the population -- particularly among the most vulnerable. MIMAP proposed a community-based monitoring system that took local government structures into account.

Now, the conventional way of measuring poverty is to estimate income and spending. The poverty line is usually determined by factoring in nutritional needs -- as well as allowing for some non-food basic needs. The problem with such an approach is that, while it provides a picture of the state and geographic distribution of poverty, it gives no idea of the actual dynamics of poverty.

But by taking human development and quality of life into consideration, it's possible to consider the socioeconomic indicators of poverty. While these obviously vary from country-to-country, they generally include health, nutrition, access to safe water and sanitation, shelter, peace and order, basic education, and political participation. They could also include economic diversification, access to community services, the capacity to cope in a crisis situation, as well as family care and psycho-social needs.

MIMAP pilot-tested its community-based monitoring system at two neighbourhoods outside the city of Manila. This pilot test included -- among other things -- community discussions, training local enumerators, preparing training materials and getting them translated into native dialects.

Pilot test results indicated that the MIMAP survey could generate most of the data needs of local neighbourhoods -- data that are essential for devising programs and policies to reduce poverty levels.

MIMAP research results have been applied in the Philippines by both the National Statistics Office and the Presidential Commission to Fight Poverty, as well as NGOs. Armed with concrete research findings that point to a direct relationship between poverty and illiteracy, or poverty and poor health, or poverty and unsafe drinking water, these groups were able to set priorities among needs. Then, they've initiated programs that tackle child malnutrition, that install safe drinking water systems, that provide shelter assistance, or literacy and life-skills training, or daycare centres -- you name it.

In other words, governments and NGOs that take seriously the findings from MIMAP's poverty monitoring are able to implement programs and policies that make a qualitative difference in people's lives.

Today, MIMAP has projects in Bangladesh, Benin, Burkina Faso, India, Laos, Nepal, Pakistan, Sri Lanka, Vietnam, Morocco - and, of course, the Philippines. And MIMAP projects are now under development in Ghana and Senegal.

Partnerships are integral to the success of these projects. At the financial level, for example,

CIDA co-funds MIMAP in India and Bangladesh, and is also involved in developing the projects in Ghana and Senegal.

But it's the partnerships that are created between the stakeholders -- community groups, NGOs, and government policy makers that make it possible, not only to track poverty and its causes, but to create policies and programs that actually help to alleviate it.

In almost a decade of work, MIMAP staff have learned some important lessons on how working together can ensure that basic human needs programming leads to poverty reduction. We've learned -- as I said earlier -- that good research provides good insights into the causes of poverty. But we've also learned that unless the tools being used to measure poverty are designed by the people who will actually use them, then they are useless.

It's the participatory approach that works -- an approach that begins at the grassroots level, involving all community institutions, as well as NGOs and local government. These, after all, are the people who will take the results and run with them. Their involvement is essential from the very beginning and throughout the entire process. They must help design the poverty monitoring survey, be involved in discussions on poverty alleviation policies and measures, and, of course, work on their implementation.

Let me give you some idea of the extent of NGO involvement in our MIMAP programs -- involvement by both national and international NGOs. In Vietnam, *all* NGOs working in those areas surveyed by MIMAP's Rural Poverty Monitoring System are involved in the monitoring process, in discussions on poverty alleviation principles and measures, and in how to implement them. Local participating NGOs include the Peasant's Association, the Gardeners' Association, and the Women's Union. These are Vietnam's main mass organizations that work in the communes being surveyed.

The Socio-Economic Development Research Centre, which is responsible for conducting Vietnam's rural poverty monitoring component, is an NGO. And so is its sponsor -- the Vietnam Economic Association. Both maintain close contact with the government authorities responsible for managing national poverty alleviation programs.

The research centres that host MIMAP programs in Sri Lanka and India are also NGOs: The National Council of Applied Economic Research in India, and The Institute of Policy Studies of Sri Lanka. And the apex body of NGOs in Bangladesh -- The Association of Development Agencies in Bangladesh -- participates in guiding MIMAP project activities at steering committee meetings.

In Nepal, NGOs are involved in a variety of ways. Along with government representatives, academic researchers, and the Governor of the Central Bank, they sit on MIMAP's steering committee. And two NGOs -- Rural Reconstruction - Nepal, and the Canadian Centre for International Studies and Cooperation-- recently agreed to work with MIMAP to develop and implement the Poverty Monitoring System.

Some other lessons: MIMAP has learned the importance of doing work that is relevant, that is immediate, and that is concrete. Relevance, of course, implies clearly defined and achievable goals and objectives. This is what builds the framework for action, as well as contributing to unity of purpose among stakeholders.

MIMAP has also learned the importance of bringing an open mind to the research we support. That's what drove us to look beyond the conventional indicators of poverty and examine the more subtle -- but no less real -- ones like peace and security and access to safe water. These indicators, after all, are the ones that help point the way to *equitable* policies.

I wish I could say that the work of MIMAP provides a "quick-fix" to poverty. But as you in this room know only too well, there are no "quick-fixes." I can't even say that as a result of this work the standard of living definitely rises in participating countries. The fact is, there are just too many other variables -- such as the effects of El Niño, natural disasters, and changes of government.

What I can say with certainty, though, is that the quality of research being conducted in participating developing countries has improved greatly. These countries now have a better capacity to analyse the ways in which macro-economic policies affect their citizens. They now have new instruments for designing policy to respond to those effects. They now have a means of bringing together researchers, politicians, government officials, and NGOs to discuss policy alternatives at national and regional levels.

Better research provides them with a better tool for tracking poverty -- which is precisely what governments, communities and NGOs need in order to attack the causes of poverty.

Finally, good research puts them in a much better position to negotiate with international players -- such as the banks, and other multilateral and bilateral organizations.