

**TOWARD LIVELIHOODS, SERVICES
AND INFRASTRUCTURE:**

The Struggle To Overcome Absolute Poverty

By Reginald Herbold Green

The first day of our political independence will be the first day of a longer and harder struggle for our economic independence.

- President Samora Machel

The ultimate purpose, measure, justification and test of development is man.

- Mwalimu Julius K. Nyerere

Governments need to do more in areas where markets cannot be relied upon. ... investing in people, building social and physical infrastructure and protecting the environment. ... more efficient policies for income redistribution and growth.

- World Bank, 1991, World Development Report

Since poor people live at the margin of existence, downside risks are life threatening.

- World Bank, 1991, Operational Directive 4.15 Poverty Reduction

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EXECUTIVE SUMMARY

Absolute Poverty in Africa

Almost one household in three in Sub-Saharan Africa is afflicted by absolute poverty. They have incomes (cash and self-provisioning) so low that 60% of total income cannot procure a minimally acceptable household diet. That figure ties with South Asia for the unwanted distinction of being the highest of any region in the world. Worse, it is rising - unlike South Asia - where it is being reduced.

The degree of absolute poverty varies widely. In only three countries is it below 10%; in several it is over 50%; in most 20% to 40% of households are absolutely poor. Most absolutely poor households are employed/self-employed; overwork is a more frequent problem than nothing to do. Indeed most have multiple sources of income. Very few households are entirely self-provisioning (subsistence) and in many urban areas over 50% of all households have one recorded employment ('formal' sector) job. Formal and relatively permanent informal (not officially recorded) jobs account for at least 60% of urban household income in most of Africa. It is low productivity and low pay which underlie absolute poverty not low hours worked or low willingness to work. In SSA, access to basic services tends to go hand in hand with income (except for being somewhat higher at all income levels for urban residents) so that the income and service access aspects of absolute poverty are reinforcing in all but a small minority of cases.

The causes of poverty need to be understood in order to take effective action to overcome it. Absolute poverty is not new - its form has changed but its existence is recorded from Ancient Egypt and the Sahelian Empires onward. It has been exacerbated by general economic unsuccess in the 1980s because, while growing overall resource availability may not benefit poor households, a shrinking national resource base weighs heavily on poor people. Natural calamities (especially drought) and man-made catastrophes (especially war) have reduced vulnerable households to absolute poverty and the absence of livelihood rehabilitation programmes has trapped them there.

But policies are also involved. That is not unique to SSA nor is it necessarily a pessimistic judgement. Policies, unlike history, terms of trade and drought, can be altered by Africans. Indeed there is reason to

believe strategy and policy transformation to focus on reducing (not merely alleviating) absolute poverty is both practicable and integral to overall macroeconomic policy transformation.

Who? At What Cost?

Absolute poverty is not distributed randomly. About 10% is urban and 90% rural, although the former has increased more rapidly in the 1980s. In rural areas lack of cash income from sources other than food crops, affliction by calamities and/or catastrophes, location in peripheral areas or hostile ecological zones and shortages of labour power (female, aged or disabled person headed) are the main identifying, and to a large extent causal, categories of absolutely poor households. The main difference in urban areas is that absence of at least one formal sector job is a key characteristic.

Especially in urban areas, a significant proportion of households are unempowerable. The reason is lack of enough labour power relative to mouths to feed. Aged, disabled and single adult (overwhelmingly female) headed households dominate this category.

Absolute poverty weighs most heavily on absolutely poor people. But it also weighs on society - beyond their extended families. How a society treats its least privileged members does define and inform it.

Further, the moral economy case for priority to reducing absolute poverty has economic as well as social and political aspects. Adam Smith stressed this in affirming that no nation could be great and prosperous the majority of whose people were poor and miserable.

The ill and ill-nourished cannot work long, hard and productively. Wages can be inefficiently low - productivity, morale and morals then deteriorate and labour costs per unit of output (which are the crucial cost line not per day) rise. Those with little production or income do not provide much in the way either of markets for, or inputs into, the production of enterprises or less poor households creating severe demand recession problems. In SSA, neither national physical nor household entitlement aspects of food security can be achieved until absolutely poor small family farming households are enabled to produce more food to sell and to eat.

Socially and politically it is a well known fact that massive inequality does tend to lead to strikes, riots and non-cooperation with employers and officials. The social and political costs are clear enough - the macroeconomic ones ought to be. Nor is grinding, growing poverty a context likely to produce reasonable stability of policy (or personnel) nor plausible economic discourse and commitments in a context of competitive elections.

Notes Toward A Strategy

Absolute poverty will not be overcome by piecemeal tactics, marginal add-on projects nor muddling through. A four point strategy - backed by substantial policy, institutional, personnel and resource allocations - is needed.

1. Enabling poor people to produce and to earn more - including initial asset provision and ongoing extension and other productivity raising measures;
2. Provision of physical and support for expansion of market (competitive traders/transporters with vehicles and working capital) infrastructure;
3. Rehabilitation and expansion of basic services/human investment with concentration on basic health services (educational and preventative as well as curative), accessible household water, primary and continuing (adult) education and basic sanitation;
4. Safety net provision and promotion (for household and community nets) including calamity relief, old age and disabled pensions, transfer payments (especially in urban and peri urban areas) to temporarily (e.g. drought victims and orphans) and permanently unempowerable households and persons.

Because the numbers of absolutely poor households is very large, efficiency matters both in respect to low unit cost and broad coverage and to rapid gains in production and access to services. Programmes which are efficient on output tests but have high unit costs are not suitable because adequate coverage cannot be achieved.

This strategy explicitly or implicitly includes macroeconomic transformation. Absolute poverty reduction strategies can become self-

sustaining on fiscal and external balance accounts within five years, but cannot cure existing macroeconomic structural imbalances. Both directly, via its own employment, and indirectly by enhancing demand for, and employment in, the micro and household enterprise sectors, a buoyant large scale enterprise sector paying rising (up to efficiency levels) real wages is needed. The feedback from the specific articulated strategy into the macro package is revival of demand growth, directly backed (particularly in rural areas) by supply (including food and inputs traded with the urban sector for manufactured goods). Without overall growth so that "all boats float higher", the resources to sustain and absolute poverty reduction strategy will not be available. Further, reallocation of new (additional) resources in a buoyant economy is infinitely easier (technically and economically as well as socially and politically) than reallocating existing resources within a stagnant or shrinking economy. Like law and order, growth is not adequate, but (also like law and order) without it, little else will be achievable and that little with great difficulty and high fragility/vulnerability.

Participation by absolutely poor households is necessary - if they do not produce more the entire strategy will fail. To achieve results, participation must begin in data collection and design and continue through operation and maintenance to financing-accountability-review/revision. To concentrate on user fees is to parody participation properly defined and, indeed, to misjudge how households/communities can best provide resources. For example, labour, goods, operation and basic maintenance, community safety net schemes (as in some aspects of the "Iringa" nutrition programmes) may often allow larger as well as less burdensome contributions to costs. Participation on that definition requires decentralisation both of administration and of governance. Community interaction with and accountability over service providers requires, at the very least, strong regional and urban government and, as rapidly as possible, strong district and town governance and service provision units.

Participation, Access, Administration

The way to reach out to enable and serve absolutely poor households is - except in the case of safety nets - rarely to create special programmes for them alone but to ensure their access to broader articulated programmes. Affirmative action is basically about inclusion not exclusion.

That underlines the need to evaluate all programmes and projects in terms of their contributions to employment, to earned income of absolutely poor households and to provision of services to them. The issue is not whether these should be the only criteria - evidently not - nor the overriding ones in all cases - again not since, e.g., high cost labour intensive cement plants and technically inefficient labour intensive port facilities ultimately increase poverty. Rather it is to ensure that employment and poor household income criteria are operationally accepted as important across the board.

In practice, programmes that benefit absolutely poor households will also raise the income and service access of less poor and not so poor ones. That, in itself, is highly desirable. The problem is in ensuring that absolutely poor households do have access to them. Six approaches are relevant:

1. rapid advance to universality in respect to basic services (and extension) with special, workable fee waivers for absolutely poor households;
2. common programmes with specific attention to ensuring absolutely poor households do benefit, e.g. initial free tools/seeds packages to enable higher production to benefit from - e.g. - local roads and rural commercial network strengthening;
3. self selecting approaches, e.g. seasonal (or permanent) labour intensive infrastructure construction at wage levels attractive to absolutely poor and/or land short (a highly overlapping category) households but not to others;
4. self-financing indirect support programmes, e.g. loans and provision of training/services to micro enterprises and rural commercial networks;
5. area based approaches when particular districts are largely absolutely poor or drought stricken, so that the cost of identifying households to exclude is in excess of any conceivable efficiency gain;
6. safety net programmes for unempowerable (and disaster stricken) households on a need-based approach linked to identifiable characteristics (which do not include detailed household income accounts).

The necessity for cost control - i.e., value for money with value defined as enhanced incomes of, and services used by absolutely poor households - flows from resource constraints. On fairly optimistic estimates, \$20 per capita or \$60 per capita for absolutely poor household members (\$400 to \$425 per household) can be available in an 'average' SSA economy and \$150 to \$300 per household) in a poorer one. That assumes that the 30% of GDP overall public expenditure target derivable from the World Bank's Long Term Perspective Study can be achieved; the share to law and order, housekeeping, large infrastructural projects and debt service held to half that; of the balance, the proportion directed to the struggle against absolute poverty, parallels the proportion (30% to 33% on average) of absolutely poor people in the population. In a context of 4% to 6% growth, substantial reallocation (including a "peace dividend") and substantial increases (from new flows or massive external debt write-offs) in net resource inflows, those assumptions are potentially attainable.

Institutionally the keys are coordination and decentralisation. Coordination (at all levels) is needed if strategic programmes are, in fact, to complement each other and if a coherent national strategic frame to allow decentralised articulation of contextual measures to meet common objectives is to have a real existence. Coordination is the opposite of parallel government - not new agencies, but strengthened functioning of existing ones (including provincial/regional and district, urban, town governments) is the appropriate route.

Decentralisation is needed to make participation effective and to allow specific variations as to means and emphasis to fit divergent contexts. How far which functions can be decentralised and how fast is a question of fact. If district governments are very weak, professional and technical services (albeit not data collection, implementation and participant review) will need to remain at provincial level until they are strengthened. A budget drawn up without even a qualified bookkeeper, and a public works package elaborated without any engineering input, are most unlikely to be efficient or operational and will discredit rather than promote decentralisation and participation.

Vulnerability's Aftermaths: Prevention And Rehabilitation

Calamity and catastrophe relief as practised today, are survival promoting (poverty alleviating) but are not vulnerability reduction and livelihood rehabilitation focused. At the same time, adjustment and project development programmes are relevant only to households who can respond. They may be accessible to poor households but rarely to those in absolute poverty.

This gap is not of purely intellectual interest. It is a yawning chasm into which vulnerability has pushed literally millions of African households and from which the present disaster relief and development dual approaches provide few ladders to climb out again.

This is not inevitable. Calamity (especially drought) programmes need to be on a permanently structural standby basis with programmes "on the shelf" for fast implementation when (not if) calamity strikes. Key goals include:

- a. enabling afflicted households to remain on their farms to prepare for the next season (e.g. prompt, nearby food distribution and continued access to water);
- b. provision of inputs, e.g. seed, and, for wiped out pastoralists, core livestock to make resumption of production possible;
- c. vulnerability reduction measures, e.g. as to water and basic veterinary drug supply as well as to socially and economically (not just technically) viable drought resistant crop research and extension;
- d. public works (food for work or cash paid work for food) both to contribute to vulnerability reduction and to maintenance of afflicted household incomes.

Catastrophe result reversal (basically after wars) requires a somewhat different approach because dislocation is the rule, and the gap in livelihood earning as well as the degree of pauperisation, is usually much more severe and widespread. The requirements - as set out both by affected households and by logical analysis of how to create conditions enabling households to benefit from more general development programmes include:

- a. adequate security to return home (or to a self chosen, usually nearby, alternative);
- b. transport back;
- c. access to adequate land to restore household livelihood with credible security of use rights (usually evolved traditional not titled);
- d. packages of tools, basic household equipment and production inputs - the working capital without which production cannot be restored;
- e. food for the period from return until first attainable harvest (usually 9 to 15 months because of bush clearing requirements before planting is practicable);
- f. restoration/creation of access to basic health services, water supply and education;
- g. roads usable by lorries most of the year;
- h. access to a functioning (and preferably competitive) rural trading network;
- i. supplementary cash income earning opportunities, e.g. from labour intensive infrastructure restoration.

Where Next?

Resources to make a meaningful start do exist. This is especially true if they are deployed cost efficiently within a national strategic framework. Positive initial results would make further steps easier both by increasing resources available for all uses and by building up groups and institutions with vested interests in the successful prosecution of the Struggle Against Absolute Poverty.

Mobilising complementary external resources should not be impossible. The World Bank and most major bilateral agencies as well as most UN institutions are, in fact, convinced that for social, political, economic and humanitarian reasons, poverty reduction should be a priority objective.

But the initiative and the frame setting need to be African. No outside state or institution (and only a small group of expatriates) is primarily

concerned with the development of Africa for the benefit of Africans. Even less do any of them feel the full cost of failed programmes have a detailed human level contextual grasp, or an ability (still less a willingness) to be accountable primarily to Africans and African institutions.

Raising external resources for an articulated strategy with clear programmes and institutional structures as well as substantial domestic resource inputs is desirable, even necessary. Blank page begging for foreign donors to come in and do "their thing" is neither.

The present domestic situation and dynamic (or lack of it) in a majority of African countries is dire. The external economic environment prospects are grim for most. But, while that makes domestically initiated struggles against absolute poverty harder to mount and to sustain, it also makes them more important and urgent. Africa's position is perhaps that of the Rabbit in the East African Great Lakes' area proverb:

Rabbit, rabbit where are you going?
I'm going out to kill the elephant.
But rabbit can you really do that?
Well, I'll try... and try again.

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I.

INTRODUCTORY SUMMARY**A Macro View Of Household Realities**

Almost one-third of Africa's households exist under the heavy burden of absolute poverty. In some countries - notably Mozambique, Angola, Ethiopia, the Sudan and Somalia - the proportion is nearly two-thirds. In few is it under a fifth and in only two - Seychelles and Mauritius - is it below a tenth. In Sub-Saharan Africa, absolute poverty grips and constricts the lives of about 170,000,000 persons in 24,000,000 households.

Even worse, the numbers and the proportion of households afflicted are rising. In the 1980s, SSA was the only region in the world to record that trend of socio-economic regression. Even in the 1960s, while the proportion declined the absolute numbers were probably static. Then in the 1970s, the proportional decline halted so that numbers rose at about the same rate as rapidly as population. In the 1980s, overall economic decline and in particular natural calamities (notably drought) and human created catastrophes (notably famine and war) pushed many not so poor households into poverty and many poor or vulnerable households into absolute poverty. Each new calamity and catastrophe plunges more households into this abyss and, in the absence of effective livelihood rehabilitation programmes, many are never able to clamber out again.

