

May 21-25, 1990

NOTE FOR THE RECORD

Subject: **Regional Dialogue on Poverty Alleviation, Manila**

Organizers:

- Asian & Pacific Development Centre, Malaysia
- Konrad Adenauer Foundation, Philippines
- Asian Institute of Management, Manila in collaboration with EDI, Washington DC.

Participants:

- Bangla Desh, India, Nepal, Pakistan, Philippines and Sri Lanka.

Asian Development Bank also sent an Observer. The Pakistan delegation represented the highest levels of bureaucracy comprising

Federal Secretary for LG & RD, Chief Secretaries Punjab and NWFP, besides a very senior officer representing Chief Secretary, Sind Province.

The dialogue was inaugurated by the Speaker of the Philippines Congress (House of Representatives), who made a vehement plea for alleviation of poverty. Being an aspirant to the presidency of the Philippines in next election, Mr. Ramon Mitra presented a six-point agenda for poverty alleviation:

- (i) effective delivery of basic services;
- (ii) decentralization of operations;
- (iii) more equitable and efficient taxation;
- (iv) generation of greater economic equity;
- (v) aggressive promotion of foreign investment in small and small sized enterprises and
- (vi) welcome and support private sector and NGOs.

The keynote address was given by Dr. Sixto Roxas who diagnosed that the current strategy of sectoral planning followed by the Third World countries, was generating poverty by the wholesale which was being attempted to be alleviated in the retail through poverty alleviation programmes. He strongly advocated an ecozone development strategy to replace sector planning, which should be based on the principles, namely, departure from enterprise as a mode and adoption of community or cluster of people belonging to particular ecological zones, subsuming an integral ecological zone, as organisers of development. Dr. Roxas pleaded that currently poverty creating forces in mainstream development necessitate poverty alleviation programmes, hence the mainstream development strategy should be so designed as not to necessitate poverty alleviation programmes.

Dr. Roxas keynote address was one of the most powerful pleas for a shift in development planning. He is presently engaged in developing an ecozone development module for the 329 ecozones of Philippines. His

paper is enclosed which was found most stimulating. It might be worthwhile to invite him to Gilgit on a consultancy for a fortnight to help develop ecozone development plans for Northern Areas. AKF's reaction to the proposal may be sought.

Regional Overview of Poverty

According to Dr. Ismail Getubig of the Asian and Pacific Development Centre (APDC), there has been substantial progress in decreasing poverty and numbers have gone down in case of some countries in the last four decades i.e. Taiwan, from 47% to 3% but incases of some other countries like India, Bangladesh, Pakistan, the percentage has gone down but the numbers have increased because of increased population. There is a consensus that poverty should be alleviated, because poor are a social liability, poverty leads to the destruction of environment and also to social and political instability besides it is morally desirable to alleviate poverty.

The Global Poverty Scenario indicates that growth without equity is not going to have an impact on poverty alleviation. A Chinese Case Study brought out that 214 counties in China have more than 70 million people with an income of less than US\$ 50 per annum. In Philippines, the national per capita income is US\$ 600 but 40% of the people have per capital income in the range of US\$ 85 to 100. A strong plea was made for equitable economic growth.

Designs of Poverty Alleviation Programmes

Dr. Anil Bhatt of the Ahmed Abad Institute of Management highlighting the critical factors in a successful poverty alleviation programme, emphasized the need for an exclusive delivery as well as receiving system for the poor and in this context. AKRSP experience was presented by SSK which comprised showing of First Harvest and explanation of the concept, methodology and progress todate through transparencies.

After the presentation, the Federal Secretary for Local Government and Rural Development, Mr. Humayun Faiz Rasul said to SSK that the presentation brought tears of pride in his eyes that Pakistan was sofar ahead in development of poverty alleviation programme compared to the countries represented in the regional dialogue. Other members of the Pakistan group expressed similar sentiments.

The session on Designs of Poverty Alleviation Programmes brought out very clearly to the delegates, the need for a receiving system as mere settled up of the delivery system, is not sufficient to alleviate poverty. The receiving system for the poor manifest itself in framework of grassroots institutions likely the VOs fostered by AKRSP. The delivery system has to be exclusively for the poor and manifest itself into a support mechanism like the AKRSP type administrative set up.

