

FORUM FOR SOCIAL STUDIES

POVERTY DIALOGUE FORUM

Consultation Papers on Poverty No. 2



NGOs and Poverty Reduction

*Edited by
Meheret Ayenew*

**Addis Ababa
July 2001**

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The opinions expressed in this publication are those of the authors and do not necessarily reflect the views of FSS or its Board of Advisors.

Table of Contents

Introduction.....	1
Meheret Ayenew Coordinator, Poverty Dialogue Forum	
Child Poverty Reduction: The Experience of the Forum on Street Children-Ethiopia (FSCE).....	4
Fassil W. Mariam Forum on Street Children-Ethiopia (FSCE)	
Propride’s Experience in Fighting Poverty.....	8
Abowerk Haile Propride, Ethiopia	
Comments on the Ethiopian Government Interim Poverty Reduction Strategy Paper (I-PRSP).....	15
Berhanu Geleto Rift Valley Children’s and Women’s Development	
Action Aid Ethiopia’s Poverty Eradication Strategies: Synthesis.....	20
Jemal Ahmed Action Aid Ethiopia	

Introduction

This is the second issue of the **Consultation Paper** series that FSS has published as part of its Poverty Dialogue Forum. As pointed out in the first edition of the series, the focus of discussion of FSS' Forum is the *Interim Poverty Reduction Strategy Paper* (I-PRSP), which the Government has submitted to the World Bank and the IMF. A related purpose of the public discussions is to provide an open forum for the Government, civil society organizations (NGOs, trade unions, professional associations, etc.), the business community, donors and the poor themselves, to exchange views on the magnitude and severity of poverty and share experiences on how to overcome it. The papers presented and the main issues raised in the public debates will be published and disseminated to government decision makers and other stakeholders engaged in dealing with poverty.

This issue contains the four papers presented at the second workshop of the Forum held on 23 March 2001 by representatives of four Non-Governmental Organizations (NGOs). Ato Fassil W/Mariam of the *Forum on Street Children-Ethiopia (FSCE)* presented a discussion on FSCE's work in fighting child poverty. He talked about its advocacy mission to uphold the rights of children and programs to prevent the sexual and physical abuse of children and of child labor. Ato Abowork Haile of *Propride of Ethiopia*, a local NGO, discussed the poverty alleviation programs of his organization in the Merkato and Entoto areas of Addis Ababa. He pointed out that these two urban areas were characterized by an overwhelming prevalence of poverty among men, women and children. About 82 and 87 per cent of the inhabitants in the Merkato and Entoto areas respectively were below the poverty line. *Propride* had programs for livelihood promotion, education, community-based care and infrastructure to reduce the extent of poverty. He also presented a review of the I-PRSP and argued that the process of preparation of the policy paper did not invite as much public and stakeholder participation as might have been expected.

In his paper, Ato Berhanu Geleto of the *Rift Valley Children's and Women's Development Association* outlined the strategic or critical issues to be considered by the I-PRSP as being land holding in the rural area, the role of civil society organizations, farmers capacity building, agricultural exten-

sion package, ADLI, gender sensitivity, poverty and education. He argued that the strategy paper should adequately consider these critical issues and provide appropriate policies to mitigate poverty. He also thought that there was not sufficient participation by the public at large and by the many stakeholders engaged in fighting poverty in the formulation of the I-PRSP or the prescriptions it provides to reduce poverty in this country.

Finally, Ato Jemal Ahmed of *Action Aid-Ethiopia (AAE)* presented a synthesis of his organization's poverty eradication strategies. He talked about the specific and institutional dimensions of poverty. The specific dimensions included gender, food security, social services and HIV/AIDS while the institutional dimensions included the government, the community and local NGOs. He argued that it was important to consider the two dimensions in formulating an effective policy to fight poverty.

Following the presentations, comments were made and questions raised by the audience. Below is a summary of the discussions that followed.

- ◆ There was a request from the audience that copies of the I-PRSP should be disseminated to all workshop participants in order to conduct informed discussion on the policy and generate suggestions for its improvement. Cognizant of the fact that the audience should familiarize itself with the policy paper, the Management of FSS promised to distribute mimeographed copies of the I-PRSP to all workshop participants. There was also a suggestion that FSS organize a separate session devoted to the discussion of the I-PRSP because many people were not familiar with the full content of the document. It was noted that this suggestion would be considered should resources and time permit.
- ◆ A question was raised as to the degree of collaboration that could exist between government structures and NGOs in poverty alleviation. It was reiterated that there were a number of opportunities for the existing structures of government, including Kebeles, Weredas and Zones on the one hand and NGOs on the other to work together in undertaking social and community development activities to ease the burden of poverty. For example, it was re-

ported that FSCE as a child rights organization was working with the police, schools and the community in taking concrete actions and enhancing awareness about the varied risks children were exposed to. While NGO representatives underscored the need for working with government structures in alleviating poverty, they emphasized that they (the NGOs) were not part of the government structure. Finally, it was noted that there were challenges as well. In this regard, the fact that Kebele and Wereda officers did not have sufficient experience in fighting poverty and that personnel changes occur frequently in these government structures were noted as serious problems.

- ◆ There was a discussion as to the cultural and spiritual aspects of poverty and how these affect the fight against poverty. Some participants thought that some of these aspects like *Mahber*, *Senbete* and certain cultural functions in funeral services, were indeed eroding household assets and saving capacities in poor communities. The most important aspect of the spiritual and cultural dimension to poverty was said to be fatalism, i.e. the tendency to consider poverty as the ‘natural endowment’ of an individual. The need to fight this fatalistic perception of poverty as something God given was emphasized as important if the society was to make progress in fighting destitution.
- ◆ The audience noted that poverty was our worst enemy and as such poverty reduction must be a common goal of all Ethiopians. The battle against it was so fundamental that it needed the involvement of all actors, including NGOs, the general public, the government, donors, trade unions, professional associations and the private sector. Therefore, the government is well advised to involve all these actors in an anti-poverty crusade in all phases, including the preparation of the policy as well as the formulation of specific measures to attack the varied dimensions of poverty.
- ◆ A participant drew the attention of the audience to what the Government of Ethiopia has been doing to alleviate poverty at the national level. He reiterated the fact that poverty was a multi-faceted problem and that the involvement of all actors was crucial to reduce poverty. He said that the I-PRSP was a government-owned document and that poverty reduction was not new for the government. The government had

been fighting poverty since the launching of the economic reform program which tried to address the macro-economic imbalances and other development problems created during the Derg era. One of the objectives of the reform program was to look into what the impact of this reform program would be on the poor. So, the present government has from the outset looked into the issue of poverty. He added that the problem of poverty has been addressed at the national level from a policy and strategic perspective. Hence, the I-PRSP was not new; rather, it was a continuation of what the government has been doing since the reform program. According to his argument, all policy issues pertaining to poverty alleviation, for example, ADLI, have been addressed in order to reduce poverty at the national level. In sum, there were important policy initiatives in place already before the I-PRSP was launched.