For purposes of this study absolute poverty is defined as income (including household self-provisioning as to food, fuel, water and shelter) so low that over 60% is spent on food without achieving a nutritionally adequate diet.

Poverty - without the adjective absolute - can be defined relative to a less austere set of goal expenditures and consumption levels and on any reasonable set of standards afflicts over half of the people of Sub-Saharan Africa. Poverty matters, but both because it is a much broader category and because most absolutely poor households face special problems in achieving higher production and less inadequate access to basic services and markets, this study concentrates on absolute poverty. However, in strategic and programmatic terms the form of the problem is not usually (except for safety nets) excluding poor or not so poor, but rather including absolutely poor households, so that there is a substantial area of common ground between enabling socio-economic development by absolutely poor and by other poor households.

Absolutely poor households are not all equally poor. A minority are indigent, pauperised or (especially in the cases of calamity and catastrophe victims) have virtually no livelihoods, but escape pauperisation through survival support. Others do have livelihoods but for a variety of reasons cannot produce and/or earn enough to reach minimum needed household income levels.

Most absolutely poor households with livelihoods have several sources of income and several earners/producers. In urban areas one or more wage incomes (whether from formal sector employers, informal micro-enterprises, domestic services, or all three) is usually key to most households. Petty commerce, food processing, casual labour and small scale food production (for household provisioning or sale) are common. Rural incomes - for most, but not the poorest households - centre on crop and animal production (for use and sale) but usually include seasonal labour and frequently petty commerce or artisanal activity. Lack of opportunity to engage in such secondary income earning activities forces both migration to urban areas, and selling food out of already barely adequate or inadequate production to raise cash to meet other needs - a common pattern in the savannah zones of West Africa.

To set a figure on the household absolute poverty line is an exercise requiring national - indeed sub-national - data. In the poorer countries of Eastern and Southern Africa it may be about \$75 (at a reasonable exchange rate which may or may not be the official one) for urban areas. In other countries with higher urban prices it is rather higher. Rural

data require some estimate of prices for crops and household built lodging - if these are arbitrarily valued at low income urban food prices and rentals then the rural figure will be only slightly lower - manufactured goods cost more in rural areas but some urban costs (e.g. transport to work and house rates) do not apply.

Why ?

To act effectively to enable those who live in absolute poverty to overcome it, requires an understanding of its causes. Causes both as to its existence and its persistence and indeed growth.

Poverty in Africa and in poor countries more generally is not new. Its form has changed - radically in urban and highly market oriented rural areas - but it is a persistent theme from ancient Egypt and Medieval Ethiopia to the present. That, however, is not an adequate explanation of its persistence and increase - absolute poverty in South and East Asia in the 1960s was more pervasive than in Africa but has declined - especially as a proportion of households.

Overall economic failure both in the first half of the 1970s and in the 1980s is a second causal factor. Except for the second half of the 1970s, Africa has achieved lower economic growth - negative per capita in the two periods cited - than other regions of the South. That goes far to explain persistent high and, indeed, increasing levels. It is not that growth in resource availability guarantees that absolutely poor households will benefit adequately - the evidence is to the contrary. It is however, the case that stagnant or shrinking resource availability will bar routes out of absolute poverty, force poor households below the absolute poverty threshold and limit responses to mitigate the impact of calamities and catastrophes on vulnerable people. Further, it is a fact that redistribution out of additional resources is much easier than out of a stagnant - let alone a declining - total. The reality that absolutely poor people are rarely well organised and normally very far - physically, economically, socially and politically - from the levers of power aggravates that resistance to redistribution except in the context of relatively buoyant resource availability (as in Botswana).

In the 1980s, Africa has faced repeated calamities and catastrophes. The great drought cycle of the first half of the 1980s is one. At least from

an African perspective, the vastly worsened external economic climate is another. Granted, world markets are within human ability to control, they are not within Africa's ability to influence more than marginally. The catastrophe of war (and of expenditure on defence and security to seek to avert as well as to engage in war) has probably been the greatest single cause of increases in absolute poverty in Southern Africa, Uganda, Zaire, the Horn, Chad and Liberia and is a factor in its persistence elsewhere.

In Southern Africa alone the 1980s saw 1,500,000 souls dead who in the absence of war would have been alive, \$60,000 million of output lost, over 12,500,000 persons in over 1,750,000 households deprived of their livelihoods.

But to cite these causes and their interlinkage - e.g. calamities and catastrophes require survival assistance resources to mitigate impact on vulnerable households and livelihood rehabilitation support to enable them to regain decent standards of income and access to services but at the same time, drought, war and overall economic unsuccess reduce total resources available - is not to imply that persistent increases in absolute poverty levels in Africa were, are, or in the future will be, inevitable. There is a dimension of strategy and policy failure. To say that, is not to suggest African strategies and policies have been uniformly or uniquely bad. In many countries genuine commitments to extending access to basic health services, pure water and education have had visible (if now often at risk) results. And neither adequate priority to, nor success in addressing the struggle against poverty is particularly common anywhere in the world - witness the resurgence of poverty in North America and Western Europe in the 1980s. Indeed a good deal of policy inattention or more active failure has been based on rather too readily accepted external advice.

Nor is citation of policy failure necessarily a pessimistic analysis. Inattentions and errors can be rectified, experience (of failure as well as success) can be learned from the struggle against absolute poverty and can be given a central role in macro and sectoral socio-economic strategy and action by African states and societies in a way that changing rainfall patterns or altering the terms of trade cannot. Policies are within human control and while it needs to be faced that those of African states are heavily influenced by external resource providers, as well as by resource constraints, substantial room for manoeuvre does exist.

One way of categorising policy failure in respect to poor majorities and large and growing absolutely poor minorities is, a) lack of coherent, sustainable strategies; b) lack of attention; c) lack of concern; and d) massive misgovernance.

There have been perfectly genuine attempts to share the economic and social benefits of independence and growth which have miscarried badly. Arguably, Tanzania and, even more, Zambia are examples. In these cases more production by poor households either was not an integral part of national strategy or was ill-designed and implemented - to a substantial extent because poor persons, while consulted politically, were not active participants in policy and programme articulation design or implementation. As a result the economic and social power of poor people - urban as well as rural - remained low and/or ineffective and a broad forward production dynamic to sustain broadening of human investment and infrastructure was never securely attained.

Lack of specific attention - perhaps combined with an implicit assumption that general economic and social expansion would sooner or later benefit everyone - has, perhaps, been commonest. That outlook has provided a field for effective special interest groups (sub-class, locality or foreign donor or enterprise) to pursue their interests until the national policy frame became a melange of their goals. Apart from leading to incoherence, this effectively put the needs of poor people on the periphery of policy left to a few special programmes which did not have the resources or the links to strategic decisions to be effective.

Active lack of concern has been less common but not unknown. By its policy choices among estates and family farms and its limited priority in resource application toward universal basic education, primary health care and household food security, the Government of Malawi has demonstrated that it does not see reduction of absolute poverty as an important goal. More blatantly, the UDI regime in Rhodesia clearly operated a strategic frame in which maintaining white consumption was co-equal with armed security as first priority, investment third and black African incomes and services nowhere.

Massive misgovernment - sometimes merely totally incompetent, often systematically corrupt and corrupting, not infrequently massively brutal - is a fact in more than a few African countries. The ability of the poor to

do without public sector services, to pay bribes and to evade repression is by definition low; that of absolutely poor households even lower. Therefore, they are disproportionate losers from dictatorial misgovernance whether military or civil. Amin's Uganda, Macias Nguema's Eritrea and Comrade Ras Mengistu's Ethiopia are frequently cited examples - but they are not the only cases. These despots merely stand out among the most blatant among fallen (as opposed to continuing) masters of malevolent misgovernance, as does General Mobuto among present practitioners.

A somewhat different typological approach would identify strategic gaps with the three successive waves of African development (or survival), ideologies (or paradigmatic prisms); nationalism, modernisation and adjustment (purposive or reactive). For different reasons, none has tended to see poor - let alone absolutely poor - households as central means to, let alone actors in, development. At best they have usually sought to mitigate poverty (not to struggle to overcome it) and to do things for (not with or through) poor people and things defined and verbalised in outsiders' not poor people's terms at that.

Nationalism basically involved taking over the existing structures and redressing colonial inequities - even, perhaps surprisingly, in states which came into being via armed conflict. By itself, that tended to reinforce structural poverty and the policies maintaining it. Education, health and infrastructure, salaried post and business opportunities were broadened, but preeminently to the not so poor and to the areas and economic sectors already somewhat developed under colonial rule. The structural weaknesses and underdevelopment of Northern and Upper Ghana in the 1990s are those of the Northern Territories under British rule and the problems of those regions' peoples are almost as distant and secondary seen from Accra as they were when seen from London.

Modernisation - for slightly different reasons - has similar results. It concentrated on building up new, especially urban and industrial sectors, which in practice competed with (and won out over) basic infrastructure and services for rural areas. Its rural face tended to be high technology, low employment generating, household farmer marginalising and - in a vast majority of cases - output inefficient. The saga of large scale irrigation schemes in SSA from the 1930s is, with few exceptions, a significant and saddening example of this strategy in action. With enough resources to

afford mistakes, and time to learn from them, modernisation might have come right for poor households in some cases. Neither the resources nor the time were available and the rising winds of calamity and catastrophe in the 1980s whipped through every crevice in structures both inadequately designed and incomplete as well as often badly built.

Adjustment - nationally or externally crafted, purposive or reactive, structural or incremental - has become the dominant political economy of development (or at least survival) strategy in Africa during the 1980s. Whatever the World Bank and ECA, or the USA and Mozambique, disagree about, they all act within that frame. Adjustment does require shifts in resource allocation - including cuts, especially cuts if additional external transfers are not available. In a context in which the struggle against poverty had barely begun to reach central policy agendas in the late 1970s, in which poor households were never seen as central to achieving macroeconomic goals and in which entrenched interests fiercely defended their eroding privileges and perquisites, adjustment - quite predictably - worked against poor people absolutely and, less uniformly, relative to other groups of households.

Two further clusters of policy failure have been more consistent - though perhaps exacerbated by short term crisis containment and juggling dwindling resources in the 1980s - inefficiency and a combination of sluggishness in responding to change with febrile shifts of policies and institutions achieving little beyond greater inefficiency and loss of credibility.

Efficiency is the deployment of resources in the way which will achieve the most progress toward intended goals (whatever they are). Non-standardisation on technically suitable, low cost designs of hand-pumps and over-concentration on drilled boreholes have arguably doubled the cost per household of rural water provision in SSA. Massively costly large scale irrigation schemes in Kenya and Mozambique have produced less rice at higher unit cost and lower producing household incomes than the largely self-designed and operated family sector spread of paddy growing in Tanzania. In this sense, efficiency does matter in poor countries and to poor people - the resources to waste do not exist. It was Julius Nyerere, a statesman whose social concerns and will to help poor households help themselves can hardly be questioned, who forcefully asserted "In poor

countries waste of resources is a sin... Efficiency matters... Production matters..."

Slowness in recognising and responding in a purposeful and strategic way to the changed - and much more hostile - environment from 1979 has characterised most African states. In a sense, the success most had had with riding out their 1973-75 crises and entering into rapid growth through 1979 served them badly, because it encouraged similar bridging strategies and led to persistence in them long after it should have been clear that no similar favourable snapback from calamities - and in some sub-regions catastrophes - was plausible. Ironically, the states with the resources to have ridden out longer (but also to shield those injured by adjustment) were in several cases - notably Botswana - the first to redesign strategy and macroeconomic policy.

When major shifts have been made they have often been too rapid, too loosely designed, too little explained and too briefly pursued to achieve positive results. Each of four successive Tanzanian crop marketing strategy and structure reforms since the early 1960s, bears these hallmarks as does Zimbabwe's shift (admittedly under massive World Bank, US and fiscal/exchange rate pressure) from an ultra cautious 1984-1990 grain reserve strategy to a recklessly imprudent export of 1 million tonnes in 1991, which together with the 1990/91 and 1991/92 droughts, has led to the necessity of 1,600,000 tonnes of 1992 imports to avert famine. That course of events shows that macroeconomic mistakes can be particularly costly to absolutely poor and/or absolutely vulnerable households, as well as once again illustrating the adage of deciding in haste and repenting at leisure.

II.

WHO? AT WHAT COST?

Who Are Absolutely Poor?

In order to devise strategies relevant to the struggle against absolute poverty (especially participatory ones) it is necessary to identify who are absolutely poor. This is especially true because while the poverty of absolutely poor family sector farming, urban informal, dislocated and refugee households is a common factor, their needs and capabilities vary

significantly among and within groups and between and within countries. Those divergences are relevant to the articulation and priorities of absolute poverty reduction strategies.

For SSA as a whole about 90% of absolutely poor households are rural. About 75-80% of SSA households are rural and the proportion of rural absolute poverty is higher than of urban. Rural socio-economic groups with high proportions of absolute poverty include households which are:

- a. Landless or near landless without substantial, regular remittances from urban working household members
- b. Female headed
- c. Aged or crippled headed
- d. Without significant sources of cash income other than food crops
- e. Isolated (physically or socio-politically)
- f. In hostile ecological zones
- g. Victims of natural disaster
- h. Victims of war

Not all households in these categories - particularly 'd' - are absolutely poor. But the proportions are almost always above the national average and frequently very high, especially among households falling in more than one category, e.g. female headed, physically isolated households who are victims of war.

Landless or near landless households usually need to earn cash by seasonal labour for less poor or not so poor farmers and by artisanal production of goods and services. If there are many seeking such incomes, earnings per person are usually very low, e.g. in southern Malawi and western Botswana.

Female headed households suffer from a low level of hours available for production of household food and of marketed outputs relative to household numbers. They are also impacted by lack of attention to reduction of women's workload, by unequal access to services and by certain elements in evolving traditional allocation of land access and gender division of

labour. Strictly speaking the category is single adult headed but single adult male headed households with several dependents are rare.

Aged and crippled headed households have - almost by definition - well below average productivity. In rural Africa their presence as isolated households not linked to less disadvantaged ones is usually evidence of a general poverty situation eroding extended family and communal solidarity mechanisms.

Isolation in the physical sense - e.g. far from transport routes - lowers access to services and markets. This may or may not affect self-provisioning output, but it does reduce cash income and availability of health-education-water and extension thus lowering ability to consume. Socio-political isolation has the result of low government resource allocations and, in practice, an impact like physical isolation - indeed it is one cause of physical isolation.

Having only food crops to sell - whether because of ecological or access or market availability reasons - often leads to selling food even when the initial output was barely adequate for self-provisioning. Much of Northern and Upper Ghana illustrate this causal pattern. However, larger food cropping households with good market access, e.g. much of eastern Ghana, are rarely absolutely poor - their specialisation in food production is a genuine choice.

