Conclusions: The Way Forward

Tell the officials in the city that the money meant for the poor never reaches us. If they want to give assistance, they must give it directly to us and not through those men.

—A poor woman, Pakistan 1993

The central story of this book is about the tenacity of social norms, the unequal distribution of power, and the indomitable spirit of poor people. Despite the hard work of the poor themselves, the commitment of thousands of dedicated people within developing countries and international development agencies, and billions of dollars spent by national governments and international development organizations, there are more poor people today than there were at the beginning of the decade. Fifty-six percent of the world's population is currently poor: 1.2 billion people live on less than $1 a day and 2.8 billion live on $2 a day.[1] For the vast majority of the poor, development programs, however well intentioned, seem ineffective and irrelevant. There are of course examples of programs that work—pockets of excellence—but their impact is modest indeed in the face of the huge scale of the poverty problem.

"Although there is widespread disappointment with the government's performance, communities have not concluded that it has no role in development. Rather, they point to the need for change in responsibilities, under which money would be channeled to communities as implementers, with government providing technical assistance and supervision" (Nigeria 1996). The core message from poor people is a plea for direct assistance to them, for support to their organizations so they can negotiate directly with governments, NGOs, and traders without exploitative and corrupt "middlemen." They want governments and NGOs to be accountable to them. This requires systemic change. How this can be accomplished is the central challenge that confronts us at the dawn of the twenty-first century.

This final chapter is not a blueprint for action. Rather it suggests directions for change that need to be further developed by those engaged in making a difference in poor people's lives. The first section briefly discusses the power of institutions and social norms and recapitulates key findings from the PPA analyses. The second section identifies four elements of a strategy for change.

Institutions and Power

> *We poor people are invisible to others. Just as blind people cannot see, they cannot see us.* —Pakistan 1993

> *People now place their hopes in God, since the government is no longer involved in such matters.* —Armenia 1995

Sen coined the term "economic and social regress" to describe increased destitution and decreased well-being among poor groups in an age of unprecedented global prosperity (Sen 1993). The stark reality of this

regress is given form and context throughout the narratives in the PPAs. Social norms and institutions are the key obstacles faced by poor women and men as they attempt to eke out a living against the odds. Poor people's experiences demonstrate again and again that informal rules or social norms are deeply embedded in society, and that the rules in use invariably override formal rules.

It is precisely because social norms are deeply embedded that change in one part of a social system cannot bring about systemic changes. In fact, a change in one part of a system merely creates resistance in the system until "order" is restored. This phenomenon is evident in all kinds of social systems, from the household to the nation state.

Poor people's experiences reflect fundamental inequities in power among different social groups, and the lack of bridges or horizontal linkages between those more powerful and those less powerful. It is no surprise that in this institutional environment the experiences of poor people are characterized by the lack of power and by voicelessness. In these circumstances promotion of voice and empowerment of poor people become the central tasks of development policies and agencies.

Findings

This section highlights eight findings that emerge from the content analyses of 81 Participatory Poverty Assessments (PPAs) conducted in 50 countries. Whether the topic was poverty, institutions, or gender relations, the process did not start with a presumed set of answers—the patterns emerged through objective analysis of poor people's descriptions of their realities.

Powerlessness and Poverty

> *Poverty is humiliation, the sense of being dependent, and of being forced to accept rudeness, insults, and indifference when we seek help.* —Latvia 1998

Poor people—including the newly impoverished in Eastern Europe, Central Asia, and the former Soviet Union—describe poverty as the lack of food and assets, the powerlessness that stems from dependency on others, and the helplessness to protect themselves from exploitation and abuse because of their dependence on the same groups for survival. Lack of food and unemployment are mentioned as key problems almost everywhere. The rich are defined as those with only one job, while the poor are rich in many dangerous jobs (Pakistan 1996, South Africa 1998). In rural Sub-Saharan Africa and Asia the poor are defined as those who have to

sell their produce at low prices to the rich because they need immediate cash and lack storage facilities, and who later are obliged to buy it back at high prices. They are also those who work long hours for low wages because they have no bargaining power. Agricultural wage laborers are seen as the most exploited, often trapped in intergenerational debt. Poor people say that they are treated with rudeness, and experience deep humiliation in their interactions with both the state and with their employers. In Georgia people equate poverty with the lack of freedom—they feel enslaved by their crushing daily burdens, by depression, and by fear of what the future will bring (Georgia 1997).