- ◆ In the discussion on defining poverty, a number of issues were raised. It was noted that perceptions of poverty vary across different sections of society. For example, individuals might view their poverty situation within their own local context. The example of the common saying in Amharic ‘*Yeamet Libes yelet gurs*’ was cited to corroborate the statement. From the community’s perspective, the poor are those who are deprived of assets and other means of production. They are deprived of access to basic services, like education, health and clean water, and have no or limited income. Often, they are also socially and politically marginalized and do not participate in societal processes or activities. These different perceptions of poverty influence the thinking of the different actors in considering solutions to address the poverty problem.
- ◆ It was also noted that there were differences in priorities for alleviating poverty. According to some panelists, building infrastructure, including roads, sewerage, etc., were important to Kebele and Wereda officials. To the community, particularly the poor, unemployment and underemployment and therefore lack of income, were the most pressing problems that needed to be urgently addressed to ease poverty and destitution. Some NGO representatives felt that the fatalistic perception of poverty was the most serious challenge they were facing because people are resigned to the belief that there was little they could do to change

their deplorable situation.

- ◆ Regarding child poverty, a suggestion was made that it might be worthwhile to look into the problem from a global perspective. This might help in assessing the magnitude of the problem in our country vis-à-vis other countries, for example Brazil, India, Colombia, etc. It was also suggested that such an approach might also help us to share experiences and draw valuable lessons as to how different societies deal with the widespread poverty of children and abuse of their human rights.
- ◆ It was observed that lack of equitable power relationships could exacerbate poverty. Power relations exist at family, societal, national and global levels and these have a direct impact on the poverty situation of the different members of society. Decision-making, allocation of resources and participation are all affected by power relations at different levels. For example, poverty among women (or children) is aggravated by the fact that these individuals are

alienated from the decision-making process and are thus denied access to societal and community resources. It was emphasized that this is a reflection of the underlying power relations in a given society. Therefore, it is necessary to have a deeper understanding of the issues pertaining to power relations in order to carry forward an effective program of poverty alleviation.

These were some of the main issues and questions discussed in the second workshop of the Poverty Dialogue Forum. The workshop attracted a large audience which was keen to participate in the debate. We hope that the upcoming public discussions will be as informative and as lively and that they will provide opportunities for a wide variety of views to address the vicious cycle of poverty in our country.

Meheret Ayenew
Editor



Child Poverty Reduction: The Experience of the Forum on Street Children-Ethiopia (FSCE)

Fassil W. Mariam

Forum on Street Children-Ethiopia (FSCE)

1. Introduction

I would like to take this opportunity to thank the Forum for Social Studies (FSS) for organizing this workshop and inviting me to present a paper. My Paper mostly focuses on the effect of poverty on low-income households and children and the intervention developed by my organization to mitigate the problem.

2. Background Information

Forum on Street Children-Ethiopia (FSCE) is an indigenous NGO working for the right of urban disadvantaged children in general and street children, sexually abused and exploited children, child labor and children in conflict with the law. FSCE was founded in 1989 by a group of social development workers interested in supporting urban disadvantaged children and their families.

As a child-oriented organization, we see the effect of poverty from very interrelated multi-dimensional perspectives. The most profound manifestations of poverty and social inequality in any society are to be found in any number of key indicators, which individually and collectively reflect the capacity of the society to secure for the welfare of its children. The major indicators are level of household income, nutrition intake, infant and child mortality, malnutrition, life expectancy, and education enrollment rate.

Ethiopia is one of least developed countries in the world. There are many indicators that the vast majority of the are living in abject poverty. That is why poverty reduction is the agenda of the government, donors and other institutions. It is also true that the majority of the populations are living in the rural areas where income largely depends on agriculture. By rural standards, urban areas are considered better. However; there are clear indications that urban poverty is rapidly on the increase due to rural-urban migration, unemployment and population growth.

In the majority of urban households, income is very low and many families secure their incomes from minimum wages and micro-business activi-

ties. According to World Development report, 1997, Ethiopia's per capita income is US\$ 100. This is one of the lowest in the world. With this kind of income families in most of the urban centers are unable to provide nutritious and proper food for their children. Insufficient food within most urban households will lead to inadequate dietary intake. This may arise as a consequence of the household's inability to acquire food through exchange or purchase. Lack of food in the household means children are exposed to malnutrition, which can lead to infant mortality and morbidity. According to the world development report, 1997, infant mortality in Ethiopia was 112 out of 1000 live births. During the same period, it was with 92 for Sub-Saharan African countries. Furthermore, in 1997 gross primary school enrollment was 29 percent of school-aged children. During the same period, the figure was 72 percent for all Sub-Saharan countries.

Economic decline and low levels of productive mean that the Ethiopian economy has failed to create jobs. Unemployment is very high and this means that many million children have unemployed fathers and mothers. Lack of job means lack of income and consequent food insecurity. Lack of paid work is an overwhelming source of insecurity and social stress for many urban poor families and this is often associated with violence against children

The consequence of household poverty leads children as young as five in urban centers to beg on the street to support themselves and their families. Many children are out on the street to work in the informal sectors to provide food for themselves and their families. The survey jointly conducted by the Ministry of Labor and Social Affairs, the University and UNICEF indicated that one of the major causes for the increase in the number of street children in the urban centers of Ethiopia was family poverty. It is no surprise to find children becoming the breadwinners of the family. Many of these children are also able to cover their own and younger sibling education expenses. There is no survey recently conducted to know the number of street children but from observation it is estimated to be very high in most of the urban centers of the

country. Once out of their home and working, children are exposed to many negative sides of street life such as drug abuse, prostitution, crime and forced child labor.

Our organization considers household poverty as the major pushing factor for children to be on the street, work and be involved in sexual exploitation, child labor and crime. We believe providing right-based support for these children and their families is part of the over all poverty reduction initiative. We have developed the following four intervention strategies to support these children and their families:

- A) **Advocacy:** To lobby and campaign for the proper implementation of the Convention on the Right of the Child and the Social welfare and Social Service policies of the Ethiopian Government.
- B) **Awareness Raising Public mobilization:** To organize workshops, seminars and panel discussions for different government and non-government organizations, schools, police commissions, and formal and informal community organizations in order to involve them in the problem solving process.
- C) **Implementation of Pilot and Model projects:** To implement projects in different parts of the cities to support and reduce the problem of urban disadvantaged children and their families.
- D) **Child Resource Development Center:** FSCE organizes training workshop for staff of different government and non-government organizations and conducts action-oriented research to have more information on urban disadvantaged children for proper intervention. Different books and resource materials have also been put in the resource center for referral purpose.

3. Advocacy

Ethiopia has ratified the Convention on the Right of the Child in 1992. Since then, it has been reporting to the UN committee on the implementation of the convention in the country. The convention states that every child by reason of his physical and mental immaturity needs special safeguards and care, including appropriate legal protection before as well as after birth.

As a child-oriented organization working for the right of the urban disadvantaged children, FSCE

uses the convention as its guide while dealing with all stakeholders. FSCE has organized workshops and panel discussions for the police, formal and informal community leaders, community schools and journalists to involve them in activities that decrease the problem of urban disadvantaged children and their families. Pamphlets, media and posters are also used to reach the general public to raise awareness and to decrease negative attitudes towards disadvantaged children.

The result of the advocacy work is very much encouraging. Currently a national steering committee comprising government, non-government and UN agencies has been formed to advocate for the right of sexually abused and exploited children. In addition, regional steering committees in Addis Ababa and Dessie comprising stakeholders involved in juvenile justice are formed to protect children from committing offenses.