Location in a hostile ecological zone, e.g. drought prone, low soil fertility, eroded is a major cause of absolute poverty in many countries. Parts of the Sahelian Zone and many Ethiopian/Eritrean districts are examples.

Victims of drought (or flood) are often likely to remain absolutely poor after the disaster has passed. This is particularly true if they have been forced to abandon their homes or were pastoralists because in these cases the costs (especially the cash costs) of re-establishing their livelihoods are high relative to interim earning possibilities and (usually negligible) remaining assets. The same is even more true of war victims whether internally displaced persons or international refugees.

Urban absolutely poor households are perhaps 10% of the total in SSA as a whole. However, this varies widely. In Zambia, which is 60% urban and

peri urban, they may well be of the order of 40% because peri urban and compound absolute poverty rates - except for access to health and education services - appear comparable to many rural districts. In any case 10% of the total implies a continental level of the order of 10-15% of urban households, which is not negligible. The perception that urban absolute poverty is negligible has been untrue in some areas (such as the exurbs of Dakar, Mathare Valley and its successors in Nairobi, Kinshasa's bidonvilles) for at least 20 years. But it is also true that the 1980s have caused it to increase as a proportion of total absolute poverty: urban economies have often fared worse than rural in output terms, victims of rural disaster have often fled to urban areas, traditional security systems have eroded faster in urban areas under the excessive strains imposed over 10 (or in some cases nearly 30) years of economic unsuccess.

Urban household absolute poverty tends to be concentrated in the following groups:

- a. Drawing on only one income source (excluding salaries and business proprietorships)
- b. Lacking any formal sector wage earner
- c. Female headed
- d. Aged or crippled headed
- e. Victims of natural disasters, sacking (including 'redeployment') and war
- f. Gaining primary income from informal sector employment or urban petty commodity production

Single income sources tend to be inadequate to keep a household of average size above the absolute poverty line. (Similarly, in Western Europe and North America the rise in two income households in the 1980s appears to relate in large part to the need to do so to maintain achieved household consumption standards, albeit well above the absolute poverty line.) For example, in urban Mozambique households with one formal sector job and access to a self-provisioning (or cash sale) green zone plot rarely appeared to be in absolute poverty (as tested in this case by young child growth faltering) whereas comparable households without such access were.

As a singly minimum wage could be estimated to cover two-thirds of household absolute poverty line requirements, this is not an unpredictable result.

Lack of a formal sector job frequently results in absolute poverty. Unless at salary level that job - even including fringe benefits/allowances - rarely covers basic consumption needs fully. But it is a crucial - and relatively stable - building block in a multi income household budget.

Female headed households suffer from women's non-income generating workload, the lower likelihood of lacking a formal sector job and the low number of adults able to earn incomes relative to household size.

Aged or crippled headed households have even greater problems in achieving adequate incomes in urban than in rural areas - and less chance of integrating into not related less poor or not so poor households.

Victims of natural disaster or of war who have fled to cities and not been able to join existing households have rarely been able to build adequate multiple income structures. They are late-comers with limited urban experience and contacts in an overcrowded labour pool. This also applies to those sacked from economic decline and/or SAPs. Further, these 'redeployees' usually have been low skill, low initiative required (or allowed) employees whose chances as genuinely self-employed persons (as opposed to getting some income as 'casual' workers) are very low.

Informal employment and urban petty commodity production as main income sources are often inadequate to escape absolute poverty. Most 'informal sector' participants are in these categories - e.g. cart pushing and bag carrying, counter assistants or drivers mates, traders operating on a tiny scale on one day credit - not self-employed proprietors in any meaningful sense.

Again there are no categories in which all households are absolutely poor. Equally, as with rural, these categories overlap. A household headed by a crippled woman whose sole income is from petty commodity trade is a near certainty to exist in absolute poverty, a small household headed by a man who is aged but has bookkeeping skills is unlikely to be absolutely poor even if his pension is negligible.

It is necessary to emphasise that few households in SSA have only one income earner or one source of income. Usually all able bodied adults and older children contribute to household income. Most rural households sell some produce (crops, livestock, fish and/or forest products) as well as producing for self-provisioning (and collecting their own fuel and water). Poorer ones need a secondary (or, if farm output is low primary) additional source of cash income (formal or informal wage or artisanal production/commerce) to keep out of absolute poverty. A majority of poor urban households do have a formal sector wage as well as either a micro enterprise wage and/or day labour income and either a petty commerce or service income or some household self-provisioning (or cash sale) crop or poultry production. Informal incomes are not, by and large, entrepreneurial but derive from labour and petty commerce. Failure to recognise the complexity of poor household income structures and/or to understand that the informal sector is no more homogeneous than the formal, and that most earners in it are in no useful sense of the term independent businessmen, hampers developing viable means of enabling absolutely poor households to become less poor.

Poverty cannot be measured solely by income (even including self-provisioning). But income is a good proxy for access to markets. Further, in most of SSA there is a high (even) if not total correlation between income and effective access to basic services in urban and in rural areas taken separately although urban bias may mean that urban absolutely poor households have access as good as rural not so poor.

A significant proportion - especially of urban absolutely poor - are unempowerable. They lack adequate labour power (quantitatively and/or qualitatively) relative to the number of household members. In some cities - e.g. Maputo - this segment of poor households may be over half. Its main sub-groups are aged, disabled and single person without formal sector wage (de facto female headed) households. In pure theory, much higher real wages, a sellers' market for semi-skilled labour and extensive training could reduce the number of unempowerable households dramatically. However, in SSA these are simply not practicable short or medium term strategic initiatives. More low wage, temporary jobs will not help much - these households' problems do not flow primarily from the earning members' being unemployed, but from too few (or too weak) earners relative to household

size. Only safety nets appear to be a practicable medium term strategic approach.

At first sight, the apparent concentration of unempowerable households in urban and peri urban areas is puzzling. Part of the explanation may lie in the nature of household income and activity in rural areas - self-provisioning agricultural production and home building may be less demanding of absent skills or physical strength than urban jobs or informal sector piece work. But the main difference probably lies in the capacity of family and community solidarity networks. Food and its production, as well as home building, are areas in which less weak rural communities and households can more readily provide help or goods than urban ones can provide money. Waivers of fees for health, water and education are easier to handle equitably in rural areas in which the head teacher or medical assistant or water management committee is much more likely to know which households are in grievous need. Furthermore, rural social links are stronger than urban neighbourhood ones - especially in Eastern and Southern Africa - because the kinship system is much harder to organise in urban areas and many (by no means all) peri urban townships have very weak or even neo-anarchic social patterns, especially if they grew up recently under conditions of extreme economic and social stress.

Vulnerability is sometimes conflated with absolute poverty. This is a mistake. Vulnerability is better understood as risk of substantial - temporary or permanent - loss of income. Extreme vulnerability can be understood as high risk of loss combined with low ability to cope. For example, almost all farming households dependent on rain fed agriculture are vulnerable to unfavourable weather and export crop farmers are vulnerable to external terms of trade shifts, currency over-valuation and marketing system deterioration. Absolutely poor farming households are extremely vulnerable because they do not have either the margin of consumption above survival levels to cut back much on consumption nor the reserves of cash and food to survive to a better weather period. Historically, extended families and communities have supported them but this survival net has been weakened by modernisation and by overload (more needy or destitute households relative to those with something to share). In this respect, urban poor households are usually worse placed than rural.

At What Costs? To Whom?

On the human and moral levels the cost of absolute poverty should be clear. But there are parallel economic arguments. Adam Smith was certainly clear when he asserted the impossibility of a nation being great and prosperous if the majority of its people were poor and miserable. He argued that in such cases "moral economy" took precedence over normal political economy with society and the state under binding obligations to ensure that all households could produce or earn a decent sufficiency. That is the argument of John Donne, "No man is an island... ask not for whom the bell tolls, it tolls for thee". A society and all of its members are enhanced - or diminished - by its concern - or lack of it - for its weakest members. In Christian ethics this is the Gospel promise - or warning - "Inasmuch as ye have done it unto the least of these my children ye have done it unto Me".

But that level of human solidarity also has an economic aspect. Absolutely poor households do not provide large or buoyant markets, do not add much (even through indirect taxes) to fiscal revenue, are poor suppliers of goods to other producers. Sick, undernourished, tired wage workers or farmers cannot work long, hard and productively. Workers paid so little they must acquire other sources of income regularly exhibit low morale and productivity plus high absenteeism. Both those patterns raise labour costs per unit produced (which matter much more than do labour costs per hour or day). Starvation wages starve productivity, markets and profits as well as workers.

The concept of an efficiency wage as a floor not a ceiling is hard - not soft - headed and is in fact practiced by a not inconsiderable number of employers. A healthy, well fed worker not constantly worried about the literal survival of his/her household can work harder, longer and more productively. Economists seem, illogically, to forget that wage earners can and do respond to economic incentives and disincentives. Less quantifiable, but very real, are issues of commitment, morale and 'morals' (e.g. belief it is wrong to purloin the employers' goods and ability to refrain from doing so). Anyone who compares attitudes (and efficiency) of drivers and hotel staff at different establishments and does even a rough check (confirmation) on wages and fringe benefits will be able to see a

correlation, especially when the formal wage minima are below half the household absolute poverty line.

Similarly - as a very hard-headed capitalist like Henry Ford regularly stressed - large markets, high levels of capacity utilisation, moderate margins on many sales and, therefore, decent incomes for most potential buyers - are central to an enabling and expansion incentivating climate for enterprises. In many SSA countries not merely large but also medium and micro enterprises and also artisans face very crippling demand constraints. The slow revival of economies when import support loosens spares and components constraints is often a direct result of the collapsed demand (effective market) available to them. It was not whimsy but shrewd perception which led Mozambique to insist from its first structural adjustment efforts in 1986 that lack of demand was the bottom line of urban economic stagnation and from about 1990 to elaborate the contention that rural livelihood restoration was the single most important strategic step toward urban production and real wage recovery.

Absolute poverty and food insecurity interlock at two levels - national physical and household entitlement. For SSA as a whole about 75-80% of food production in physical terms and 65-75% in value terms is for household self-provisioning. In respect to that food physical supply links directly to effective demand. Further, perhaps 60% of urban food consumption is met from domestic sources (which are dominant except for grain in most countries) and the producers are predominantly rural family farming sector households. In that sub-sector, enhanced supply creates effective producer demand for urban goods. It is perfectly true that physical supply does not guarantee food entitlements for low income households, but in Africa most absolutely poor households both require more food for their own consumption and have food (crops or livestock or fish) as their main "cash crops" as defined by themselves (the things they produce to sell for cash). This is not an argument for compulsory food growing (much less crop specification). A household which chooses a non-food cash crop or an urban allotment holder who chooses to grow vegetables to sell in order to buy grain and root crops is likely to understand his/her own needs and opportunities better than a bureaucrat. Cash - at household level - is as entitling as food produced for a household's own table and specialisation in high value perishables near cities is a global pattern not normally perceived as economically irrational.

The external balance (export) cost of absolute poverty is real but both very variable and hard to quantify. Most African agricultural exports are produced by the family farming sector. On the other hand, the bulk of those exports is produced by not so poor or not poor rural households. However, many absolutely poor households do produce tiny quantities of export crops and cashew nut, coconut, and cotton producers very often are below average rural income groups. Therefore, rural livelihood rehabilitation and absolutely poor rural household enabling strategies are likely to enhance exports - at least by enough to cover the foreign exchange inputs into transport, infrastructure and additional purchases of domestic manufactured goods.

Fiscal strangulation in most of SSA flows substantially from market strangulation. Most tax revenue is derived from indirect taxation ultimately falling on consumers. That includes not only domestic sales and excise, but also much of import duty on intermediate goods (as well as on finished consumer products). Depressed sales erode the tax base and increasing proportions of households in absolute poverty at the best result in stagnant effective demand (and therefore sales). This is particularly true in respect to manufactured goods and 'modern' services because both administrative feasibility and equity point against taxes on staple foodstuffs and the former against taxation of multiple producer/multiple trader domestic secondary and amenity foods as well.

Because manufactured goods purchases rise as a proportion of income with rising incomes for at least 90% of households, a 4% a year growth in household income should result in a 6% to 7% growth of real indirect tax revenues. That is crucial to restoring real levels of government services and to financing poor household empowering strategic programmes.

Romanticism would be out of place - absolute poverty reduction strategies will rarely make much of a dent in existing structural external account and physical imbalances. Nor, because of the time lag from initial spending to output, export and purchase payoff, can they be begun without initial widening of these imbalances (or transfers from other uses of fiscal revenue and import capacity). But on Mozambican projections they can be fiscally and external balance self-sustaining after five years. UNICEF calculations for SSA as a whole (which include rather larger basic service inputs) are slightly less optimistic but do suggest that after two to four

years the proportion of fiscal and foreign exchange self-financing will grow rapidly if 4% growth rates can be achieved (and would implicitly exceed 100% if 6% were attained).

Therefore, while overriding concern for absolute poverty reduction may be soft-hearted it need not be, even in rather economistic terms, soft-headed. That is all the more true if the broader socio-political context (and its economic feedback) is examined.

Competitive elections - especially but not only multi party ones - in a context of continuing stagnation or decline of real household incomes and of deterioration in quality and quantity of public services are likely to produce both instability and a pathological trend in political platforms. Economic unsuccess sooner or late results in voters shifting to those who promise (however unrealistically) a "new dawn". Unfortunately the proposals likely to win votes and those likely to provide a sound basis for delivering real gains on a sustainable basis are by no means always compatible. Thus, at the best, febrile oscillations of strategy (or no coherent strategy) and of policy, and at worst a spiral into neo-populist cargo cult promises and - briefly but damagingly - policies are not unlikely. Hand in hand will go continued alienation from state - and many other economic actors - and rising levels of civil protest from demonstrations (or to the negative viewer riots) and strikes to passive resistance through evading taxes, 'collecting' state and business property and active (e.g. house burning) or passive (ignoring) resistance to officialdom. Anyone who supposes these do not have macroeconomic costs is remarkably detached from the real world even if they may be very hard to programme into an econometric model based on past correlations.

III.

WHAT IS TO BE DONE: NOTES TOWARD A STRATEGY

Four Cornerstones

The World Bank has argued that increasing opportunities for efficient, labour intensive production; empowering absolutely poor households to have access to wages or production opportunities; broadening human investment while restoring basic infrastructure (physical and market) and providing

safety nets for those who are unempowerable (unable in the short or medium run to produce/earn their way out of absolute poverty) are the basic components of sustainable strategies for reducing the number of households existing in absolute poverty. Whether most World Bank structural adjustment programmes in SSA meet that test is - to put it charitably - open to question. But the new Bank formulation is basically correct and does represent a major advance over its 1980s conceptualisation. Whether one sees that advance as a return to its broken 1970s line of programme (or at least pronouncement) development toward "eradication of absolute poverty" through meeting "basic needs", as a rejection of the short term/demand restraining/ultra market/naiveté of many early 1980s structural adjustment experiments or as a synthesis between abiding elements of the former and new insights from the latter in a new (and unfriendly) economic context is secondary. The question: What has been done wrong? is primarily of interest not to cast blame (of which there is no shortage of supply if, perhaps, an unduly low level of effective demand) but for the light it can shed on the more important question: What can be done right?