Our analysis of definitions of poverty reveals that these psychological dimensions are central to poor people's definitions of poverty. Tranquility and peacefulness are important to poor people, even when poverty does not decrease (Guatemala 1997b). Maintaining social traditions, hospitality, reciprocity, rituals, and festivals is central to poor people's self-definitions as humans, despite dehumanizing economic and environmental realities. "*Without these simple humane signs of solidarity, our lives would be unbearable,*" says a poor woman in Ukraine (1996).

The lack of basic infrastructure—particularly roads, transportation, and water—is seen as a defining characteristic of poverty. "*Where a road passes, development follows right on its heels,*" says an old man in Cameroon (1995). Roads and transportation both increase physical and social connectedness and increase prices obtained for crops and products. Roads—even roads to the next village—are seen as expanding people's options, increasing their negotiating power, and increasing their access to markets and services. Access to clean drinking water and water for irrigation frequently emerges as a characteristic difference between the poor and the rich.

Illness is dreaded all over the world. Because poor people live on what they earn from their daily labor, with few cash or other reserves, severe illness can throw a whole family into destitution. "*If you don't have money today, your disease will take you to your grave,*" says an old man in Ghana (1995a). Medical fees, transport costs, the need to bribe health staff to receive treatment, and the humiliation of putting up with rude and callous behavior emerge as major problems throughout the world. In the Philippines a young mother who did not have access to a faraway clinic found herself "*holding and singing lullabies to my baby until she died in my arms*" (Philippines 1999). In Vietnam a poor woman says that the death of one person allows the others to live, while in Central and Eastern Europe poor people say that they have to choose between spending money on medical services that may not cure the patient, and spending it on

burial expenses. In Georgia residents in one area have a new saying: "*The sick do not have the right to live*" (Georgia 1997).

Literacy is universally valued as a means to survive, to avoid exploitation, and to maintain mobility. "*I am illiterate, I am like a blind person,*" says a poor mother in Pakistan (1993). However, education, even primary education, receives mixed reviews in many countries, including those in Eastern Europe and the former Soviet Union. While poor people value education, official and unofficial spending required even for so-called "free" primary education is considered high, and its potential returns low. People speak of absent teachers, low teacher motivation and skills, contributions required from the families—such as chalk, heating fuel, and gifts—and costs related to school uniforms, textbooks, and transportation. In addition, many poor parents and children calculate that in a tight economy and corrupt society education does not lead to jobs. "*Getting a job has nothing to do with what you learn in school*" (Uganda 1998).

Poor people speak extensively of the important role of assets in reducing their vulnerability. There are strong gender differences: poor women in most countries have less access to assets than do men. These include physical assets, particularly land and housing; human assets, such as health and entrepreneurial skills; social assets or social networks; and environmental assets. In the absence of personal savings or state-provided assistance, social relations are poor people's only social insurance. Poor people also highlight their greater vulnerability to both seasonal and catastrophic environmental shocks and to increased social strife. Physical vulnerability—the fear of physical and sexual assault—is a concern expressed by poor women in many countries.

This combination of limited assets and voice results in poor people feeling powerless to defend themselves and their families. Poor women dependent on collection of nontimber forest products report shrinking resources due to unsustainable clear-cutting of trees and their inability to stop the large-scale felling. "*Little by little the environment is dying and people don't understand that the problem comes from the fact that man is killing the environment,*" says a poor mother of seven children in Guatemala (1997b).

Relations within the Household

> *He scolded her and physically assaulted her for not preparing his meal.* —Bangladesh 1996

Many poor households are stressed and crumbling, but gender norms and inequity remain intact both within the household and in institutions of

society. The household is the fundamental building block of society, and the place where individuals confront basic livelihood concerns, norms, values, power, and privilege. Men's identity and roles are associated with being the breadwinner and the rule-maker, and women's identity and roles are associated with being the caregiver of the family. Social norms still support men's authority, and indeed men's right, to beat women, and social norms still dictate that women suffer in silence. While many households manage to survive intact, many are crumbling under the weight of social, political, and economic dislocations. However, the responses of men and women to these dislocations are dramatically different. Many men are collapsing, falling into domestic abuse and violence, turning to alcohol and drugs, or abandoning their families. Women, on the other hand, seem to swallow their pride and hit the streets to do demeaning jobs to bring food to the family table. "*Rather than suffering from poverty, we should better go sweep up the garbage in other people's houses*" (Moldova 1997).