Alternative Delivery System

Prof. Eduardo Morato, Assistant Dean of the Asian Institute of Management expounded accounting development on a balance sheet by showing people, land, physical environment of soil etc,m as assets from which liabilities should be subtracted to get a picture of equity on the balance sheet. This was illustrated by giving the example of Philippines Business for Social Progress (PBSP) where 150 business houses through corporate philanthropy are undertaking social development. Their experience has been (1) most effective poverty alleviation programme (PAP), involved full participation of people through a holistic approach, (2) formulation of clear cut strategies and intervention of PAP, (3) effectiveness of organization and its linkages with other agencies, (4) use of educational facilities, (5) presence of entrepreneur characters to activate development (activist), (6) backward and forward integration by controlling sources of supply and marketing outlets, (7) build bridges and conduits of connect delivery and receiving systems, (8) rifle approach towards specific poverty groups, (9) definite objectives and criteria for evaluation of performance establishing responsibilities and accountability, (10) a dedicated and selfless leadership along with commitment of highly conscientious and confident staff and (11) organization imperative to make development process work.

Capacity Building of the Poor

Prof. S. Tilakaratna of Sri Lanka presenting his module, emphasized on the following aspects of a Capacity Building Programme on a sustainable basis:

- (i) Building a knowledge base encompassing an intellectual base, based on dialogues, non-dominant and non-bureaucratic in nature, adopting a process of diagnostic survey, admitting role of an external agent and planning phase-out overtime.
- (ii) Building participatory organizations encompassing creation of own organizations of a small group of homogeneous membership with built-in peer pressure for internal discipline.
- (iii) Mobilization of own resources encompassing turning inward for group savings and mobilization of labour.
- (iv) Assertion and gaining access to resources from outside encompassing turning outward, asserting entitlements and improving access to delivery system.
- (v) Acquisition of skills encompassing basic management skills, literacy and technical skills and
- (vi) Sustaining and extending development actions as a continuing process encompassing consciousness raising and economic benefits, generation of learning process, going to a broad set of actions with total development planning at community level, generation of community cadres and linkages of networks both horizontal and vertical.

Recommendations:

Country groups were asked to make their recommendations on the following issues:

1. What are the potentials of incorporating success factors of poverty alleviation programmes and alternative delivery system into traditional programmes being implemented currently?
2. How can government hasten the development of receiving systems so that they become their own delivery systems.

The Pakistan Group recommended that the AKRSP presented a viable model of an exclusive delivery system for the poor and should be tried in selected districts in each province of Pakistan. The Ministry of LG&RD with provincial departments, should take initiative in this regard.

The group further recommended that Government of Pakistan's available resources as Zakat & Ushr (approx. Rs. 4 billion), Peoples Works Programme (approx. 2 billion) should be re-channelled for the purpose.

The group recommending a shift from a sectoral programme to a poverty alleviation programme, recommended that the Government of Pakistan could hasten the process of establishing a viable receiving and delivery system by fostering a framework of grassroots institutions, which would entail setting up a support mechanism on the lines of AKRSP.

The group also recommended a much greater role in Pakistan for NGOs in alleviating poverty.

Lecture at Asian Institute of Management (AIM)

On the request of Prof. Ruth Callanta, SSK gave a presentation on AKRSP at the AIM on May 24, 1990, which comprised showing of the First Harvest and explanation of the programme through transparencies.

The class of students under Prof. Morato, Associate Dean, Development Management Programme, AIM asked questions on government support, local political structure, local savings, financial commitment, identification of needs by villagers for development, a livelihood model, use of modern technology and issues pertaining to replication.

Immediately after the lecture, SSK took the flight to Karachi.

Copies of the First Harvest were requested by the following:

- Mr. Khalid Shams, Programme Coordinator, APDC Malaysia.
- Dr. Durgesh M. Singh, Member Planning Commission, Singha Durbar Secretariat, P.O. Box No. 1284, Kathmandu, Nepal.
- Mr. Zaki Azam, Director, Asian Development Bank, P.O. Box No. 789, Manila, Philippines.

Dr. Harka Gurung, Former Vice-Chairman, National Planning Commission, Kathmandu requested for a copy of Dynamics of Rural Development.