Economic Environment Aspects

Before examining the articulation of strategy in a somewhat less abridged form, four asides require attention: macro economic context, sustainability, competence both of articulation and operation, rapid feedback and revision to take account of deviations from intended path.

In almost all of Africa at least moderate (4% a year) and preferably moderately rapid (6% a year) growth of overall output is needed to enable any absolute poverty reduction programme to survive economically or politically. Reallocation out of additional resources generated by growth is technically, economically and politically much less difficult than reallocation out of a shrinking or stagnant resource flow. To provide a hundred new rural clinics before a second large city hospital is one thing; to close the only one there is in order to do so is quite another. Further, while increases in the incomes and purchasing power of poor households should have a multiplier effect on the rest of the economy the linkage is two directional. For example in Maputo 60% of household income is derived from registered employment and almost 80% of households have a formal sector job as one component of income. Clearly the dominant market for most 'informal' producers is the urban wage earning one so that total

real wage payment buoyancy is directly relevant to empowering urban absolutely poor households to produce more, to secure better micro-enterprise pay or to enter the recorded sector of employment. And - realistically - only medium and large scale enterprise sector, has the potential to close present external trade imbalances and only it plus the not so poor and not poor income flows from it can close the present structural gaps on the fiscal and external transaction fronts.

Sustainability is crucial. No matter how sound if implemented, a strategy which collapses because the resources to sustain it (for whatever reason) no longer exist is a costly failure. The post 1978 experience of Tanzania's previously advancing basic services/human investment and also relatively efficient, broad front basic consumer goods manufacturing sectors are object lessons in that respect. There is no reason why reallocation (including reallocation of external assistance), overall growth and - more specifically - growth generated by the poverty reduction strategy cannot make substantial poverty reduction programming feasible. But that requires both a recognition and a serious analysis of the limits of the possible and a clear priority to building in programmatic elements which do result in fiscal and export feedbacks as well as in mobilising external support, especially in early years.

Unarticulated strategies are un-implementable; badly articulated ones are often not worth implementing. The stark contrast between strategic intent and actual outcome of all Tanzanian agricultural marketing reformulations from 1961 through 1991 is a glaring example. Broader rural farm household access to lower cost commercial channels more responsive (by ownership and/or political channels and/or market power) was the central, strategic goal but - with regional and some brief general exceptions - the results were quite different because the institutional and policy tools were (and in retrospect can be seen to be; albeit this was not evident even to external experts at the time) unsuitable either singly or as a package.

Similarly, in SSA, large scale irrigation schemes - whatever their potential for poverty reduction in South and Southeast Asia - are almost uniformly low in overall economic viability, far below expected performance, technically hard to keep going, unable to reach more than a small fraction of rural households (and an even smaller proportion of absolutely poor ones) and as likely to pauperise as to empower income

growth for participating households. A less suitable general purpose instrument would - on the record - be hard to identify despite the atypical (and predictably so given the contextual possibilities and limitations) success of the Gezira scheme.

Implementation can kill the best conceptualised and articulated scheme. How varies. For example in one rice programme neither the (expatriate) managers, the (citizen) water technicians, nor the small farming households know about rice cultivation and the last group is only beginning to comprehend water management. The result is yields per hectare an eighth to a tenth target levels (or a third to a half those of a less ambitious scheme whose managers and technicians do know rice and are teaching the farming households). That example is by no means exceptionally egregious nor is the type of failure cited solely rural - small enterprise support has a record of killing by over-regulation, but also by force feeding with unusable machines and unserviceable loans.

Feedback is crucial because initial articulation and implementation will have weaknesses and even if these are secondary, changing contexts (positive as well as negative) require prompt responsive and/or pro-active adjustment. As with implementation the basic source of feedback to revised implementation should be the programme users (not target group since artillery targets can hardly be expected to provide coordinates for better marksmanship!). Participation, quite apart from its other merits, is a vital source of information to avoid setting out on and continuing along dead end paths.

But feedback needs to lead to appropriate and timely revision or it serves an academic and historical, not an operational, role. The rice production error cited has now been documented for almost two years - systematic corrective action is not, to be charitable, very evident.

Strategic Elements - Production By Poor People

To be sustainable as a set of programmes and, even more, to be effective in reducing the number of households in absolute poverty strategy must centre on enabling poor people to produce and to earn more. Collections of service and safety net programmes by themselves cannot, given present and prospective resource constraints, be both broad front and sustainable. Furthermore they do not respond to the clearly felt need of poor households

to earn/produce more. On the one hand there is a distinct sense of self dignity in this household analogue to "trade not aid" and on the other a sense of realism: own production capacity, once achieved, is less insecure than state transfers and marginal participation in production leads (not only in Africa) to marginal participation in society and to marginal political influence even if transfer payments do materialise.

There are two aspects of enhancing/enabling production by poor people:

- a. inclusion of employment and purchases from household and micro enterprise producers criteria in all major resource allocations to projects and programmes. In some these will be relatively secondary - high cost cement from a labour intensive plant or a clogged port unable to handle containers because of inefficient substitution of men for machinery are not sound and assuredly do not benefit poor households taken as a group. But in many cases projects (e.g. in construction and maintenance) can be made more labour intensive with little or no (or indeed negative) added cost. A number of public purchases - e.g. school equipment and uniforms, institutional food supplies - can be opened to small producers at little cost by alteration of procurement rules biased to large, form filling oriented enterprises. And - perhaps most crucial - choices such as that between - e.g. - large scale irrigation projects and broad front production input/extension support programme can have major income distributional implications again quite possibly with higher and faster output payoff per dollar spent.
- b. specific programmes designed to enable small farming, artisanal, and other absolutely poor households to produce more/more productively. These will not, in general, seek to exclude not absolutely poor households - development should benefit the less poor and not so poor households too. The problem will normally be to ensure that their form and size will make them absolutely poor household accessible.

Both aspects are important. The first seeks to ensure that poverty reduction really is a strategic element in macro economic policy and that general growth does have at least some positive impact on formal sector employment and small producer market opportunities. That is rarely likely to be sufficient, but it can be substantially contributory. Further it avoids ghettoising poverty programming in small marginal projects which

have limited survivability because not seen as strategic and likely to be very heavily dependent on uncertain and discontinuous flows of external finance.

The second aspect is the one (together with programme choice within main sectoral recurrent and capital budget allocations), which must bear the brunt of empowering households to produce their way out of absolute poverty (indeed out of poverty more generally). Components will vary with the demographic, environmental, production structure and overall scope of absolute poverty contexts existing in different countries, regions, towns and rural areas. Rural Somalia - because of climate and predominance of pastoral production, as well as the near absence of viable small scale agricultural (including pastoral) households as a result of war, is not like Upper and Northern Ghana. The latter have functioning (even if low productivity) rural household sectors and practice mixed farming with cropping, in general, more important than pastoral production. Further Somali production is heavily cash and export oriented, Northern and Upper Ghanaian - with the exception of shea nuts - is predominantly household oriented and with cash markets almost totally urban Ghanaian. Similarly the cities of Mogadishu and Tamale vary in terms of production potential for poor people both from each other and from their surrounding rural zones.

But some aspects or building blocks are fairly common. Small family farming households need access to inputs (tools, seeds, basic household utensils - a pail saves a great deal of time in collecting water, time reallocable to direct production, livestock - sometimes fishing lines and nets, sometimes fertilizers and pesticides or herbicides) and to relevant, locally (not just nationally) tested agricultural knowledge distributed by a user friendly extension service. In calamity (drought, flood) years they need prompt, locally available food supplies allowing them to stay on their farms to rebuild (after floods) or prepare (after drought) to restore production.

How much can be done via markets is a question of fact. Each of these items is an input into future production. If farming households have cash reserves (not very likely) they can buy the goods if rural commercial networks are strengthened. If not the administrative costs of large numbers of small, multi year loans (up to 1,000,000 in a medium sized

country with over 25% of rural households absolutely poor and 50% poor) strongly suggest initial and calamity input provision be in the form of grants with "recovery" indirect from sales taxes on subsequent higher purchases from higher incomes.

To go into more detail rapidly becomes very specific e.g. parts of Southern Tanzania and of Upper East Ghana have high small scale irrigation potential relevant to poor households but with very different technical characteristics, support needs and probable product patterns. For "lesser" (i.e. not coffee-cocoa-tea) tree cops e.g. cashew, coconut and shea a number of specific options exist (some so specific as to list rubber boots, snake bite vaccine and health post fridges to preserve it) - if there is a strategic focus, a programmatic articulation and an orientation to listen to the directly involved households.

The urban context is harder to generalise and less well known. "Informal" is not a useful operational category - artisans, urban plot growers, micro enterprises, small stall traders have very different capacities and needs. Rarely have these been studied in depth and yet more rarely are actual programmes clearly related to them. Site, building, services and machinery provision is all too often roughly copied from something done somewhere else for somebody else in some other context (and with precious little pre-checking how well it did what for whom even in its original setting).

For example many micro enterprises fail (or fail to grow) because of accounting incapacity and lack of market access beyond the proprietors' own shop-front stall. Therefore, low cost simple, bookkeeping - financial management services (keyed to what proprietors believe they need to know and in what form) and assistance (perhaps rental or loan finance) for markets (perhaps in a large building) in accessible locations where customers can find a range of goods from different enterprises are often worth exploration.

Production enabling by itself is unlikely to be enough. Three coordinated (in the true sense of that word not as a euphemism for a monolithic parallel government 'authority') parallel thrusts are needed:

- a. infrastructure - both physical and market;
- b. basic services/human investment;

c. safety nets - both to avert the danger of calamities turning vulnerability into permanent poverty/loss of livelihood and to meet at least some of the needs of the those unempowerable in terms of own production/earnings.

Infrastructure - Physical and Market

Enabling households to produce requires local infrastructure if it is to be truly effective. The asserted over-allocations to infrastructure in SSA rarely if ever existed at small scale, local levels (rural or urban outside a tiny 'modern' core). Furthermore, in absolute terms, Africa is undersupplied with functioning large scale infrastructure as to transport, power and communications. Certainly some infrastructure was ill-designed (including too maintenance intensive) or did not relate to actual or potential demand, but that is a quite different criticism from general oversupply. A more valid point is that without parallel output enhancing action - especially in rural areas - the lag before infrastructure pays off in output may be unnecessarily and expensively long.

In the specific context of the struggle against poverty, most directly relevant infrastructure is relatively small scale, and much is locally oriented even if part of a national strategy and pattern. This is valid not only for rural areas but also for peri urban and non-core urban albeit some aspects of the latter (e.g. water supply sourcing and transportation though not necessarily distribution) are characterised by need for large scale projects with a higher construction cost per user.

The physical infrastructure required falls into several broad categories: directly production enabling including soil protection (e.g. reafforestation), small scale irrigation and drainage, provision of sites and water as well as power for micro-enterprises; indirectly production enabling notably transport and communication; human investment supporting, e.g. health posts and clinics, primary and adult education schools and household water supply as well as agricultural research and extension facilities and administrative (to be optimised at a low cost level but not eliminated unless one truly believes in decentralised syndico anarchism with the stress on anarchism).

In conceptual and strategic objective terms these are - or ought to be - readily identifiable nationally. In terms of specifics, decentralisation

to regions, districts, towns, neighbourhoods and villages is crucial. So is effective actual or potential user input. For many pieces of infrastructure, the construction and civil engineering technical requirements are either quite simple or can be handled by para professionals working from standard designs. In very few is what, where and why beyond the knowledge either of potential users or of listening district and regional personnel. Indeed, overloading such projects with high level professionals and gold plating them with technology, both not essential to their uses and beyond user capacity to maintain, is a frequent cause of initial low coverage, subsequent maintenance problems and medium term non-sustainability. Unfortunately these characteristics are as deeply rooted in most external NGO local level operations as in those of many external and domestic governments (not excluding local governmental units) and of most international agencies.

The way physical infrastructure is built has a direct impact on overall cost and on income distribution as well as on its contribution to absolute poverty reduction. For scattered small scale projects - or divisible medium scale ones - labour intensive methods using simple designs, trained foremen and artisans, simple tools, limited machinery and unskilled labour can reduce both costs and import content as both the ILO and WFP have amply demonstrated in a score of SSA countries. They do present certain organisational problems, but these are ones different from, rather than harder to surmount, than those of capital intensive large scale projects (unless the latter are simply contracted out to foreign firms and consultants which is not, in general, a low cost approach).

They can increase permanent and/or temporary employment in urban and peri urban areas and seasonal secondary income generating opportunities in rural ones. (By and large, optimal construction seasons are negatively correlated with peak agricultural labour time requirement ones.) Especially while own production growth is taking hold, such supplementary employment (second income source) can be crucial to many absolutely poor households.

Market infrastructure is not - at least in respect of the rural and peri urban commercial networks - primarily buildings. Rather it is lorries and working capital initially embodied in goods to sell in return for rural or artisanal purchases. It is nonetheless infrastructure in a non-trivial

sense, the infrastructure of opportunities to sell and to buy on reasonable terms of trade without which poor households assuredly will not grow less poor.

Certainly, successful private merchants and merchant transporters are rarely poor to start and never after success (and unsuccessful ones are of little service to anybody). Therefore, including programmatic allocations to them in a strategic approach to reducing absolute poverty may appear absurd.

In some countries and parts of most it probably would be absurd. But in many rural areas and small towns market access is notable for its sparseness and competition by its absence - one village one trader/buyer (or sometimes one ring). Facilitating entry for more traders is frequently important and for those without a previous track record - especially if they are village based and or co-operatives - access to standard financial sources (especially for equity) is scarce. There is every reason not to provide grants or even highly subsidised (as contrasted with deferred payment) credit. Nor should financial (or access to goods and vehicles) allocation be administrative or blissfully oblivious of business concerns. But poor small farming households very frequently list market access improvement as their top priority. Facilitating commercial network establishment, re-establishment or strengthening is a perfectly valid poverty reduction programme component if structural and hard to reduce market imperfections mean that it will otherwise not take place. This is particularly true if IMF credit ceilings plus needs of existing viable enterprise customers effectively bar access to normal commercial bank credit. In the directly productive sector the same principles hold for micro-enterprises because of their employment creating potential (apparently an average of about eight per enterprise in West and five in Eastern and Southern Africa).