Faced with discrimination in the labor market, including age discrimination and a lack of opportunities in the formal sector, women have entered the informal market in large numbers, thereby exposing themselves to additional risk. Women's increased income is not necessarily empowering them. "*Men own everything because when they were born they just found it like that*" (Tanzania 1997). Women in many countries are still treated as legal minors regarding ownership of land and property. In times of trouble, "*The first thing to be sold is invariably women's jewelry*" (Pakistan 1993). The death of the husband often leaves widows destitute.

Relations with the State

> *A person remains unprotected; he is oppressed by a*
> *feeling of being humiliated, beaten, insulted, and robbed.*
> —Ukraine 1996

"*Nobody wants you to come with empty hands*" (Macedonia 1998). Poor people experience the state as ineffective, irrelevant, and corrupt. While they appreciate the importance of government-provided services, poor people experience corruption in every part of their daily lives. "*If the government passes a loan of Rs.10,000 only half of it reaches the beneficiary. The rest is taken away by the government people. If we make a hut, the men from the Forest Department will start harassing us for money, asking from where we got the wood and saying the wood belongs to the Forest Department and so on*" (India 1997d). In health, education,

finance, the distribution of water, land, and seeds, the availability of pensions and unemployment benefits, and even the distribution of relief during emergencies, states are often experienced as corrupt, callous, and uncaring. "*The poor are those who suffer. Because in our country there are resources. The authorities don't seem to see poor people. Everything about the poor is despised, and above all poverty is despised*" (Brazil 1995).

Lack of information and the need for documents, which state officials make difficult to obtain, limit poor people's access to state-provided services. Institutional practices reflect gender norms, making it difficult for women and girls to access education, health care, loans, and property. Women's access is further limited by the fact that many programs target heads of households, invariably presumed to be men. To qualify, women need documents issued only to men. In Ukraine the unemployed say that the "*humiliation experienced at the unemployment office is designed to chase the unemployed away*" (Ukraine 1996). In Kenya men, women, and youths say that they are "treated worse than dogs" at the health clinic (Kenya 1996). In many countries of Eastern Europe and the former Soviet Union privatization is equated with theft (Georgia 1997). In Thailand poor people say, "*It was the rich who benefited from the boom … but we the poor pay the price of the crisis*" (Thailand 1998).

Relations with the Elite

> The leaders have the power, but they have no interest in the community. —Venezuela 1998

The local elite and local leaders act as effective gatekeepers to government-provided assistance, either diverting resources to their own use or further deepening their power over the poor by becoming the resource distributors. Poor people speak about collusion between local officials and the local elite. In Panama people say, "*The community has no voice*" (Panama 1998). In Eastern Europe and the former Soviet Union people report an increase in patronage ties, and say that without such protectors survival would be difficult. In India the *Panchayat Raj*—with authority and resources devolved to the village council—despite problems, is viewed as breaking the hold of local elites in some areas, although caste-based organizations remain strong in other areas, as does bonded labor (India 1998d). Despite obvious wrong-doings and excesses by the elite, without a secure means of livelihood and access to justice the poor remain silent witnesses.

Cooperation across class and caste occurs primarily when a problem affects the rich just as much as the poor, such as when floods threaten, or when a road must be built to reduce isolation.

Relations with NGOs

*Even the nongovernment initiatives have at best provided
marginal access to Gandas [tribal people].* —India 1997c

NGOs have limited presence and outreach. Where they are present NGOs
are often praised as the only groups concerned about poor people. In the
absence of state services, they have become important providers of basic
services and charity to poor people. In many places NGOs are clearly more
trusted than the government. However there are also accounts of NGO in-
effectiveness, irrelevance, and favoritism. In Togo "briefcase NGOs" affect
the credibility of all NGOs. In Bangladesh the urban poor are upset with
NGOs because "*NGOs promise much and do little*" (Bangladesh 1996).
Poor people in many countries lack information about NGO activities in
their areas. NGOs also suffer from the "tarmac bias" (that is, they work
most frequently with the poor who live close to roads), despite their best
intentions to reach the poorest.