4. Saving and Credit Program

Extreme poverty in the majority of Ethiopian urban households severely limits their ability to pay for social services and their willingness to invest in better health and child education. To increase the income of poor families in the project areas a saving and credit program was initiated. Women especially female-headed households are organized in-group guarantee system and provided loan to initiate income-generating activities individually. Many of the women have started small-micro business activities and generate income for their families.

In the long term, we expect these families will increase their loan and at the same time grow their business activities to increase household income, which will in turn enable them to purchase food and cover expenses. It is expected that the profit from their businesses will support their children education and cover other expenses. We want to see a trickle down effect on the lives of children lives form their incomes. Currently, there are 1900 women involved in the saving and credit program in Nazareth, Addis Ababa and Desire. In the long run, the saving and credit program will be handed over to the women once trained and empowered so that they can establish their own community financial institutions.

5. Child Protection Programs

One of the results of the advocacy work with the police is the establishment of the child protection and community based crime prevention program in collaboration with the Addis Ababa Police Commission. Ten-child protection units are established in ten weredas police stations in Addis Ababa to support children committing offenses and protect sexually and physically abused children. A coordinating office is also established in the Addis Ababa Police commission compound to provide technical support for the protection units.

A total of 32 police officers are assigned full time to work in the coordination and protection offices by the Police Commission. FSCE has assigned professionals, such as lawyers, psychologists, sociologists and community workers, to support the work. Currently, FSCE has replicated the child protection program in Dessie, Dire Dawa and Nazreth in collaboration with the respective police offices in these cities.

Furthermore, a community based crime prevention program was also initiated in the ten weredas in Addis Ababa to provide support for children who have committed very minor offenses. Children involved in minor offenses process are referred to community programs by the child protection unit rather than going through formal judiciary processes. The children are provided with rehabilitation services, such as play, recreation and counseling, so that they can be rehabilitated in their own community with the support of their families. At present, volunteer youth from the community are managing the program.

6. Education Program

a) Non-formal basic education

Low enrollment and low coverage, high opportunity costs and poor efficiency characterize the education sector in the urban areas. According to the proceeding of the quality of education vision to 21-century, only 2.1 million children out of 12.3 million children between the ages of 7-14 are currently in schools in Ethiopia. Only 24 percent of girls are at primary school level compared with 33 percent for boys.

In order to provide basic education for both boys and girls, FSCE has initiated a non-

formal basic education program for out of school children between the ages of 7-14. 20 non-formal education centers are established in Nazreth, Dire Dawa and Dessie and 2000 out of school children are following their education in a shift system. The program has a three years cycle and children completing the cycles will join formal schools at grade 4. A closer working relationship was established with the parents of the children, schools in surrounding areas and education offices in the Wereda and Zone to establish a smooth transfer from non-formal centers to formal schools.

b) Study and Tutorial Support

One of the problems for urban poor children in not being able to go to school is time and place for study. Many of the low-income families are living in groups of two or three together. Children have neither space nor a conducive environment for study. FSCE has imitated a study and tutorial support program for urban poor children going to formal schools. Community halls are used as study places. Children are encouraged to study and volunteer youth from the community are trained to manage the study and tutorial activities. Books and other relevant documents are purchased and indoor and outdoor recreational materials are organized to make the study program more interesting for the children. The programs are arranged in such a way that the formal schooling of children and their work are not affected. The parents of the children are also encouraged to visit and follow the educational performance of their children. Currently, there are 1200 poor urban children following their study and tutorial programs in Addis Ababa, Dire Dawa, Nazreth and Dessie projects.

c) Girl Club Program

A recent report by the Ministry of Education (MOE, 1998) shows that the overall enrollment ratios of primary and secondary education are 33.8 for boys and 20.5% for girls indicating that 79.5% of girls who should have been attending either elementary or secondary schools are not getting the opportunity. What is more worrying is that out of the already small percentage of enrolled stu-

dents, more girls drop out of schools due to various reasons, among which those associated with gender inequality could be considered as the major ones. According to the Ministry of Education source during the 1996/97 academic year, the proportion of girl repeaters in the various levels was as follows:

Primary (1-6)	41%
Junior Secondary	52.5%
Senior secondary	57.1%

To mitigate the problem of high girl students drop out rate, FSCE has initiated a “Girls club” as a pilot project in two high schools in Addis Ababa. The objectives of the club are to provide tutorial support and a forum for discussion on their personal problems for those girls who have repeated in the same class or are on the verge of dismissal. A mini-library was established in the two schools and the club members were encouraged to use the library. Volunteer teachers and higher-grade students were involved to facilitate the tutorial and study program. The club members were divided into small groups and a psychologist facilitated the discussion to identify problems that affect their educational performance. At the end of the first academic year in 1999, 92 percent of the club members were able to pass to the next grades from the respective schools. The same program is currently replicated in the three project areas of the organization.

7. Protections and Support for Sexually Exploited and Abused Children

One of the causes for the involvement of female children in sexual exploitation is family poverty. Female children are forced to involve in prostitution to support themselves and sometimes their families. The involvement of female children in prostitution is one of the worst forms of child labor. FSCE has initiated a “drop in” center to provide services for sexually abused and exploited children. Children involved in prostitution came to the center and receive different services such as counseling, preventive and curative health care, informal education and recreational activities.

When the girls are ready to get out of the life of prostitution, they are moved to the “Safe home”

program. The girls will be assigned in different factories as volunteer workers to learn about the ethics and discipline of work. Currently, 19 girls are living in the safe home and are working in paper and alcohol factories.

Once they have completed the internship, some of them will be enrolled in different training program such as hairdressing, food preparation and videography. So far, three of the girls are able to get a full time job in different factories. Once they have been established, they will be assisted to reunify with their families or to rent house in groups to live on their own. On behalf of my organization, I would like to extend my appreciation for the determination of these girls.

The provision of services for Ethiopian children must be considered as their human right. These are properly expressed in the Convention on the Right of the Child, which was ratified by the Government of Ethiopia in 1992. Adequate provision of basic services and resources for children, particularly young children, have considerable economic benefits in both the shorter and longer term. The fact that children are tomorrow’s workers, parents and leaders means their survival health, nutrition and education are key issues for reconstruction and development today.

As part of poverty reduction initiatives, the Government of Ethiopia has developed an Interim Poverty Reduction Strategic Paper (I-PRSP) to address issues that are essential in the economic and social development sectors. These actions will eventually reduce poverty in the country. In my opinion, the full participation of the different stakeholders is one of the areas that need to be given due attention. In particular, how low-income families in urban and rural areas and children can have a voice in the development of this paper is a critical issue.

It is important for urban poor families and their children to understand how the Agricultural Development Lead Industrialization (ADLI) will affect their lives. The process of participation and eventual empowerment of the poor to give their opinion will have a major impact on the final out come of the strategic paper.



Propride's Experience in Fighting Poverty

Abowerk Haile
Propride, Ethiopia

1. Introduction

This is a discussion paper presented to the public discussion on 'Civil Society Groups and Poverty Reduction in Ethiopia' as part of the Poverty Dialogue Forum organized by the Forum for Social Studies (FSS) throughout 2001. The paper presents the profile of Propride (PP) followed by the organization's experience in dealing with poverty. Then, the Ethiopian Interim Poverty Reduction Strategy Paper (I-PRSP) is reviewed against major poverty issues as perceived by the organization. Finally, some recommendations are given for consideration.