Basic Services/Human Investment

Whether one terms basic adult and primary education, water and sanitation and primary health services (including environmental, preventative and educational as well as curative) basic services or human investment is largely a matter of taste so long as human investment is defined as expenditure substantially relevant to raising present and future labour productivity by whatever means. The use of the term human investment in

this broad sense is a product of the mid-1980s resurgence of concern that relatively short term, semi-contractionist (at least initially), non-interventionist growth restoration was at best incomplete economics. In that context promotion of human investment was seen as a more effective headline than protecting social services (which in any case can reasonably be defined to include safety nets) or broadening basic services. For purposes of strategic thrusts to reduce absolute poverty, basic services is probably the more convenient term because the direct programmatic elements do fall into that broader base/'lower' level cluster of human investment requirements. This is not to argue that tertiary education and research are irrelevant to reducing poverty nor that resource allocations to, and project evaluations within them, should be exempt from income distribution and employment criteria. It is to argue that except for family sector rural and small scale technology adaptation and application non-agricultural research-extension-training it will be unusual for it to be convenient to include major components of research and secondary/tertiary education in poverty reduction oriented programming.

The mention of extension raises another issue. Extension services are - or ought to be - a branch of education. They are not - or should not be - unique to agriculture. Forestry, fishery, artisanal production, micro-enterprise technology and management, transport and machinery operation and maintenance are examples of areas in which poor households or their small scale enterprise employers do need effective extension services backed by relevant adaptive and applicational research.

The issue is one of formal categorisation. Extension is by definition production enabling as well as a basic service. Which box it is put into programmatically is probably a matter of taste or of local historical/institutional contexts. What is not a matter of taste is remembering to include it.

Whether nutrition is a basic service depends partly on what one means by nutrition. Hopefully one can set aside the recent imperial view of Food Security/Nutrition as the dominant applied discipline with poverty reduction and agricultural production merely wings to the grand (not to say grandiose) edifice. While a useful corrective to past underemphasis, this conceptualisation appears to be both logically wrong and operationally inconvenient to the point of ineffectiveness (vide Malawi). However, there

is a real question as to how to interrelate the health, productivity, human quality of life, entitlements, education and production aspects of actually achieving satisfactory levels of nutrition, especially for absolutely poor households.

Conceptually there is a need to take a holistic view in order to set out an adequate strategy. An independent institute or a coordinating unit may be the most suitable focus. Operationally there is a great deal to be said for physical decentralisation within a national frame and for institutional decentralisation with coordination ending with reintegration at the community/household level. Nutrition education can most conveniently be integrated into health education (e.g. mother and child care clinics) as to content and into agricultural extension as to production while both are topics handleable in basic adult education courses. Not to involve agriculture - and especially agricultural extension - integrally is a common, and usually a very damaging, error.

The marked success of "Iringa" style programmes based on community use of services from several institutions delivered on a coordinated basis and used together with community resources (notably day care centres with young child feeding) may indicate a way forward. These now cover over half of rural Tanzania (including some food short as well as most food adequate districts) and show dramatic results in reducing severe malnutrition. The locus of success case cited illustrates the less explored areas: urban neighbourhood approaches (where except for plot holders direct production is not an accessible answer) and those in rural areas characterised by weak community structures, very weak district level personnel and/or severe physical food shortages for a high proportion of households.

Human investment (basic services) does not relate solely to future labour productivity but to present as well. This is directly the case with extension but also with other services. The fact that women's work overloads constrain production is now widely accepted and demonstrated. How to raise production (whether of marketed goods, household self-provisioning or services) is largely a question of increasing productivity to save time/allow increased production.

What does not seem to be equally generally recognised is that there is no requirement that the increased productivity be in the same activity as that whose product the woman wishes to increase. Time is largely fungible. If

nearby pure water supplies, environmental and preventative health service access, and nearby health posts save time previously required to fetch water and care for ill household members (among the most time consuming tasks the gender division of labour puts on women's and girl's backs and heads), then more food can be produced and/or more time devoted to child care or to adult education - or even relaxation (also a basic human need). This point is key because low cost, proven means to reduce time required for providing water (and in some cases fuel), processing food and caring for sick people are often more readily available than ones raising per hour agricultural productivity directly.

Primary education, water and sanitation and health services are among the most discussed and best known elements of basic needs/services approaches. The need for effective, low unit cost approaches with universal access a goal within a finite time and rising access proportions an immediate goal, is rather generally accepted (albeit not universally either by African governments or bilateral donors). Therefore, discussion here will focus on two less well trodden paths and enter one minefield.

Basic education should be seen as encompassing adult education at the literacy/numeracy and applied skills levels. That is the road to early catch-up in productivity because primary education today and tomorrow cannot enskill the illiterate or barely literate members of the present adult labour force. Adult illiterates are a majority of those within absolutely poor households and among women. The Tanzanian approach of a massive network of basically local demand driven courses taught in primary schools by part-time teachers who take classes in their own area of expertise coordinated and evaluated by a strong adult education division in the Ministry and a strong independent Institute works. Not perfectly, but relevantly, on a large scale and at low user costs. In the quite different context of Cabo Verde so does an analogous strategy. Elsewhere, most efforts are too small, too little coordinated, too costly and too supply driven.

Unit cost reduction is essential to increase the numbers of poor households which can be served. Given that the best guarantee of access for absolutely poor households is universal availability, cost efficiency matters a great deal. It is not achievable by piecemeal mutterings and

tinkerings. It goes well beyond corruption containment and retraining with genuine redeployment of presently unusable personnel (important these are).

Cost reduction requires:

- a. avoiding overdesign - e.g. where a hand dug shallow well will work eschew drilled boreholes;
- b. selective standardisation of design and equipment - e.g. a uniform use of one or two standard low cost hand pumps (e.g. India Mark IV) together with standard well/borehole and surround designs (subject to minor contextual adaptations) could reduce rural water costs per household served by 50% in most SSA countries;
- c. developing alternatives that provide safe, functional services of lower cost - e.g. neighbourhood taps and perhaps bathhouses and laundry slabs not household pipe connections and improved latrines not water-borne sewage systems in peri-urban and some urban as well as rural areas;
- d. recurrent budget analogues to these capital cost reducing approaches: e.g. school owned textbooks made to last 5 or more years; simplified pump maintenance whose preventative and routine aspects water users committees are taught to do themselves; favouring hand pumps where cost or supply considerations suggest motorised ones would frequently be out of action.
- e. stock control and use monitoring e.g. reducing the over 50% vaccine and drug spoilage and/or 'leakage' rates which are only too common plus securing data on actual use to allow altering the make-up of central purchases and flows to correspond better to decentralised usage and demand.

These measures - unlike more common and high profile administrative 'reform' and 'redemption' (meaning termination of employment) measures - really can reduce unit costs of many - not all - programmes by 50% allowing doubled real output at a constant real level of resource inputs. That in the context of massive needs and constrained resources is a prize worth serious efforts to attain.

Why little is done in any systematic and sustained way to secure these gains is complex. First, they do not lend themselves to simple, broad

brush solutions and appear alien to the concerns of all except very eccentric macro-economists. Second, they regularly run up against tradition/inertia (one African country's senior education personnel were unaware primary schools anywhere owned and lent texts to students and supposed such practices to be ultra-Maoist to the baffled wonder of an American born adviser who was the product of a conservative, small town USA school system!) as well as against technicians' desire to add improvements and failsafes which may be desirable but not when they require drastic curtailment of coverage (i.e. programmes optimal for Malmo are, if replicated literally, hopelessly cost ineffective and coverage excluding in Maputo). Third, many Africans (and some expatriates) suspect any low cost, basic approach is implicit discrimination ("It's good enough for you - though not for us") which is a rather unfair judgement - and, more important, a counterproductive one - when the overriding concern is to get as high a volume of usable services out of limited available resources as possible. Fourth, donors (bilateral, international agency and - a fortiori - foreign NGOs are rather averse to coordination and even more so to coordination by African governments or domestic NGOs.

Community participation - or its debased variant, user charges - is a minefield. It is now imprudent to be against community participation (or even user charges) or to point to the very real practical problems in implementing it. The World Bank's poverty reduction Handbook does cite problems but, unfortunately, in terms suggesting it views participation in purely functionalist terms and not as a crucial element in empowerment and good governance goals. Many governments are still more distrustful, though more prudent in not making their concerns public. They simply manipulate or find reasons not to implement participation. External 'experts' often interpret participation as justifying their particular zeals with themselves as voices for silent poor households whose views they assume - often on no evidence at all - to be their own. And a wide range of bodies from Treasuries through UNICEF's Headquarters happily (or absent mindedly) allow participation be turned into a centrally set parallel tax system on the slightly ludicrous ground that the more avenues of collection with parallel collection systems, the more net revenue (after collection costs) can be extracted from taxpayers/users.

Participation by users needs to be more than revenue collection if it is to be worth having. It needs to begin in securing views and data for strategy

conceptualisation and articulation and to continue through involvement in operational design and execution with service providers in some meaningful way accountable to users. That can be done and is worth doing but has time, personnel, re-education (for users as well as providers and designers) and planning/administrative costs and complexities. If a significant portion of that pattern is achieved, substantial user resources - often in labour, maintenance, provision of goods rather than or in addition to cash - can indeed be generated (especially in respect of water).

Participation is not simple. Unless the right questions are asked technical mistakes will bedevil implementation. For example most gender divisions of labour in SSA put building largely on the male and maintenance largely on the female side. Therefore, men will in fact contribute time - materials - money to build local water projects. Because they are used to doing so they will monopolise management committees. But as water provision is a task falling on women and girls, men are very poor informants on optimal handle height or how to design pump or tap area layout to allow use for domestic water drawing, washing and domestic water collection consistent with maintaining water purity and a salubrious micro environment. Nor are they likely to be willing to provide time for preventative and routine maintenance. Asking women, ensuring they are well represented on the user committee and teaching them operation and maintenance skills are "non-obvious" elements crucial to effective, sustainable community participation and ones a minority of water departments (or external NGOs) know even now and which those who now know have learned by experience and errors as well as by successful initiatives.

For absolutely poor households there is a real access problem. In one poor SSA country the introduction of 50% of cost drug charges and \$0.15 consultation fees reduced use of chargeable basic health services 50% (while uncharged mother and child care and vaccination services use rose 20%). Charging uniform fees and having a fund to repay very poor users is a hopeless solution (in SSA - probably not in Malmo) - the bureaucratic and financial resources to handle a large number of cases promptly do not exist nor do poor households have resources to pay now and be reimbursed later, typically much later, even if they can understand and follow the procedures. Point of service waiver with a bias to not excluding those eligible (especially for health services since for water there is more time

to reach a decision without irreversible damage to the would be user) is needed. Decentralisation with user participation can help - communities usually do know who cannot pay, albeit user committees - whose members are usually not so poor - may need to be scrutinised to ensure they do not seek to hold their own charges down by operating a very restrictive waiver approach.

Safety Nets: Practicalities, Priorities, Limitations

The three strategic elements canvassed above relate (apart from fee waivers) primarily to empowerable absolutely poor and poor households. But, as discussed above, some households are unempowerable. They cannot be enabled to earn incomes placing them above the absolute poverty line.

These households pose a very real moral and practical, social and economic dilemma to African societies. There are not merely no easy answers but no good ones - only bad, worse and worst. In the case of temporary calamity or catastrophe victims and of children there is an economic case and a future social contribution one for resource allocation to safety nets and rehabilitation programmes precisely because their unempowerability is temporary. For the aged and disabled no such case exists - their claims on society and the state are moral based on the fact of their humanness and/or their past contributions.

The problem is that massive resource allocation for safety nets can redistribute spending away from the three strategic foci sketched above. These do have economic and general social structure payoffs and their beneficiaries are human too. The starkest moral dilemma is posed by orphans who are HIV positive. Virtually none will live five years and most well under two. No measures will afford them a decent quality of life. Yet institutional (or household based) care in the most afflicted SSA countries (e.g. Zambia, Malawi, Uganda, Zaire) could cost several times as much as a universal access primary health services system. To attempt to provide it would lead to crippling health services or caring households or - more probably - both. To anyone who understands the realities and is not an enthusiastic proponent of euthanasia, the choices are not merely stark but agonising. Pretending there is no dilemma and muddling along is also a choice and not necessarily the best available one.

That said there are safety net approaches which can be applied in at least some African contexts:

- a. systematic finding of new families for orphans (if needed with initial economic support packages to their new households);
- b. encouraging and assisting new (or renewed) variants of extended family and community caring systems in urban as well as rural areas;
- c. providing free food (preferably in a work for food or food for work context if that does not abort actually getting food into hungry mouths) to ensure survival when (not if) calamities and catastrophes occur;
- d. seeking to build up transfer payment systems for unempowerable households - especially in urban and peri urban areas - who have no real alternative way of achieving a minimally decent life;
- e. working toward a universal safety net old age and disabled person pension system.

The first three approaches are practicable to a greater or lesser degree in all African countries - if they are perceived as having high priority including priority in designing and implementing practicable, low unit cost ways and means. The fourth is practicable in cost terms in almost all countries but (as experience with a seriously designed and tenaciously persisted in approach in urban Mozambique demonstrates) poses very severe organisational and administrative problems (albeit apparently not insuperable ones in the case cited). The last exists in principle - and to a surprising degree in practice - in Namibia and South Africa. Full implementation would be feasible now in Botswana, Mauritius, Seychelles and initial steps in perhaps six more countries in SSA plus all in North Africa.

IV.

PARTICIPATION, ACCESS, ADMINISTRATION

Inclusion, Exclusion and Affirmative Action

Two aspects of the struggle against absolute poverty are sometimes seen as contradictory: priority to rapid reduction of absolute poverty and incorporating the strategy for achieving that goal into main macroeconomic and social policy decisions and resource allocations. That contention rests on two implicit premises:

- a. programmes to be of use to absolutely poor households must exclude all others or no benefits will in fact reach/be accessible to absolutely poor households;
- b. absolute poverty reduction, except by spread (trickle out/down) effects, is to a significant degree inconsistent with fiscal balance and rapid growth of overall output.

Neither premise is generally accurate although each may be - especially at the level of particular programmes or contexts. It is correct to argue that both public and private channels for transmitting resource to enabling production, to providing basic services or to making transfer payments are porous and much of the flow leaks away before the end of the channel user is reached. It is also valid to point out that programmes designed with not so poor and poor households' access in mind may be inaccessible to absolutely poor households. But neither problem will usually be solved by limiting intended recipients to absolutely poor households.

Similarly, some programmes for reducing absolute poverty - particularly pure consumption transfers - may well be fiscally unsustainable and growth retarding. But so are preventative tariffs, massive currency over-valuation and (with few exceptions) large scale irrigation schemes which are rarely, if ever, adopted primarily on struggle against poverty grounds. Certainly allocational dilemmas do exist: old age pensions may compete with basic service extension or with highly economically productive large scale infrastructure or with a sustainable degree of fiscal (pre-borrowing) imbalance. Less clearly, some geographic areas are so costly to reach and to provide services in, and so limited in natural or created resource availability, that enabling their residents to raise incomes will not be

consistent with maximising either territorial or poor household output growth. But such trade-offs apply among all social and economic policy objectives not only, or even primarily, between those of the struggle against absolute poverty and all others. Resource allocation at all levels from state to household and individual (by no means excluding private enterprises) is a matter of making trade-offs and achieving balances so that acceptable progress is made toward all key objectives. Very rarely is optimising or maximising in terms of one goal preferable to satisficing over several, even if the first approach is much easier to model mathematically or to programme for a computer run.