   Some of the problems experienced by NGOs are due to uncertain and
short-term funding and limited capacities. Some NGOs involved with de-
livering services financed by international organizations are criticized for
"dispensing financing with little local participation" (Senegal 1995). The
potential of NGOs to support poor people's organizations, function as in-
dependent watchdogs, and keep the state accountable at the local level re-
mains largely unfulfilled.

Networks and Associations of the Poor

*These days nobody gets enough fish, so it's no use to expect
your brother or neighbor to help you out; he doesn't have
enough either.* —Benin 1994

Informal networks and associations of poor people are common in
rural and urban communities. In the absence of connections to state
resources these informal networks become critical for survival;
they become poor people's lifelines. "*If it hadn't been for help from
the village, the children would have died of hunger*" (Armenia 1995).
Poor people also recognize the limits of their networks. "*If one man
is hungry and doesn't have any food, how can he help another
hungry man?*" (Pakistan 1993). In times of shared economic stress the
resources of these networks are further depleted. Rich people's networks
are more cohesive and cut across village boundaries as well as social,
economic, and political activities. Poor people's networks in many parts

of the world do not transcend community boundaries and rarely enter the political domain.

There are important differences between men's and women's networks. Men are more embedded in formal patron-client relations, whereas women, lacking access to formal systems, invest heavily in social relations with other women, both for social solidarity and for informal sharing of limited resources. Most of these women's organizations remain disconnected from any external resources. Associations are stronger in rural than in urban areas, where they are more likely to be organized around occupational groups.

Community-based organizations provide basic services in the community and build social cohesion. Women are generally excluded from community-level decisionmaking. "*Men have a better place in the community*" (El Salvador 1997). Some community-based organizations reflect local power relations and often involve fees. A poor woman in Togo says, "*If you are as poor as I am and can't contribute regularly, you can't participate*" (Togo 1996). Given economic stress, the introduction of fees for services forces poor people to make choices. With limited resources they very often try to continue their membership in burial societies, to ensure they will be taken care of, at least in death. Burial societies are found worldwide, particularly in Sub-Saharan Africa and in Eastern Europe and the former Soviet Union. "*They will not put you free of charge even in a grave,*" says a pensioner in Macedonia (1998).

Organizations of the Poor

There is surprisingly little mention of organizations of poor people that cut across communities or that have succeeded in accessing resources that were meant for the poor. In Ecuador, over a 20-year period, federations of indigenous organizations have emerged at regional and national levels and now work with governments on local and national policy issues, including land reform. In some places in India NGOs are involved in organizing women's credit groups and work groups to help purchase raw materials in bulk, and eventually to raise awareness and to mobilize women around their rights and economic activities (India 1997a). In Vietnam NGOs are involved in helping set up poor people's production organizations to change poor people's bargaining power. In Nigeria a widow's organization started by a Catholic priest has changed widows' lives dramatically in a society where widows had been scorned, hated, and were vulnerable to assault. The reports are relatively silent on collective movements and on poor people's cooperatives, trade unions, or health associations.

Social Fragmentation

Respect is lost. If someone wants to do something always someone steals the money. —Panama 1998

Poor people report living with increased crime, corruption, violence, and insecurity amidst declining social cohesion. They feel helpless against the forces of change. Many poor people report a decline in economic opportunities, and report that new opportunities are only available to those with connections. This perpetuates vicious cycles of exclusion. Even in rural areas people feel that sharing and reciprocity have declined as people struggle for survival. "*What is mine is mine, and what is yours is yours, in this community people are very stingy*" (Ecuador 1996a). In the Republic of Yemen people feel that businessmen are betraying traditional solidarity (Republic of Yemen 1999). In country after country—Ethiopia, Jamaica, Kenya, South Africa, and Thailand—poor people draw strong links between crime and unemployment. This is most extreme in the countries of the former Soviet Union. People report that seedlings planted in the ground are stolen overnight (Ukraine 1996), that violence has become so pervasive that "the streets have invaded the classroom" (Armenia 1996), and that brutal attacks on both men and women are common because police protection is no longer available (Moldova 1997).

Few poor people feel they have access to justice and the police, and officials and criminals are often accused of being in collusion. Instead of being seen as protectors, where they are mentioned at all the police are largely viewed negatively for their indifference, for their role in intimidation, corruption, and crime, and for their ability to instill fear, to harass, and to brutalize. "*The police support their families by just showing their shadow*" (Armenia 1995).