2. Organizational Profile.

Propride (PP) is an indigenous NGO established in May 1995. Its mission is to empower disadvantaged individuals, families and communities in urban settings and eradicate absolute poverty by helping them actualize their latent potential through an integrated urban development program that incorporates livelihood promotion, community based health program, promotion of basic education and cultural promotion. The organization is inspired by the belief that every human being is equal by nature and is capable of sustaining him/her –self. However, human beings are by fate divided into the haves and the have-nots. Propride also believes that there is nothing worse than poverty that erodes the dignity of human beings and exposes them to all kinds of calamities. This awareness has determined its vision and values.

Propride operates Integrated Urban Development Programs in Merkato and Entoto. It has 61 regular, 108 Youth volunteer and 10 contract employees. Its financial performance has always been efficient whereby over 70% of its budget directly go to programs that benefit the target population. This is also in conformity with the norms and expectations of various stakeholders.

3. Propride's Experience in Dealing with Poverty

Propride identified a poverty-stricken Wereda in Addis Ababa driven by the aforementioned beliefs. There were no other NGOs operating in Wereda 5 usually known as Merkato. It designed a

program proposal together with community representatives and local government officials. While designing the proposal, the first thing it did was to identify features of poverty by asking community representatives how they perceive poverty. Specifically, they were asked to tell why a person is called poor. Arrays of poverty differentiating features were identified. It then moved to identifying the causes of poverty and possible interventions that could mitigate the identified root cause. Based on this information, a problem solution matrix was established.

After considering the complex causes and effects of poverty, it was decided to embark on an integrated urban development strategy. However, because the organization was new and its resource capacity was limited, the possible interventions were prioritized and it was agreed to move in phases. Based on this decision, the organization started its intervention with a savings and credit program.

3.1 Livelihood Promotion

Constrained by the limited financial resource that it secured, Propride decided to organize 300 individuals from five Kebeles to be selected on the bases of the following criteria:

- Identified by members of the community as poor and without any assistance;
- Capable of being engaged in productive economic activity;
- Willing to take loan and payback on time;
- Socially accepted as credit worthy; and
- Priority to female household heads.

Even though each Kebele was notified to identify only 60 individuals, it identified more than 100 and most of these were female household heads. Many of the female household heads were not very poor and screened themselves out when they heard that the maximum loan to be given was Eth. Birr 500, and they have to form groups and unions. Since reducing the number to 300 was so difficult special committees were formed to conduct the selection. At the end, 411 individuals (401 females, 10 males) were organized. This program intervention continued

without interruption until the National Bank of Ethiopia promulgated a Micro-Financing Proclamation No. 40/1996 in October of the same year and Public Notice No. MFI 2/98 on May 5, 1998. The two proclamations in general and the Public Notice No. MFI 2/98 in particular prohibited engagement in micro financing business without obtaining a license from the National Bank of Ethiopia in line with the requirements of the Proclamation.

Propride was convinced about the importance of streamlining savings and credit activities in a micro-finance modality. It applied to establish a micro-financing institute called Gasha on March 12, 1997 – five months after the Proclamation. It obtained the license on 15 May 1998 – after exactly one year, two months and two days. This was probably one of the toughest times in its history. Organizing groups on the one hand and fulfilling the requirements of the National Bank on the other gave program staff such a hard time that at times one activity was delayed for the sake of the other. In most cases it was the group formation that was given less priority. Its impact is now felt by Gasha with over 2300 defaulters.

The MF Proclamation sets out anti-poverty objectives. However, because of the form of share company organization that it envisages, it is never equally appreciated by any two organizations – government offices, donor agencies, NGOs and the community. Today four years after it has been promulgated, Propride continues to face problems in dealing with concerned government bodies.

When Gasha took over the financial services of Propride, it was decided to give non-financial services and small business development skills to the poor. The possible clients of this program are small entrepreneurs operating in the informal sector. These people are subject to all kinds of harassment by police and pickpockets. Their fellow rich merchants and all government bodies see them as illegal operators. No one comes to their refuge when they encounter any problem. Thus, their desire for education is very low. It is, therefore, important that the informal sector be recognized by one or another form of public policy.

3.2 Education

Wereda 5 has a population of over 100,000 people, out of whom about 44% are children. It is served by one very small day-care center, two elementary and three junior high schools. Of these, one elementary and junior high school are owned and run by the government. The rest were and still are public schools where children can have access to only with fees. Effective enrollment was as low as 28%. As a result, many children who cannot afford to pay the fees were exposed to street life from the day they were born.

To mitigate this formidable problem Propride introduced non-formal basic education for children between the ages of 7 and 17, and pre-school education for children between the ages four and six. Because this form of education for children is not supported by government policy, the organization faced problems related to student recognition and transfer to formal schools. There is now some attitudinal change towards such form of education by some government officials, but it is still far from the desired level. No policy measure has been yet taken to ameliorate the situation.

3.3 Community Based Health Care

Diseases of various types and HIV/AIDS are the major causes of poverty. A community-based health care comprising reproductive and environmental health, vital data collection and referral clinics were launched. If there is any sector that faced the least problem, it was the Health Sector. The fact that there was no policy problem faced in this sector is highly appreciated. However, Propride faced a serious problem in phasing out its involvement and handing over the health service either to the government or to the community. The existing policy demands that such services be organized as a primary health care system, which comprises a health center with five satellite health posts that meet the new standard. Propride commissioned a feasibility study to assess the viability of this strategy. Although not fully finalized, the study indicated that this strategy was not cost ineffective.

The other health strategy of Propride (PP) was to run a primary health care on a 100 % cost recovery basis. This scheme encountered prob-

lems from the community and some local government officials who wanted health services to be free. With the setting of what was considered to be 'affordable' price by the community PP has managed to recover 35–40% of its cost.

3.4 Infrastructure

Propride (PP) fully adheres to the principles of community participation in project/program planning, implementation, monitoring and evaluation. As a result, the community is always contacted in need assessment, prioritization and the subsequent activities. Based on our experience, infrastructure construction is the ultimate goal of development for most local government officials. In every planning process this goal comes in the forefront and an organization working with the community cannot always resist. This pressure has compelled Propride to engage in road and sewerage construction. Until very recently this activity was not taken up by any government body and this created a problem in signing project agreements. Now, however, a new office is designated for this activity. It is expected that it will be equipped with sufficient human and financial resources to carry out its mission.

3.5 Cultural Promotion

This unit emerged from a small drama group whose objective was sensitizing the community on STD & HIV/AIDS to a communication unit designed to carry out most of the awareness creation activities and finally to a cultural promotion unit. Now the objective of the unit is to address all cultural hindrances for eradicating poverty. It is engaged in stage shows, publications and radio programs. Its monthly Newspaper *Addis Ketema* and half-hour radio program *YEBEKKAL*, which focuses on HIV/AIDS, and broadcast three days a week on FM Addis are notable activities. Its support to school drama clubs and stage shows on different occasions are equally important contributions to public awareness creation on various socio-economic issues.

4. Poverty Eradication Strategy Reassessment

After four years in operation (1995–1998), PP found itself in a dilemma as to how to fight poverty. It thus commissioned a Youth Employment

Generation Need Assessment in Addis Ababa and an Urban Poverty Study in Merkato and Entoto. The objectives of the first study were to assess the magnitude of youth unemployment and provide a framework for generating programs and projects for youth employment. The study brought out the ever growing and alarming danger of youth unemployment in the city estimated to be as high as 400,000.