A more appealing case - ethically - would be that eliminating absolute poverty by production enabling where possible and safety net providing in other cases should have absolute priority and that no other goals should be accepted until it is achieved. That purist trickle-up approach may or may not be morally acceptable. It does assume that all resources belong to the community or state and that no material incentives for extra effort or ability are justified even at personal and household levels which is, perhaps, not a non-controversial ethical position in SSA (or anywhere else).

More practically it is open to four objections. Total absence of material incentives is - at the very least - likely to reduce actual output growth substantially. Given interactions, simplistic bottom only programming is likely to make serious overall design errors, e.g. a properly structured primary health care system does need supporting secondary and tertiary (including teaching and research hospital) aspects; the existence of a buoyant, competitive rural commercial network is of crucial importance to poor households generally and to enabling absolutely poor ones to raise earned incomes in particular. There are no historical precedents (of any serious scale or duration) for purist trickle-up. Finally, it is politically impracticable because it would require a cadre of decision takers, power holders, entrepreneurs and technicians who were intelligent, ascetic saints, and persons with those characteristics are scarce on the ground in any society at any time (and no commoner, one might add, in absolutely poor households than anywhere else).

It is prudent to recall that for over 15 years the rural strategy of the Communist Party of China was built on the goal of "all boats float higher"

and of complex, potentially symbiotic links among landless labourers, small peasants, middle peasants and even large peasants. The erosion of those principles at any rate paralleled, and probably precipitated, a fall in the previously relatively rapid rate of growth of rural output without notably reducing rural inequality.

Similarly, the early World Bank enthusiasm for income weighting and cutoff points in the 1970s produced slightly odd results, at least on paper. A successful programme for empowering absolutely poor households rated well before the event because their income gains were highly weighted. If successful - i.e. the beneficiaries escaped from absolute poverty - it rated less well because of the lower weight for poor but not absolutely poor income gains applied and if spectacularly successful by enabling them to become not so poor or not poor then still lower weights to gains and poorer 'observed' results emerged. Presumably this somewhat perverse evaluation schema never affected actual programming.

Poverty reduction is a continuum - achieving poverty instead of absolute poverty is a priority goal but as part of a process enabling further progress and paralleling gains by less poor and not so poor households. From that perspective the bottom line problem - except for consumption transfer (safety net) programmes to unempowerable households - is not how to exclude less poor or not so poor households but how to ensure absolutely poor ones are included. Affirmative action is primarily about letting people in not pushing people out. How probably depends on the type of programme.

Universal access is surely the key answer for basic services. The more limited the supply relative to need the more difficult it is to service poor households at all. For example, if literacy is 70% for men and 30% for women it is probable that a drive for universal literacy is the most cost and result efficient road to raising female literacy (especially as literacy for the illiterate men is a positive not a negative parallel result). But universal supply availability may not mean universal effective access for absolutely poor households. Fee waivers, associated cost cover (e.g. school uniforms if these are required), recasting messages in terms understandable to poor people, teaching service providers to see poor or otherwise excluded persons (e.g. extension workers often find the women present when they make visits almost literally invisible which, given

the gender division of labour in agriculture by task, is a very poor starting point for effective extension education) are all among the special access enhancing provisions which may be needed to achieve true universal, effective access.

Common programmes with specific attention to absolutely poor household inclusion is generally the most desirable approach in respect to small producer output enhancement enabling and to local infrastructure.

Evidently one cannot (and should not) build roads or provide water taps for use only by absolutely poor households. But one should be alert to ensure they are able to produce more (so the road serves them too) and are not in one way or another always last in the water line (especially if the water sometimes runs out!). That may require special sub-programmes, e.g. initial free input supply, but not totally different programmes for small producers by degree of poverty.

Self-selecting approaches - while less generally applicable than their more zealous missionaries suppose - can also be used. For example, the less land (or access to relatively secure, moderately well paid employment) a rural (or urban) household has, the greater its need for supplementary income and the probability of its seeking seasonal (or semi-permanent) work in labour intensive rural rehabilitation and development schemes.

In principle, the same approach can be applied to nutrition by subsidising acceptable but non preferred staples eaten largely by poor people. The problem is finding any. The obvious candidates, red sorghum and yellow maize (and for that matter bulgar wheat except that it is high cost) are so non preferred that households will accept hunger and moderate malnutrition in preference to eating them and only extreme hunger and near total indigence will 'promote' their consumption. The taste preferences involved may be unsound, but they do exist and are reflected in market price ratios (e.g. the 'free' market price of yellow maize in Maputo was until the coming of cataclysmic drought rarely less than 25% below its subsidised fair price shop level whereas rice sold near commercial import parity in those shops was rarely less than 25% dearer on the 'free' market).

Indirect programmes, to benefit absolutely poor households by strengthening commercial and micro-enterprise sectors, e.g. loans and services to these sectors should to the greatest degree possible be or become self-financing. Their direct income benefits flow to non-poor households. Their

justification in an absolute poverty (or poverty) reduction strategic conceptualisation is market and employment access for absolutely poor (poor) households. To achieve that sustainably requires enabling cost efficient enterprise activity, not subsidising inefficient.

Group or area oriented programmes are particularly appropriate to avert calamities turning vulnerability into permanent absolute poverty. In at least many rural areas a drought strikes hard at all agricultural (including pastoral) households. Food aid (as rations or work for food/food for work) is needed promptly to enable households to survive on their farms and be in a position to secure the next crop. There is no virtue in insisting they become absolutely poor before being assisted - quite the reverse, unless one is a purist trickle-up advocate. Being able to retain some tools, livestock or even savings to assist on livelihood recovery is a positive, not a negative, spin-off of broad access to food and/or work. In any case, rigorous means testing is likely to be either impossible or so time consuming as to imperil ability to regain production later and, in extreme cases, to maintain life during the calamity.

Safety net programmes for unempowerable households - except general old age and disability pensions and household or community solidarity - do need to be designed to exclude. No African economy can afford monthly cash subsidies for all households nor, if both absolute poverty and lesser (but still real) poverty afflicted households are a majority, even for all poor households.

Testing for need is necessary and has to be alert to what channels and data are available. The earlier section on who are absolutely poor suggests some usable (known/verifiable) categories, e.g. urban female headed households with at least four dependents and no formal sector wage income. If mother and child care clinics are widely used, malnutrition measures for pregnant women and under 5 children provide an identification approach covering a high proportion of absolutely poor households.

In any such testing two risks have to be balanced: fiscal unsustainability from including those who do not qualify, and human misery from missing or wrongly excluding those who do qualify. The nature of transfer system administration suggests that the first error is likely to result from corruption or nepotism and the latter from over-zealous protection of the

public purse. Given reasonable honesty and administrative competence, the second risk is likely to be the more serious.

Costs and Contexts

To reduce absolute poverty rapidly requires acting on a broad front, within other main line strategic objectives (not primarily in separate programmes), contextually and at a low cost per household served or enabled. The first three conditions relate to the logic of reducing absolute poverty and of coherent economic strategy and resource allocation - the last to resource constraints.

The World Bank's LTPS sets out a broad - albeit incomplete - set of public expenditure programmes and targets. These adjusted for rather austere levels of administration, emergency/survival and security expenditure come to about a third of GDP or \$140 per capita on average for SSA. As most of the programmes are ones required to enable growth, and need minimum levels per household or area to be effective at all, they are - unfortunately from the resource mobilisation point of view - not readily reduced in cases of below average GDP. For countries with \$150-200 per capita GDP estimates (which probably reflect inaccurate pricing of domestic GDP after massive inflation, parallel marketing and devaluation with more realistic estimates in the \$200-250 range) the figures would imply, say, a 25% recurrent domestic revenue to GDP ratio plus up to \$100 per capita net soft inward external resource transfers. No large SSA state has ever achieved the latter - and only a few the former. This very real problem is exacerbated because the \$140 does not include debt service and while a roll-over of principal is a plausible assumption, interest payments will not be insignificant.

Of the \$140 about half will necessarily go on very general heads (law and order, i.e. security and administration, housekeeping, large infrastructural projects) which can create a macroeconomic context for reducing absolute poverty but cannot by themselves do so. If, of the remaining \$70 per capita one assumes - optimistically - the same proportion is absolute poverty reduction oriented as absolutely poor households form of all households and then allocate that among absolutely poor households \$20 per capita on basic services, \$5 per capita on research and extension, \$15 per capita on public works and other infrastructure (including commercial sector), \$5 per capita on emergency survival and income

supplements and \$25 per capita on enabling additional production by absolutely poor persons are more or less maxima.

In fact \$140 overall per capita public spending is not attainable in many countries in the short run - under half that in some cases so that \$25-50 per capita (\$150-300) per absolutely poor household is the maximum realistic range in most poor countries if high priority is given domestically and if external sources of finance are responsive. The case for broad access is, therefore, necessarily a case for low cost per household served/enable programmes. High per household cost projects (including traditional agricultural development projects, especially most large scale irrigation ventures) cannot be generalised to provide broad access. The latter may or may not enable some households to escape from absolute poverty (given actual clientele selection and success rates rather few in practice), but cannot be generalised to broad access because of resource constraints.

Institutional Considerations: Coordinated Decentralisation

Broad front, low unit cost programmes articulate into contextually differentiated sub-programmes and micro projects which are not readily compatible with existing planning and design practices especially if they are to be within a coordinated national strategic framework. The instant answer of decentralisation to regional/provincial and district levels is partial. It may deal with contextuality (albeit as a necessary not a sufficient condition). It cannot by itself result in a national strategic framework or inter-regional allocations. Nor given the extreme shortages of high and middle level personnel (nationally and therefore - necessarily - even more at district level) can it provide effective overall design and technical back-up services.

Further, absolute poverty reduction programming is even more dependent on detailed substantive content of activities than most economic 'sectoral' work. A macroeconomic body which seeks to do more than set a frame for and coordinate specialised operational bodies (ministries, regional and district analogues, local government and domestic civil society organisations) will be unlikely to be effective even if it is fully decentralised. The actual present framework is usually more one of anarchy than of over-centralisation, especially where external governmental and NGO operation of autonomous projects and running of nominally governmental

units has emerged as a major decapacitating force against local, regional and national government. For example, one district in northern Mozambique had over 60 rural projects responsible to half as many agencies (over half foreign) with non-coordinated and often partly inconsistent objectives, none of which corresponded very closely to what poor peasant households stated to be their priorities.

These considerations suggest that a possible institutional structure would include:

A Central

Strategic Decision Taking (Cabinet and National Assembly advised by a committee of senior officials)

Strategic Formulation/Broad Articulation (Planning Unit in conjunction with inter-ministerial plus regional working parties)

Resource Mobilisation/Allocation By Province/Region and - as guidelines - By Programme (Finance - Planning - Working Parties)

Selected Programme Support Functions (Relevant Ministries)

Monitoring-Evaluation-Modification (Planning - Ministries - Working Parties to Cabinet/Assembly)

B Provincial/Regional

Analogues to Central

Technical Personnel and Programme Support (By Regional analogues to or units of operating ministries plus those of large urban authorities if these are strong)

Selected Programmes which are inter-district by nature or well beyond district technical capacity.

C District

Analogues to Provincial Level

Technical Inputs if relevant staff and equipment are there at District level (by no means always the case)

Micro Programme Operation

Micro Data Collection - inputs to programmes and to monitoring/evaluation (probably partly by national/provincial personnel with substantial portions of analysis and design at broader levels).

That structure turns on bottom up information inputs, more centralised design and monitoring and middle to bottom level detailed articulation and implementation as an iterative process. Coordination of activities of main line units is central (whether central-provincial-urban-district governmental, domestic NGO/civil society or external). Special parallel government structures - especially if externally run - are incompatible with it.

This model is open to three criticisms flowing largely from Integrated Rural Development Programmes in the 1970s/1980s:

- a. Complexity makes coordination impossible and coordination weakens existing units
- b. IRDPs failed because they were multi-sectoral and fragmented overall public sector activity
- c. And also because they were inflexible and non-participatory paying little attention to the needs and capabilities of those they were intended to serve as perceived by those people

The first criticism appears to confuse parallel government with coordination. The whole logic of enabling poor people to produce more and of providing basic services/infrastructure as part of that enabling exercise requires broad coordination not monolithic single authority operation nor anarchic autonomy. IRDP failures did relate to the parallel government problem - in part. Their other problems related to design in respect to production (not so much to services/infrastructure which frequently were well done):

- a. Lack of any serious production enhancing core disguised by pages of sensitivity analysis about totally meaningless hypothetical numbers, e.g. Tanzania's Mwanza Region programme

- b. Technically plausible agricultural content not tested for economic viability in actual/projected cost-revenue context, e.g. Tanzania's Kigoma Region and Malawi's South-central Region programmes
- c. Basically external agency design and operation of programmes and parallel governmental structures (even if nominally responsible to host central and/or district governments).

These characteristics did indeed reduce participation, flexibility and capacity for national policy setting. To avoid them would seem to require:

- a. Strengthening existing structures, not creating new parallel ones
- b. Minimising external agency and/or expatriate run units and channelling resources including personnel into main line national, regional and district bodies (including domestic NGOs)
- c. Decentralising to make contextuality practicable
- d. Broadening participation - especially in data provision, programme, design and evaluation/modification
- e. Building in domestic accountability to the intended beneficiaries

Participation, Accountability And Priorities

Participation in data provision means more than experts (still less 'experts') surveying absolutely poor households. One does not describe cattle as participating in livestock surveys but many surveys of poor households are disquietingly similar in approach to livestock surveys. It also means listening and learning. Absolutely poor households do have limited knowledge and horizons, but they also know a good deal more about what they do, why, under what constraints, with what priorities for enabling services and with what capabilities of benefiting from them than most researchers, analysts, government officials, technocrats or social scientists. That is the bottom line case for their participation in data collection, programme design and evaluation/modification. Not acting on that principle increases mistakes and for both psychological and programme content misspecification reasons reduces participation in implementation. To be blunt and macro economic - it reduces resource mobilisation and misallocates the resources that are mobilised.

How is a contextual question. If the programmes are to serve absolutely poor households (or to be of general access with specific priority to ensuring absolutely poor households can and do participate) standard local leadership groups may not be adequate fora. At least some direct contact with absolutely poor households is needed, irrespective of how seriously and sincerely not so poor leaders seek to represent them.