The following issues are contained in the Urban Poverty Study:

- Identification of households that are below the poverty line;
- Identification of major poverty issues;
- Assessment of the effectiveness of PP poverty eradication strategy;
- Recommendations on new strategies, if any.

A sample survey covering a few health areas and participatory methods were used in the study. In the main, the study came up with very useful information on four important issues, viz. how people perceive poverty, features of poverty, major poverty issues as perceived by different bodies and a strategy to alleviate poverty.

4.1 Features of Poverty

It is clear that that poverty issues are not equally perceived by all concerned bodies. They vary from individual to individual and from organization to organization. It is necessary to review how the community, the study and Propride perceive it.

4.1.1 Features of Poverty as Perceived by the Community.

The community perceives a poor person as one who:

- has no dependable income;
- is engaged in a socially degrading job;
- is a high credit risk that no one in the traditional sector wants to lend to;
- has normally a large family size;
- is probably female-headed;
- is unable to afford medical care when ill;
- has no toilet provision of any kind, defecates in the open field
- and cannot afford regular meals;
- is unable to send children to school or

- has children who dropped out of school for financial reasons;
- lives under deplorable housing conditions; and
- lives on charity.

4.1.2 Features of Poverty Identified by the Survey

The demographic, habitat, nutrition, education, health, asset ownership, employment, institutional and cultural features identified by the study are so gloomy that one wonders how people live under such condition. What clearly comes out of these gloomy features of poverty is the number of people living below the internationally accepted poverty line. For example, the study found that 81 % of the Wereda people in Merkato were food poor. The same proportion, i.e. about 81% of the residents, were absolute poor. 76% and 75% of the population in Entoto were found to be food poor and absolute poor respectively. The minimum food line requirement in Merkato was Birr 562.64 at the 1996 price level per adult per annum. On the other hand, the absolute poverty line requirement was Birr 870.96. The corresponding figures for Entoto were Birr 562.64 and 853.34 respectively.

4.1.3 Poverty Features as Perceived by Propride

Propride generally agrees with both the community and the study on the visible features of poverty. But, it wishes to add that other invisible features of poverty, including weak exercise of political, economic, social and cultural rights, gender inequity and HIV/AIDS, must also be considered.

4.2 Poverty Issues

There is little consensus and common understanding on major poverty issues by two bodies. Some put emphasis on the causes while others reflect on the effects. A comparison of poverty issues as perceived by the three bodies is presented below.

4.2.1 Poverty Issues as Perceived by

the Community are:

- unemployment or under-employment;
- lack of access to working capital;
- inadequate excreta disposal system;
- poor housing;
- -overcrowding living conditions;
- lack of access to health and education facilities;
- lack of capacity to properly manage and maintain physical and social infrastructures;
- lack of access to safe water;
- disability.

4.2.2 Poverty Issues as Understood by the Study are:

- accepting poverty as fate;
- dangerously high population density;
- absence of marketable skills;
- lack of attention to indigenous skills and know-how;
- lack of decentralized decision-making or the dominance of top-down planning or simply the existence of poor governance;
- cultural constraint.

4.2.3 Poverty Issues from Propride's Perspective

- understanding and measuring poverty and identifying the poor;
- identifying internal and external causes of poverty;
- understanding the context under which poverty exists;
- examining the incidence of poverty;
- identifying measures (changes) in order to eradicate poverty (strategic goals and objectives);
- designing strategies on how to fight poverty;
- identifying actors that should fight poverty;
- determining human and financial resources required to fight poverty (input);

4.3 Poverty Eradication Strategy

It has to be pointed out that the community, the study and Propride do not suggest identical solutions to eradicate poverty. A summary of

the solutions proposed by the three bodies is presented below.

4.3.1 Recommendations by the Community

- reducing unemployment;
- creating better income earning opportunities for a large number of people currently engaged in “no-better-than unemployment-jobs; such as fuel wood gathering, part-time domestic services like “enjera” making, peddling, assisting taxi drivers, and a host of menial jobs;
- improving access to education and health services;
- improving access to credit;
- investing in human resource development (skill training and capacity building);
- improving housing condition; and
- improving environmental hygiene, notably sanitation.

4.3.2 Recommendations by the Study

According to the study, any poverty alleviation program in Addis Ababa needs to follow the following strategies:

- promotion of self-reliance;
- program sustainability through active involvement of the communities in all aspects of the programs, notably cost-sharing; and
- sufficient focus on less-privileged households in the communities.

4.3.3 Propride Strategies

Propride believes that all poverty eradication/reduction strategies should aim at addressing the root causes of poverty. Hence, in addition to enabling strategies, i. e. organization strategies, it follows the following program strategies:

- defining poverty considering quantita-

tive and qualitative factors.

- identifying the poor based on internationally accepted tools;
- developing comprehensive and flexible approaches to understand global, national and local contexts;
- conscientizing the poor to realize their latent potential;
- assisting the poor to actualize their latent potential;
- ensuring the participation of the poor in determining their fate;
- ensuring self-reliance and enhancing coalition with other stakeholders;
- attacking poverty in all directions or adopting integrated poverty eradication programs;
- ensuring sustainability;
- mobilizing financial resources from within and from outside.

5. A Review of the Interim Poverty Reduction Strategy Paper (I-PRSP) of the Government of Ethiopia

A lot can be said on the merits of Ethiopia’s Interim Poverty Reduction Strategy Paper (I-PRSP). The purpose of this review is to identify some of the gaps in order to make the Paper complete. Sufficient emphasis is also given to its shortcomings. It needs to be pointed out that some gaps are observed in the formulation process, in the formal presentation and contents of the policy. A brief review of the gaps observed is presented below.

5.1 Process

In a country where poverty is rampant (as high as 45%), poverty reduction strategy should be developed with the necessary commitment of the concerned stakeholders. The policy paper seems to have been prepared to satisfy major donors, i.e. IMF and the World Bank. The preparation of the Strategy paper should involve as many stakeholders as possible. However, as

presented at the end of the paper, the participation process followed in the preparation of the policy paper does not sound proper. Combining the preparation of a strategy paper with a political campaign leads to more of ratifying a strategy than thoroughly understanding it. It seems that no information is gathered from the poor members of the community, civil society groups, the business community, professional associations and donors. None of these groups claims to have participated in the process.

5.2 Form

Any strategy paper needs to maintain a certain level of standard of presentation to ease matters for readers and show respect to stakeholders. The more so for a countrywide strategy paper. The strategy paper lacks both minimum requirements. It also lacks logical flow because it brings together the conclusions of different poverty reduction measures taken by the government in an uncoordinated manner.

5.3 Content

In the following paragraphs, an effort is made to review the I-PRSP against major poverty issues identified in the course of fighting poverty.

5.3.1 The first issue is how one perceives or understands poverty. The paper perceives poverty mainly from a material welfare perspective. In a country characterized by traditional society and nascent democracy, poverty features must be perceived from the political, social, cultural and technological dimensions. In a predominantly patriarchal and authoritarian society, poverty should be analyzed from gender and cultural perspectives. When measured using the Harvard Gender Analysis Tools, the paper is found to be gender insensitive. The paper does not say anything about the need for a policy on the urban and the informal sector.