Participation's effectiveness ultimately depends on accountability (unless one believes in the possibility of a public service and of a body of businessmen/entrepreneurs made up of able, participatory, totally non self interested Platonic Guardians). One requirement for accountability is accounts and audits - in the broad sense of real as well as monetary resource allocations, intermediate outputs and end results (as perceived by intended beneficiaries). Without accounts specific accountability - beyond 'throw the rascals out' - and especially improved results from resource allocation and programme design modification are virtually impossible to attain.

The standard representative political process - even when decentralised - does not in general cope well with programme and resource allocation modification. When largely at central government level, it also suffers from overgeneralisation which masks concrete contextual problems. The classic example is Tanzania. The government believes itself accountable primarily to rural agricultural households perhaps 40% of whom are absolutely poor. Because an average 30% of MPs and Party officials have been replaced at five yearly competitive elections, it has had reason to believe so. It does respond to demands and criticisms by changing resource allocations and programmes (often massively) and practices heavy net channelling of urban and externally mobilised resources to rural areas and support programmes plus pursuing pricing and credit policies far more favourable to rural agriculture households and agriculture related sectors than to workers or urban producers. But there are no effective fora for dialogue on projects and programmes (especially sectoral and regional ones) nor have operating institutions been accountable directly to users or members (or in the case of co-ops since the mid-1980s to any governmental or commercial institution). As a result accountability and participation via the political process are associated with remarkable inefficiency in use of resources and in limited or negative results achieved either at intended beneficiary or macro economic level.

What type of accountability mechanisms are needed to complement representative political structures is not clear and probably not general. Organisations of absolutely poor people - or their participation in broader ones - at vocational (e.g. the shoe shine men in Maputo), interest group (e.g. women's) and locational levels to propose, discuss and evaluate concretely can be useful. So, perhaps, can advisory committees so long as they are chosen by the intended beneficiaries or their elected political representatives at the appropriate (i.e. local, regional not just national) level and have access to these representatives when/if their advice is regularly disregarded. Where practicable - e.g. co-ops, local government - direct electoral accountability should be entrenched with provisions facilitating effective participation by absolutely poor and poor - not just not so poor and non-poor - households.

Accountability and coordination both require quantifying and dating inputs and intermediate outputs plus at least order of magnitude targeting of final outputs plus accounting/auditing mechanisms to keep track of the flows and cumulative results. Even on universal access programmes such exercises are possible and relatively easy conceptually and given present data processing methods if initial entries are appropriately cross-coded. Quantifying and dating - apart from more evident operational pay-offs - should help prioritise and sequence. At present there are tendencies to look at programmes in isolation and either to seek universal coverage over very brief periods or to start at such small levels that by year six coverage would still be below 10% (which may make sense as pilot testing but not once main line programmes are begun). The former approach is often unrealistic given instrumental, institutional, personnel and finance/forex constraints; the latter either represents low prioritisation, technological/technical caution run rampant or a failure to recognise political reality.

Absolute poverty reduction targets are no less logical or important than GDP growth or budgetary balance ones (and no less problematic and subject to misuse). What is practicable will vary widely. In the cases of countries with 40% to 60% absolutely poor households cases a 8% a year trend decrease in total numbers of absolutely poor households reduction until 25% of all households is reached and 6% a year thereafter might be a starting guide-line and for other countries a reduction in absolutely poor

household numbers of 6% a year. However, given lags this might be a target to be reached in year three after serious implementation begins.

V.

VULNERABILITY'S AFTERMATHS: PREVENTION AND REHABILITATION

Of Calamities and Catastrophes: The Price of Myopia

Two areas link with and complement, but are in crucial ways different from, the central strategic frame for the struggle against absolute poverty. These are strategic responses to calamities and catastrophes and more particularly limiting the long term vulnerability of households to the first, and rehabilitating their livelihoods after the second. These areas are largely missing in both analysis and practice falling in an undistributed middle between survival relief and adjustment/development promotion. The intellectual gap matters because in SSA it creates a real gap through which millions of vulnerable households fall into absolute poverty never to re-emerge.

Survival (or emergency or disaster or refugee) assistance is short term, humanitarian, one-off and terminated when, or soon after its initial cause ends. It has the broadest Northern support base - especially, but not only, if the calamity/catastrophe is televised - because most people do feel a human imperative to prevent mass deaths from pauperisation/ starvation/epidemics. Sadly, the concern tends to erode when the calamity/catastrophe drags on for several years or recurs regularly. The broader support base also relates to the fact that absolute poverty of previously not so poor households following a disaster is more readily comprehensible and easier for not poor households in different contexts to relate to than the silent emergencies of perennial food and total income shortages afflicting many household sector small farmers and urban sector multiple but inadequate income households not episodically but permanently.

The reasons for the support base (and its somewhat ephemeral nature) do inform the defects as well as the strengths of emergency assistance:

- a. it is episodic - calamities/catastrophes are seen as discrete, unrelated events to be responded to ad hoc (a rather inaccurate way of perceiving drought cycles);

- b. and also - usually - it builds up very much after the event even when (as with drought) early warning (of impending famine) is possible. (The caricature of "no starving infants no famine relief" is unfortunately very close to some aspects of reality albeit distinctly less so in Southern Africa and the Sahel than in the Horn);
- c. resulting in late, improvised responses which do not enable as many human beings to survive, and cost more than early responses linked to standby domestic and international frame institutional structures and policy/logistics packages on the shelf would;
- d. together with virtually no attention to prevention or reduction of vulnerability to future calamities/catastrophes; and
- e. very limited, short term post-crisis support on either the assumption that after survival households can immediately stand on their own feet or that support for continued expenditure cannot be mobilised.

A real example almost parodies the myopia. Following a drought (national and international response having been very late) a team from a bilateral agency's disaster survival section came to an SSA state full of goodwill and with funds to spend. With the drought over, they were genuinely seeking advice on how to deploy them and consulted the resident head of another agency and his advisers. Restocking a central revolving store of human drugs posed no problem. Repairing wells and small water catchments to reduce future vulnerability did. Setting up a basic veterinary drug store to reduce the 50% of livestock deaths which are post-drought and largely preventable by four to six drugs plus oral rehydration materials was unthinkable - clearly development. Six or seven unaccepted ideas later the harried mission head burst out that the suggesters really did not understand - disaster was his agency's bread and butter.

The point is not ill-intent or personal narrow mindedness, but systemic short-sightedness. If disasters are seen as discrete events and short term survival as the only appropriate role of disaster relief, then there will be only too much bread and butter for disaster relief agencies and programmers but only too little for those first vulnerable and then absolutely poor households who need not have been affected as severely and/or could have recovered more fully and faster had a broader perspective been applied.

Development assistance falls into two broad (but overlapping) clusters: stabilisation/adjustment (especially balance of payments support and project (since 1982 ever more loosely defined). Classic IMF stabilisation by itself does (would) increase absolute poverty because it seeks to achieve external credit, and fiscal balance largely by reducing demand rapidly with parallel finance to bridge the (hopefully shrinking) gap until stability is regained and growth can resume. Since the mid-1980s it has been broadly recognised that, in the context of deep-seated structural imbalances, stabilisation by contraction of demand without parallel strategic changes to increase supply linked to finance to make them possible, will not produce recovery or resumed growth.

Therefore, most post 1985 Structural Adjustment Programmes in fact propose initial balance restoration by increased external resource inflows to fill gaps and to allow selective expansion until domestic export, fiscal flow and production growth can take over. The specific finance associated with this approach can be lumped generically as balance of payments support - often with on-selling of enterprise sector imports leading to counterpart flows of domestic currency fiscal revenues.

It would be absurd to say either that the basic cause of absolute poverty in Africa was structural adjustment programmes, that most heavy losers under them were absolutely poor, or that significant numbers of households including some absolutely poor ones have not been vulnerable to structural adjustment programmes, as implemented. This was especially true prior to about 1987 when basic services expenditure cuts were de facto part of many SAPs and still pertains in cases where SAPs in practice constrain raising minimum wages to either minimum economic or social efficiency levels.

The basic criticism of Structural Adjustment, as usually practiced, in respect to absolute poverty, is quite different. If reduction of numbers of households living in absolute poverty (or of structural nutrition, income and access to basic services gaps) is at least as key an objective as any other, then SAPs (with very few exceptions) have a decade-long record of nearly total failure in making progress toward that target (as is also true in respect of narrowing the external trade gap or raising net fixed investment consistent with sustained growth). While it might not choose that form of words, the World Bank in its 1989 Long Term Perspective

Study, 1990 World Development Report and 1991/92 Operational Directive and Handbook on Reducing Poverty, reaches the same conclusion.

This is not inevitable. Counterpart fund use could focus in large part on small scale infrastructure basic services and other strategic poverty reduction programmes to a far greater extent than it does, especially if complemented by foreign currency supporting allocations whether programmatic, sectoral or public sector balance of payments support.

The same holds for project finance. It now contributes very little to the struggle against poverty - perhaps 6% to 8% of Official Development Assistance on UNDP estimates and that almost all to basic services. This is not inevitable given the increasingly broad definitions of projects to cover programmes including physical asset rehabilitation and a portion of early year recurrent finance. The reasons for failure appear to include:

- a. widespread inertia - a tendency to repeat project areas, types and procedures;
- b. usually ghettoising - putting in a few 'poverty projects' not building, poverty reduction as a goal into most projects;
- c. frequently low donor priority - usually by lack of attention or other preferences, i.e. malign neglect not malign intent;
- d. not unusual lack of African state priority (at least in any articulated, operational sense) - again for varying reasons.

More generally, development assistance fails to relate to victims of calamities and catastrophes because:

- a. it does not deal in survival (consumption transfer) payments as more than a fringe area;
- b. the basic premises of most projects and nearly all macroeconomic policies is that the households expected to benefit all can respond or, in slightly different terms, have an existing livelihood base from which to build (or shift).

The second reason is particularly serious because, as noted above, survival assistance programmes rarely last long beyond the conclusion of the catastrophe or calamity which brought them into being, and do not focus on

long term vulnerability reduction during the event nor on livelihood rehabilitation after.

Coping With Calamities: Vulnerability Reduction

The defects and gaps of emergency relief for catastrophes (natural disasters) are a fairly good guide to how to improve its record, not merely in alleviating poverty during the calamity, but of enabling households to recover from it speedily afterwards. While the measures proposed might (or might not) cost somewhat more than present approaches in the short term, in the medium they should in fact save money as well as lives, by reducing future vulnerability.

First, institutional structures based on the reality that calamities recur. Droughts are cyclical - in larger SSA countries in fact, a year with no drought-hit districts is unusual, and floods only slightly less so. Other calamities - massive urban or rural fires or earthquakes are less predictable individually but not as a class of events.

Permanent National structures involving inter-ministerial coordination, build-up of institutional historic memory (and capacity to learn from it), standby planning, national reporting and a shelf of measures to be activated on need, are the main features required. Botswana has a system of this type and - in a rather ad hoc way - so does Tanzania. Zimbabwe's became highly effective over 1983-85 but then illustrated the risks of forgetting history - by 1989 it had atrophied and containable, local crop failures led to famine before Harare knew what was happening. The national structures should link with international agency (especially UNDP, WFP, UNICEF) and bilateral donors on an annual "standby" consultation basis, to keep lines of communication open and procedures on what to do when a calamity strikes, updated and dust free.

Rapid response to calamities is needed. If people are forced from their homes in large numbers for more than a few weeks, half the battle is lost. Averting that means getting relief to villages or distribution points near their homes fast. On the one hand that requires some local stockpiles and on the other, means to replenish them rapidly.

To achieve the latter does require faster, more accurate national reporting/analysing. But it also requires speedier despatch of external

evaluation missions and more mutual trust. The latter includes a realisation that crop and at-risk figures can rarely be accurate until it is too late to avert famine. There should be acceptance that sending (or preparing to send and then cancelling) 20,000 tonnes of ex post unneeded food is much better than losing 20,000 lives through delaying until low crop output is known to be certain, but no time is left to mobilise and move imports so that famine 'risk' has also reached 100%.

If families can stay on their farms (or return promptly in the case of floods, fires or earthquakes) then preparation for earning the next year's income is usually possible. If they are driven to distant camps, such preparation is well nigh impossible and vulnerability plus calamity adds up to structural, not temporary, absolute poverty.

Including inputs to restore production in calamity relief is very uneven. If those afflicted by drought can stay at home and their livelihood is basically crop based, then seeds and some replacement tools (for which no cash flow exists when crops are lost) may be the only needs. Otherwise, the ranges are broader - e.g. pastoralists who lose all or most of their herds need a core of stock to start again and flood victims have urgent tools, households equipment (e.g pails for water) and building material needs.

Work for food (labour intensive infrastructure construction paid in cash) or food for work (the same paid in food) are usually useful. They do provide a rough sorting mechanism for identifying who needs assistance. Two caveats arise. First, they are more suitable for drought than for other disasters because drought victims have unusable time whereas - e.g. flood victims need to use time reconstructing homes and improvements. Second, if packages of projects are not pre-designed and on the shelf, either waiting for them to be set up, will grievously delay feeding people or the actual work will not be very productive. Food for work is designed to provide a gain beyond household survival - if its use threatens either survival or rapid livelihood recovery - then it is inappropriate.

Selling food at subsidised prices is not usually an effective famine averting device in rural areas. It works only if the drought (or flood) afflicted households still have substantial cash incomes. Virtually, by definition, that is not true of the majority whose main cash income is from food crop sales. For those selling significant quantities of (presumably

drought resistant?) industrial or export crops it is possible, but these are rarely a large proportion of households even at district level. Further, if they have lost half of their total real income by loss of food crops grown for household self-provisioning (a frequent case) then it is far from self-evident work for food (which introduces self-selection) is inappropriate. Certainly it is both a more market using and more selective route than general subsidisation.

Vulnerability reduction, whether within the calamity alleviation exercise or in separate projects, deserves parallel attention. Work for food can sometimes usefully include tree planting/tending, erosion control, small scale irrigation works and well rehabilitation or construction, larger water project and major irrigation scheme distribution network rehabilitation. Some other related measures include:

- a. basic veterinary drug stocks analogous to basic human drug stocks especially to reduce losses after the drought breaks (often over half total losses in 1 or 2 year droughts) which would often require ready availability of 4 to 6 drugs plus oral rehydration materials (and rehydration having been developed prior to 1920 for cattle - apparently before its discovery for human use);
- b. introduction of acceptable drought resistant staples which is not primarily a technical problem of breeding cassava, millet and sorghum (guinea corn) important as that is, but of addressing the processing storage and other problems (many relating to women's workload) which underlie these crops relative or absolute decline especially in Eastern and Southern Africa. Tanzania's great success at incentivating higher production over 1974-79 combined with total inability to market the crops domestically is a warning against a purely productionist approach.

Livelihood Rehabilitation: Roads Back From Catastrophes

Catastrophes in practice are wars - inter-state, externally managed or civil. If very brief and involving limited physical destruction, the requirements for enabling their victims to return from absolute poverty are analogous to those sketched for calamity victims. But, if the wars are long, involve large numbers driven from their homes and are accompanied by

massive micro destruction and by macroeconomic collapse, much more is required.