5.3.2 The other important poverty issue are the causes of poverty. From our experience, the causes of poverty are so diverse that if one wants to address poverty at a household level, it needs to be as specific as possible. Certainly, the root cause is not only under- and

unemployment but is rather one of the major causes of poverty. The denial of basic human rights as declared by the UN system need to be spelt out openly and addressed properly as one of the causes of poverty. Recognizing and addressing such issues rather than keeping silent makes a government more democratic. Unavailability of factors of production, for example shortage of agricultural land, should deserve high recognition. Gender discrimination both as the cause and effect of poverty should be given high priority. In general, the causes of poverty need to be spelt out more vividly, and its incidence should be mapped out as clearly as possible.

5.3.3 In Ethiopia, poverty is more severe among land-less farmers, moisture stress areas and urban centers. ADLI gives priority to agricultural potential farmers with the exception of the second and the third countrywide program. This makes the paper more of a GDP increment strategy than a poverty reduction move.

5.3.4 The strategic goals seem to give more emphasis to the hardware aspect of development (poverty reduction) rather than the software aspect of it.

5.3.5 Making the poor owner of all poverty reduction strategies is essential to achieve the desired results. The paper, however, makes the government the prime owner and actor of the struggle.

5.3.6 In order to fight poverty, one should envisage how it is going to mobilize local and international resources. One should also design the strategy based on foreseeable and attainable resources.

6. Recommendations

The following are presented as main recommendations to fight poverty in Ethiopia:

- Orient all concerned government bodies about policies to eradicate poverty so as to minimize misunderstandings;

- Identify as many policy gaps as are needed. For example, point out the need for policies on the informal sector, non-formal child education and income-generation by NGOs. A plan to promulgate them should also be there;
- Revise policies after some years of implementation;
- Involve as many stakeholders as possible before finalizing the paper and incorporate their comments;
- Redesign the strategy in line with as many poverty issues as perceived by all stakeholders;
- Keep the required standard of presentation of a strategy paper and insure that it reflects the Ethiopian image;
- Finally, since the paper contains many boldly asserted questionable facts, for example, statements like “there is no landlessness as all farmers have landholdings” (p.6), it is suggested that such questionable facts be avoided as much as possible.



Comments on the Ethiopian Government Interim Poverty Reduction Strategy Paper (I-PRSP)

Berhanu Geleto

Rift Valley Children's and Women's Development

1. Background

The global economy is characterized by increasing disparity between resource rich and resource poor countries. As a strategy to bridge this gap the World Bank & IMF have agreed to change the way they operate or make business in least developed countries. They have replaced the structural adjustment programs with a new approach, which focused on poverty reduction. It is intended to be a government-driven strategy to reduce poverty. The national strategy document to be produced by the government of least developed countries called Poverty Reduction Strategy Paper (PRSP) should address a wide range of national planning concerns to benefit from the World Bank and IMF multi-lateral debt relief program. According to the World Bank and IMF, the PRSP of the least developed countries need to be:

- ◆ Country-driven and –owned---emphasizing on the broad participatory process for designing implementation and monitoring of the program by civil societies and other stakeholders;
- ◆ Result-oriented-----focusing on the outcomes that would directly benefit the poor;
- ◆ Comprehensive-----recognizing the multi dimensional nature of poverty and measures to attack it;
- ◆ Partnership oriented in context and nature;
- ◆ Based on medium and long-term perspectives---recognizing that sustained poverty reduction will take time.

In line with preceding observations, the Government of the Federal Democratic Republic of Ethiopia has developed an Interim Poverty Reduction Strategy Paper (I-PRSP) for the period 2000/01-2002/03. It was designed by building on the existing national development strategies and ensuring the consistency between macro-economic structures and social development policies. It also addresses the obstacles to growth and poverty re-

duction by taking Ethiopian conditions and approaches into consideration.

The new World Bank and IMF approach is a positive development and provides potential opportunities for least developed countries if systematically planned and utilized by building on strengths and improving weaknesses. In this regard, the dynamics of poverty, the critical issues that should be considered at policy/strategy level, sectoral development programs as well as the preparation process of I-PRSP from a civil society point of view are discussed as follows.

2. Why Development Should Focus on the Poor

People are the foundation of a nation. The economic, social and political positions of the majority of the people in a given society determine the development status of the society. Globally, very many people are economically poor, socially and politically marginalized and neglected their governments. As a result, world development is based on weak foundations. Thus, developmental intervention both by governments and other actors should focus on strengthening the foundation to improve the potential for better development. In this regard, focusing on the poor should be the concern of all national, bilateral and multilateral development agents.

3. Dynamics of Poverty in Ethiopia

There is a gap in defining poverty by the Ethiopian Government as contained in the I-PRSP. It is limited to improvement in the livelihood only and this will affect the effectiveness of sustained poverty reduction in the long run. This notion has also affected the whole strategy determination by the Ethiopian government.

In Ethiopia, poor people are those who are deprived of assets. They are also deprived of their basic rights and services. Often the poor are socially marginalized and do not have effective participation in the development process. They lack meaningful control over decisions that affect their lives. Rather, they are forced to passively accept and follow others. The poor are unable to partici-

pate in political issues and social and administrative affairs. They are also deprived of meaningful self-esteem.

Poverty is not only absolute deprivation of basic needs but also unequal distribution, access to and control over resources and opportunities. Therefore, a poverty reduction strategy that should be adopted by the Ethiopian government should focus not only on improvement of the material well being of the people but also promises social justices, self confidence and self respect for the people in the development process.

4. Strategic/Critical Issues to be Considered in the I-PRSP

The general economic policy of the Ethiopian government is clearly indicated as being agriculture-led development industrialization (ADLI) in the I-PRSP. It has considered the fact that the vast majority of the country's population, which account for more than 85% live in rural areas. This means that the phenomenon of poverty in absolute term is highly manifested in rural areas than in urban areas. Accordingly, based on my reading of the I-PRSP of the Ethiopian government, the following strategic issues should have been given due consideration:

4.1 Land Holding in the Rural Area

The general policy direction of the government points to signs of improvement in the rural economy but the level and nature of poverty are more aggravated. Increased household productivity could not ensure improved living condition for the majority of the population in the rural areas because the majority of the households particularly those newly established families do not have their own farmland holdings. They depend on rental farmland from those who have more land or lack the capacity to use it. There is a high disparity in farmland holdings in rural areas and this has widened the gap between the relatively rich and the poor in the rural areas. Thus, the effective implementation of the I-PRSP could be improved if there is a realistic and equal land holding system for all the rural poor.

4.2 Land Holding and Certification

The I-PRSP has a provision to encourage investors to use land leased by the government as

collateral to get access to credit from financial institutions. However, the decision to deny rural small farmland holders to get access to such opportunities is not justifiable. Since the strategy is meant to focus on the poor, there should have been a possibility for the poor to have access to credit opportunities. In brief, the strategy should give priority to poor rural farmers to get farmland and ensure legal land holding. Moreover, land-holding certification to farmers should be in place to facilitate access to credit by poor farmers from formal financial institutions.

4.3 The Role of Civil Society Organizations

The role of various development actors, such as NGOs and other civil society organizations, which are involved in poverty eradication/reduction, is not explicitly considered in the I-PRSP. Since the I-PRSP serves as a policy framework in the implementation of sector development programs, the contribution expected and role to be played by key stakeholders should be defined. Although the government is the main actor in the implementation and follow up of the program, this will scale up the performance of the overall strategy and promote a sense of ownership by all stakeholders.

4.4 Capacity Building By Farmers

In Ethiopia, the state and the public own land. Farmers have user rights but not ownership. Although this has negative impact on land management and its fertility, it can prevent the poor from selling the land and this action can lead to tenancy. In order to encourage private investment some regional governments have adopted strategies that will enable investors to use smallholder land rented from the farmers for more than five years. There are differences among regions but it can be surmised that farmers rent their holding because they lack the capacity to use it.

The poor do not benefit from such practices. Unless alternative strategies are designed, the possibility of reducing the severity of poverty in rural areas in Ethiopia will be unrealistic. Therefore, the user right of the farmers should be strengthened by building the capacity of these small holding farmers. This will empower the poor and improve the management and fer-

tility of the land. In such cases people should be encouraged to initiate self-employment opportunities. This will require creating an entirely new economic environment that will enable millions of small hands to do millions of activities. This will in turn lay down a strong economic base for the society and the nation.

4.5 Extension Package System

The I-PRSP notes that there are various sectoral development programs to be launched by the government and expected to be strengthened in the future as part of the poverty reduction strategy. Amongst these is the agricultural development program that mainly focuses on the application of the extension package system. The extension program is integrated and has resulted in increased productivity in food crops. As the extension system is new to the people and the implementation process follows a quota approach in practice, the majority of the rural poor intended to be the target of the extension package program have not actively benefited. This is mainly attributed to the requirement for down payment, which the poor can hardly afford, the relatively expensive cost of agricultural inputs and lack of proper information and know-how about the package.

The use of indigenous variety of seeds that are suitable to the geographic locations should be capitalized rather than the exotic inputs as required by the package. It is clear that the extension package involves more cost than the traditional system of production due to use of organic inputs (e.g. fertilizer & chemicals) that lead to a high cost of production. Therefore, the I-PRSP, in addition to ensuring efficient service delivery in promoting the extension package, should include awareness raising regarding the package and other related policy issues.

The practical situation in the domestic market often reveals that the price of food crops is usually dictated by the middlemen rather than the supply and demand situation. As a result, increasing cost of production and unfair prices for agricultural produce in the domestic market have frustrated farmers and strengthened their unwillingness to benefit from the package. As the intent of the extension package is to reduce household poverty, its promotion to increase production should be coupled with reliable domestic and foreign market creation. The I-PRSP

should explicitly define this by considering the potential opportunities for market. This will motivate the rural poor to benefit from the package.

4.6. ADLI and the Role of the People in the Rural Areas

The I-PRSP states that Agricultural Development Led Industrialization (ADLI) is the core strategy to reduce poverty. Other components that promote overall economic growth like commercial farming are considered as alternative solutions to reduce poverty. However, it is clear that such capital intensive and large-scale enterprises usually cause enormous damage to the ecosystem due to large-scale clearance and elimination of trees, and acceleration of water flow, which may even lead to large-scale climatic change. This will have more negative effect in the long run than immediate employment generation to reduce poverty. Therefore, there should be a clear provision that defines the role of the people and the government in controlling the negative environmental impacts of such farming practices in the strategy document.

4.7 Gender Sensitivity

The I-PRSP has indicated that gender equity will be promoted through the mainstreaming of gender issues in all development intervention. This practice of mainstreaming could ensure women access to resources and basic social services but it would not empower them to demand their basic human rights. Apart from serving political purposes, the establishment of a women's affairs office as a government Women-in-Development (WID) machinery only does not empower women to aggressively deal with issues affecting their lives particularly in addressing gender needs at the grass roots level where the capacity and awareness level are minimal. Hence, the strategy document should indicate provision for a realistic WID machinery that can empower women and address the needs of more than half of the Ethiopian population in all dimensions. This will ensure committed ownership of the policies and programs by women themselves.

4.8 Poverty and the Pastoral community

In Ethiopia, there is no development policy that targets the pastoralist community. Ethiopian

pastoralists are marginalized and do not benefit from national development due to many many factors. There is very little in the I-PRSP in addressing the needs of pastoralists in this country. Their potential is not well recognized and the plan of development envisaged is not innovative and realistic. This could be attributed to lack of information about the needs of the pastoralist and failure in enabling them to participate in planning their development. This marginalized sector of the society demands due consideration in the I- PRSP. The document should treat this issue more seriously than previous development policies.

4.9 Education

In the I-PRSP is clearly indicated that the educational sector development program has shown significant improvement despite several problems both at national and international levels. The document focuses on access and quality issues to ensure sustainable educational development. It is a fact that Ethiopia has ratified the convention on Education For All (EFA) by 2015. However, the emphasis by the I-PRSP is on formal education and the commitment of the country to EFA was not considered. The role of Non-Formal or Alternative Routes of Education to EFA are overlooked in the document and in the new Education Sector Development Program.

5. Participation in the Formulation and Preparation of I-PRSP

5.1 Why Participation

People are the greatest resources of a nation. Permitting their energy and creativity to be harnessed effectively for the task of economic and social re-structuring is vital and reliable. Development which involves people and relies on their knowledge, initiatives and creatively provides a basis not just for improvement of their material well being but also ensure social justice, self-confidence and self-respect. Accordingly, participation should mean the involvement of people in all aspects of decision-making related to the planning of their economic and social development. Hence, effective participation of the people in the preparation, implementation

and monitoring of I-PRSP, should be ensured. In particular, the poor, who are the main targets of the I-PRSP, should be the central actors to ensure realistic ownership of the strategy by the people themselves. It should not be treated as a state or government priority only. The participation of people in the recovery and development process should continue through promotion of improved access to development, resources and benefits. This should in turn create favorable conditions for democratization, decision-making and encouraging greater entrepreneurship at all levels.

5.2 Challenges and Opportunities in Participation

There is a mismatch between the rhetoric by the IMF / World Bank and the reality of implementation of the poverty reduction strategy. On the one hand, the two organizations demand that governments prepare an I-PRSP through a rapid process in order to benefit from benefit from debt relief. On the other hand, they require that the I-PRSP should be a country-driven and owned strategy following a broad participation process in the design, implementation and monitoring of the program by all stakeholders. In reality, however, there is very little public participation in the process because of the pressure to meet the dead line. As a result, governments resort to limited consultation with selected stakeholders and this can hardly be considered broad participation. It is stated in the Ethiopian I-PRSP that the preparation involved consultation with various sectors in the society, including all key domestic stakeholders and external partners. However, there is very little to indicate that this indeed was done.

In conclusion, the preparation of the I-PRSP should be done through proper participation of the direct target group particularly the poor people in the design, implementation and monitoring process. This will ensure better analysis of the situation, increase public ownership, promote popular policies, ensure greater transparency and accountability and enhance the partnership between the government and civil society organizations. This will make the I-PRSP an appropriate strategy that can ensure active participation and thereby deepen the desire for national self-reliant development.