That situation pertains in Angola, Mozambique, Somalia, Ethiopia, Sudan Rwanda, Uganda, Chad, Liberia and probably Eritrea (less evident because of the degree to which rehabilitation has begun) and Zaire (much of which has yet to recover from 1960s confrontations). In these countries at least 50,000,000 people in 7,000,000 households have had their livelihoods and assets wiped out and are now: refugees, internal refugees in camps, severely affected households (outside camps but also outside home areas) and pauperised in place (amid ruins of homes and districts). With limited exceptions, they do not in practice have effective access to any programme designed for ordinary family farming households with a functioning livelihood, a home and tools-seeds-small stock.

Their needs are relatively uniform at broad input level judging by what they themselves say:

1. Adequate security as perceived by the households themselves (which is usually less than what is perceived as necessary by external field personnel, possibly because the latter are in some cases more vulnerable). If the chances of being killed, kidnapped into the ranks of combatants or burnt out are high, return will not be desired until these risks abate - a challenge very context specific and beyond the scope of this paper;
2. means to return to home districts or - sometimes - other, usually nearby, uncrowded areas organised settlements in new areas usually have low popularity;
3. secure use rights (usually evolved traditional not "titled") to land adequate to produce/earn a livelihood (quite often their pre-war land);
4. packages of tools (to reclear land, to rebuild homes, to till and if significant, to fish), basic household equipment (e.g. pails to reduce water collection time), seeds and (where significant to pre-war livelihoods) basic livestock. Realistically, these need to be initial, one-off grants. Myriads of 2 plus 4 year \$100 to \$200 soft loans are uneconomic, unadministrable and (given scarcity of bookkeepers and accountants) unaccountable;

5. Food for the period from return to first significant crop (usually 9 to 15 months given need to clear bush);
6. Restoration (creation) of basic health services, water and education access (apparently in that order);
7. Roads usable most of the year by lorries;
8. Access to traders (i.e. a functioning rural commercial network);
9. Supplementary cash income earning opportunities especially while crops-livestock-fish production builds up (e.g. labour intensive seasonal infrastructure programmes contributing to points 6 and 7).

This approach is evidently not low cost if there are many catastrophe victims. The best costed major plan - for 1,100,000 households - is for Mozambique and would cost about \$2,000 million over five years (including urban and commercial network aspects). But that is under \$275 per person over the period and would both radically reduce absolute poverty and both household and national food insecurity. More interestingly, it would from year six on, break even fiscally and on foreign balance as well as providing the market (as well as most of the food supply and some of the inputs) for restoring buoyancy via demand reflation to the national economy.

Even more surprisingly, by the sixth year, savings on survival (including refugee) assistance and rising domestic fiscal revenue from restored output via indirect taxation on purchases, suggest that the requirement (for this aspect of redevelopment) of additional external transfers would be reversed or even somewhat lower than before livelihood rehabilitation began.

Livelihood rehabilitation is best seen as a first step in or a sub-programme within, the broader Struggle Against Absolute Poverty strategy outlined above. Its main differences relate to security, transport home, massive land allocation (or more usually return to previous land), free initial packages and food until harvest. These are much less central (indeed in respect to packages and food may be inappropriate to) programmes relating to very poor but functioning rural family farming households. It is only too clear from looking at several draft rural development project proposals (national and/or externally prepared/revised) that these additional requirements are often unrecognised.

VI.

WHERE NEXT?

Resources: Priorities, Policies, Personnel, Purchasing Power

It is common in SSA today after considering a programme, policy or project to say either:

- a. there are no resources to do it; or
- b. but the Bank and the Fund won't like that.

These are not adequate, probably not even appropriate, answers - at least not at that stage.

Resources are never totally absent - the real question is one of deployment (allocation, choice) turning largely on priorities (will) linked to serious analysis, strategic conceptualisation, articulation and implementation.

The attitudes of external bodies cannot be ignored but they should not be the first concern of an African government (civil society organisation) whose first accountability should be to its citizens (members) present, past and future, and its second to the consciences of its own decision takers. It is after strategic design and broad articulation have been carried out on that basis that the question of convincing external cooperating (or obstructing) partners becomes of relevance - often quite crucial relevance.

The struggle against absolute poverty is by no means unsaleable. As discussed earlier, the World Bank in principle, now ranks reducing poverty as a priority objective to be incorporated into structural adjustment programmes. Even if performance lags analysis, rhetoric and handbook/operational guide-lines the door is open to country leadership in analysis, conceptualisation and tabling of articulated proposals. The same position - in varying degrees - holds true of most international and bilateral agencies.

To start a strategy with a one page request for foreign finance - and too often that only slightly caricaturises what happens - is the wrong approach. It clearly leads to national capacity corrosion not building and dependence deepening not reduction. Further, it virtually ensures that the

articulated programme constructed - and perhaps funded - will not be what the African proposers had in mind. Finally, it does not work in that both additional external transfers and major reallocations within existing flows require homework and serious evidence of potential recipient commitment before donors/lenders will in fact fund them on more than a token basis.

The first necessity is a strategic commitment to absolute poverty reduction backed by broad targets as to means and as to results over - say - 3 to 7 years. The second is to articulate from strategy to main programmatic means. The third is to devise an institutional structure both achievable and capable of coordinating and (including strengthened existing bodies) operate the strategy. The fourth is to do broad brush resource requirement (and generation) estimates as to personnel and institutional capacity as well as finance and foreign exchange. The fifth is to engage in a genuinely participatory process beginning with absolutely poor households at local levels (e.g. village/neighbourhood). The sixth is a re-articulation of targets, means, institutions resource requirements and flows at all levels leading to a draft budget. The seventh is articulation of domestic sources. Only the eighth step is approaching external sources for reallocation or augmentation of transfers. Clearly no procedure is quite as rigidly sequential as that - some steps go in parallel; it is to be hoped that the first four do rest on a backdrop of data from and participation by households and institutions (local government or civil society) well beyond central ministries; the exercise will be iterative in the sense that steps five through eight will usually need to be done more than once before an operational package is achieved. Similarly, external ideas (e.g. on comparative experiences) and technical support may be useful at stage six. But the basic point remains - additional external resources may be a bottom line but should not be the initial headline.

That said, finances do matter. However, the two rough projections to hand - for Mozambique and by UNICEF for continental Africa) do not suggest an impossibility. The Mozambique Livelihood Rehabilitation phase of National Reconstruction appears likely to require \$500 million (\$400 million rehabilitation proper) a year in struggle against poverty expenditure. Total domestic revenue and external resource transfers are of the order of \$1,300 million a year. Reallocation - from defence, emergency survival funding and large capital intensive projects - plus expenditure on supporting Mozambican refugees, which by definition is not in the \$1,300

million - could probably cover half that while revenue growth generated by the programme by the end of five years finance the balance. There is a \$1,000 total need for new foreign finance - especially in the initial phases of demobilisation and refugee return - but concentrated in the first three years.

UNICEF's continental projections presented in Investing In Africa's Children for the November 1992 OAU-UNICEF conference of the same name, come to the order of \$12,500 to \$15,000 annual spending sustained for a decade and about \$6,000 initial additional annual expenditure needed. The coverage is fairly similar to Mozambique's because production by poor people and safety nets as well as basic services are covered. This is not so surprising as it may seem - to reach the goals of the World Summit on Children and the ensuing African Charter does require a radical reduction in the numbers of children existing in absolute poverty and, therefore, requires enabling their families to climb out of absolute poverty through production/earned income empowerment or safety net transfers plus access to basic services.

Compared to Mozambique's the UNICEF figures do appear high. Mozambique's population is about 4% of Africa's and its Struggle Against Poverty target expenditure requirements are also about 4% of UNICEF's. With an absolute poverty rate over twice and an output per capita under half the average of Africa as a whole, a 6% to 8% share would appear more plausible. The divergence clearly comes from UNICEF's rather more ambitious water and (especially) sanitation and basic education targets which account for about 45% of its projected expenditure requirements versus about 25% for a more cautious (or tighter costed or slower coverage expansion) approach in Mozambique's case. However, the basic point remains. These targets are ambitious and will be hard to achieve. They can, however, be achieved in the real world of the 1990s in those African states whose people, civil society organisations and governments do perceive them as top priorities and set about systematic conceptualisation and articulation followed by sustained mobilisation, implementation and rolling evaluation/revision.

Killing The Elephant

The primary responsibility - and ability - to wage an effective struggle against absolute poverty is African. Power realities mean that initially that responsibility, and ability, rest primarily on the not so poor and not

Killing The Elephant

The primary responsibility - and ability - to wage an effective struggle against absolute poverty is African. Power realities mean that initially that responsibility, and ability, rests primarily on the not so poor and not poor citizens and civil society organisations of individual states and particularly on their leaders (political, economic and intellectual). Regional and sub-regional organisations - like a number of international agencies - can play useful supportive roles if there is national commitment and a national strategic framework but otherwise can do very little beyond mild catalytic efforts on the analytical and intellectual fronts.

It is perfectly true that Africa faces a hostile global economic environment. It is no less true that in most states external finance and personnel purveyors (severally and jointly) have an unhealthy degree of power not always exercised benignly and frequently used in ways quite inconsistent with African capacity building, national accountability or reduction of future ODA flows. In war devastated (and certain other) countries the objective capacity (and even in several cases the legitimacy) of the existing state structures are low, and would cease if fund transfers now operating as life support machines were cut off.

These are realities - bitter ones. But the first is one about which African states can do very little beyond transforming their own policies to reduce vulnerability (which may well mean more and more diversified exports rather than attempted disengagement from the global economy). The second and third realities can only be overcome by African initiatives and actions - possibly very limited at first in some cases but aimed at medium and long term capacity rebuilding and unilateral dependence reducing.

While these points are general they are, perhaps, particularly relevant to the struggle against absolute poverty. Given that Africa as a whole is marginal to the world economy, and absolutely poor Africans at present are marginal to national economies in African, it is only too clear that external institutions have no major economic interest in absolute poverty reduction (and also, more fortunately, no serious economic reasons to oppose it). Both in SSA and more broadly the differences in priority given to the struggle against absolute poverty and the degree of success at reducing it (or limiting its increase) relate to national commitments and priorities and have rarely been catalysed - let alone articulated and

implemented - by external actors. This point is not trivial. The differences and results are real, e.g. Botswana and Tanzania do contrast with Kenya and Malawi; the strategic focuses, resource allocations and results in basic service provision and Calamity Commission capacity in Mozambique are not the same as in Angola. Causal factors are complex and hotly debated. What is clear is the domestic nature of the divergences.

Further, the internal logic of strategies for effective reduction of absolute poverty does require decentralisation, participation and accountability. External actors - except some NGOs - find decentralisation exceedingly difficult to relate to in practice (even if they genuinely do favour it). Participation in the full sense cuts against their technical and intellectual habits and presuppositions and their capacity to engage in it, at poor neighbourhood or rural district level is virtually nil - again, perhaps, excepting a small minority of external NGOs. Accountability poses a paradox. No bilateral agency and no external NGO can be primarily accountable to an African state or its citizens. They have their own structures of accountability to their own home constituencies. The same pertains to international agencies, albeit a number do juggle dual accountability to their governing body (including the African host governments) and to their host governments with a certain degree of success. Some would cite ILO, WFP and UNICEF in this context albeit both perceptions and realities vary widely. That variation may relate to the degree to which clear state policies and pro-active responses make meaningful accountability to hosts practicable in that all three agencies by their institutional mandates and competences are necessarily committed for poor people.

Even in weak or very weak states, national priorities and initiatives (at least if carefully thought out, well argued and backed with at least preliminary articulation) do have an impact on external agency programming.

In respect to Mozambique, the Bank has accepted what is basically a Mozambican set of strategic goals in respect to poverty reduction and - perhaps more interestingly - the Mozambican contention that demand reflation (especially by rural production rehabilitation) is crucial to restoring sustainable growth. True, the process has been frustratingly slow. True, Mozambique has used some expatriates (on contract to Mozambique and perceiving themselves as accountable to Mozambican superiors) in analysis and articulation in a context of mixed working

groups and teams. But almost all worthwhile progress is maddeningly slow and using expatriate knowledge or analytical capacity within a national frame is not inherently more dependency creating than using imported petroleum products in a national lorry fleet (as demonstrated in Botswana and - less uniformly - Tanzania).

The Struggle Against Absolute Poverty will not be won in a day, a week, a year, or even a decade. Both resource constraints and patterns of power preclude that. But both resource availabilities and power patterns do - in most African countries on the latter and all on the former count - allow a start to be made. Once a dynamic is built up, further progress will become less difficult. Increased participation in production, decentralisation and the first steps toward accountability will build up the political economic leverage of poor households organised to protect and enlarge their initial gains. In parallel, the interest of all institutions in protecting and enlarging established programmes which now - at least by inertia - hampers innovative programming against absolute poverty, can become a positive force once implementation has built up. To the criticism that this amounts to bribing the electorate and pandering to institutional imperialism there are two answers:

1. if goals and actions are justified in themselves their potential payoff politically is a positive not a negative feature. A politician who plants jobs, schools, health posts and old age pensions for absolutely poor people in order to harvest votes has a good deal to be said for him/her;
2. the easiest way to make institutional self-protection and concentration on furthering their own areas of concern a positive factor, is to ensure that the areas for which they have staff resources and backing are the right ones. It is no bad thing that - e.g. - adult educators believe adult education important. And (if one agrees) it is a rather good thing that over time the adult education directorates in Cabo Verde and Tanzania have built up programmatic resource and support bases making them - very atypically - as able as primary, secondary or tertiary education directorates to fight their own corner within Education Ministries and with Treasuries.

The relevant African proverb in respect to the Struggle Against Absolute Poverty is perhaps the one applied by Mwalimu Nyerere in a somewhat analogous context in respect to the work of the South Commission:

Rabbit, rabbit where are you going?
I'm going out to kill the elephant.
But rabbit can you really do that?
Well, I'll try... and try again.

Author Note

Reg Green is a Professorial Fellow at the Institute of Development Studies (Sussex) and Senior Social Policy Adviser to the National Directorate of Planning of Mozambique. He has been a student of the political economy of development in Africa since 1960 having lived, lectured, advised, researched and/or worked as a civil servant in thirty-odd independent states. He contributed to the World Employment Programme and especially its concluding document, Employment, Growth and Basic Needs, and has worked with the Economic Commission for Africa on the articulation, mid-term review and autopsy on the African Priority Programme for Economic Recovery as well as on the 1988 Khartoum "Human Dimensions" Conference, and is an ongoing participant in UNICEF work (notably Children On The Front Line and Investing In Africa's Children). He has worked with SADCC as well as several African governments and the World Food Programme and African Development Bank. He is a trustee of the International Center for Law In Development, a member of the Education Committee of the Catholic Institute for International Affairs (UK), and on advisory groups to the World Council of Churches and the Foundation for Debt and Development.