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Action Aid Ethiopia's Poverty Eradication Strategies: Synthesis

Jemal Ahmed
Action Aid Ethiopia

1. Action Aid Ethiopia's Understanding of Poverty

1.1 General

The debates around development and poverty eradication have become increasingly complex. Invariably, development theories and models which emerged in the past decades have been challenged by increasing incidence of poverty and numbers of people moving in and out of the vicious circle from time to time. Rapid change in internal and external socio-economic and political context, increasing globalization of trade and market liberalization as major incentives for development are bringing additional dimensions to poverty debates demanding a contextual, pragmatic and reflective process that will highlight the complexities and determinant factors around poverty.

After working for over ten years in Ethiopia, Action Aid chose to revisit its assumptions and make a thorough analysis of the poverty situation in the country. Our objective was to understand the dynamics of poverty and emerging trends in the overall poverty status in the country. The guiding questions were: *What is the situation and life condition of the poor and vulnerable groups? Who is affected most? What is poverty in the eyes of the poor and local communities? How then should Action Aid understand and define poverty in its CSP (Country Strategy Paper) without losing sight of the dynamics at local and national levels? What are the underlying causes and effects at both micro and macro levels? What should be the strategic focus for Action Aid Ethiopia in the coming years?*

A series of community focus group discussions were organized to capture and document communities' perceptions of poverty and its causes. The macro-level poverty analysis was based on our research findings along with relevant data drawn from existing literature. Bringing together the outcome of these two separate tasks what emerged was a complex web of relationships between cause, effect and manifestation that provided a renewed perception and under-

standing of poverty.

Action Aid Ethiopia's (AAE's) analysis recognises that poverty is caused by multiple factors ranging from local to international. Natural calamities, civil strife, war, political instability, inappropriate government policies, backward agricultural practices, ecological scarcity and environmental degradation, corruption, overpopulation are major causes of poverty at local and national level. Furthermore, unbalanced and unfair global trade systems and international power relationships, limited foreign investment initiatives, debt, unfavourable international agreements and policies are structural obstacles affecting the country's macro-economic performance. At household level, issues such as asset ownership, sex, age, education level, poor health, low productivity of labour and poor resource management are powerful causal factors of the chronic and massive poverty to which a large proportion of Ethiopia's population is subjected.

AAE believes that poverty is not a linear issue, which can be defined using simple measures such as consumption and expenditure or lack of basic necessities. The knowledge we have on causal links points at various other issues directly associated with poverty and marginalisation, which are not within the realm of income and expenditure. Social divisions and cultural impediments such as gender; age and class, all lead to disempowerment and social injustice, and must be determinant factors in the design of effective strategies to address poverty.

But poverty at household level is about the basics: food, shelter, clothing, access to health, education, clean water and other social services. It is expressed in terms of powerlessness, low self-esteem, lack of confidence and isolation. It is clear that there is a huge gap between the needs of the people and the government's capacity to address them. This calls for collaborative and concerted effort by development actors including NGOs, bilateral and multilateral institutions, civil society organisations and the private sector.

1.2 Specific Dimensions of Poverty

Gender: Ethiopia society is predominantly patriarchal with property and resources owned and controlled by men, which has a profound influence on the overall position of women, their rights and voice in their own life and that of their family. The norms and values, which have been internalized through a process of societal development, contribute significantly to such inequality. This reality informs us that the issue of gender in Ethiopia is not only the problem of disparities in basic need and services but more importantly challenge the fundamental socio-cultural and political injustices which perpetuate women's vulnerability and oppression.

Food Security: Food insecurity in Ethiopia has been a long-standing threat. It is a chronic problem, which alters to acute stage as a result of slight deviation of the fragile food system. Vulnerability to food shortage is attributed to multiple interlocked factors, including environmental degradation, rainfall irregularity, land tenure system, lack of Off farm employment, population pressure and lack of adequate infrastructure and agricultural inputs.

Social Services: An apparent relationship can be drawn between access to education and health service and the economic status of a family. School enrollment ratios for the poor in the country are consistently lower than for the non poor, resulting in 83% and 65% illiteracy among the rural and urban poor respectively. The effect of poor health hampers full participation in the productive process. Studies show that only one in three of the poor gave access to medical assistance. Malnutrition, high rate of morbidity and mortality, wastage of working days, overall poor health and sanitation are important attributes of poor people.

HIV/AIDS: The prevalence of HIV/AIDS in Ethiopia continues to grow at alarming pace. The current estimated number of HIV/AIDS carrier is 2.5 –3 million i.e. 10% of the adult population in the age range of 20-49, the productive and reproductive age category. The overall scenario indicates a serious threat and is bound to put the country's economic growth and social services in a very precarious situation in the years to come.

2. Institutional Dimensions

Any poverty eradication initiative has to underpin the capacity of actors involved. Various local, national and international organizations/institutions engage in the development effort being undertaken but for the scope of this paper it is deemed essential to limit to community, local NGOs and government level.

Community: The community has always been striven to overcome poverty but lack primarily institutional strength and information not only to address the basic services but the understanding the cause and effect relationship of poverty and the role of people themselves. This is in particular true of the poor and marginalized people. Cooperatives are said to have a development role but the experience to date is not good for various reasons. On the other hand, the traditional institutions play a welfare role in community. Despite their sustainability their engagement in social development is limited.

Local NGOs: The local NGO sector in Ethiopia is young and small in number to play an active role in poverty eradication. Most lack skills and determination to poverty eradication commitment. They are also micro-based and service-delivery oriented. Only few new emerging self-organized groups or associations are engaged in educating citizens, advocating popular claims and promoting effective participation.

Government: Ethiopian government policies and strategies on population, gender, food security, environment, health, education and cooperatives are strong and positive. The major gap is the capacity to implement these policies. They in practice lack a specific focus on the poorest people in society. Moreover, the current government decentralization policy offers new scope for government and civil society in joint planning at local level, although huge variations are observed in institutional and individual capacities in government offices between different regions. At the grass root level, Keble and Peasant associations are powerful instruments for mobilizing the people in socio-economic and political issues. The voice and influence of poor people through this structure literally is limited.

3. Poverty Eradication Strategies

Action Aid Ethiopia will position itself at multiple levels. We cannot engage with poor communities at the micro-level in isolation. Actions need to be taken at different levels - local, national, regional and international - and with multiple actors - communities, local and national government, NGOs, regional institutions, bilateral and multilateral aid and trade institutions. A mix of grassroots action, influencing policy and practice, networking and alliance building, and institutional capacity building will be the core elements of our strategy in the coming years. Our role will be increasingly facilitative and aimed at harnessing the energies, skills and knowledge of other pro-poor actors and institutions.

In the years ahead, AAE will maintain its focus on anti-poverty initiatives aimed at improving the lives of the poor and socially marginalized people.

Cutting across these initiatives will be a focus on institution building, partnership development, gender equity, and policy research and advocacy. These strategies are not separate and isolated from each other. Instead, they should be seen as an interlocking system of actions overlapping and reinforcing each other. For example, our work in local anti-poverty initiatives will be accomplished largely through partnerships with Ethiopian NGOs. At the same time, we will seek to enhance the effectiveness of these partners through institutional capacity building activities. Our efforts in public policy advocacy will be grounded in micro-level development work and reinforced by networking and alliance building with NGOs, government and international institutions. Our primary concern will be with long-term development, but we will be prepared to respond to periodic food emergencies.



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Address

Forum for Social Studies
P.O.Box 3089
Addis Ababa, Ethiopia

Tel. (251-1) 55 61 21/12 95 79/55 20 25
E-mail: fss@telecom.net.et

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