Elements of a Strategy for Change

Poor people's encounters with institutions should provide opportunities and essential services. Instead — and despite the efforts of many committed individuals within governments, civil society, and international organizations that work in partnership with poor people — these institutional encounters often leave poor people disempowered, excluded, and silenced. This institutional crisis, combined with so many well-intentioned efforts to reduce poverty, has created the opportunity for rethinking development strategies to reach the poor.

Poor people do not want charity but opportunity. In Macedonia, 95 percent of poor young people see employment as the only way out. A young

man said, "*I don't want to be servant to no one for 3,000 denars. I do not want to be humiliated*" (Macedonia 1998). Any changes must be supported by economic growth that creates livelihood opportunities for the poor. While further research and evaluations are needed to discern which programs work best in which institutional environment, poor people's voices urge us to act now, to innovate, and to learn by doing. Changing poor people's lives for the better is inherently complex because poverty is never caused by the lack of only one thing. It involves many interrelated elements, and without shifts in power relations poor people cannot access or shape the resources aimed to assist them. A strategy for change must have four critical elements. It must:

1. Start with poor people's realities
2. Invest in the organizational capacity of the poor
3. Change social norms
4. Support development entrepreneurs

1. Start with Poor People's Realities

When development interventions and government performance are approached from the perspectives and experiences of poor people, the world of development assistance looks different. The challenge for outsiders is to look at the world through the eyes and spirit of the poor, to start with poor people's realities and then trace upwards and outwards to identify, and then make, the changes needed to impact poor people's lives. When we view the world from the perspectives of poor people six areas call for action.

Poverty diagnosis by the poor and expansion of poverty measures

Poor people's definitions of poverty do not only include economic well-being, but also include vulnerability, powerlessness, the shame of dependency, and social isolation. The degree of dependency emerges as a classification criterion of poverty. In fact, poor people do not talk much about income, but focus instead on the range of assets they use in coping with their vulnerability and in overcoming shocks. What you measure is what you see. Poor people's experiences urge an expansion of poverty measures to include voice and power, vulnerability, and accumulation of assets.

Poor women and men have detailed knowledge and have context-specific criteria about who is poor and not poor. This knowledge should be used in programs that require identifying poor people. The participatory methods to measure poverty such as those used in many of the PPAs can become a powerful complement to household surveys to monitor and evaluate change over time. Sampling frameworks will need to be clearly defined and merged where possible.

Future PPAs need to adopt an explicitly institutional approach to understanding poverty from the perspective of poor people. It is also critical to adopt a gendered approach in the PPAs. This will bring about a better understanding of how men's and women's lives are embedded in institutions—from the household to national levels—in specific contexts, and how this differentially affects their freedom to pursue a life with dignity. Much more work needs to be done to understand the attitudes, interests, and values of service providers and the local elite in order to design strategies that are more likely to be supported by them or not immediately hijacked.

Informal livelihoods

Concern about insecure livelihoods is widespread. Most of the poor who are not involved in agriculture acquire their livelihoods in the informal sector, yet most government and international attention is focused on formal employment opportunities. There appear to be no large-scale programs of assistance that focus on the needs of poor women and men in the informal sector. There are very few trade unions of the poor that focus on the problems of poor workers in the informal sector. Much can be learned from the work of the Self-Employed Women's Association (SEWA) in India, which focuses on organizing women in informal employment and is experimenting with schemes to provide health and life insurance to workers in the unregulated sector of the economy.[2]

Health protection

Health is affected by many factors, including people's homes and environments. Examples of ill health throwing poor families into destitution emerge all over the world and cannot be ignored. Programs that provide poor people with health coverage and yet do not drain the national treasury are desperately needed.[3] While domestic violence has many causes, healthcare staff has an important role to play in care, documentation, and support of women who have been physically abused. The World Health Organization now recognizes gender-based violence as a major public health concern.[4] The spread of HIV/AIDS (particularly in Africa), and the silence and stigma associated with the disease, need to be broken for effective prevention and treatment.

Lack of infrastructure

Lack of infrastructure such as roads, transport, and water emerges as a characteristic that distinguishes the poor from the rich. From the perspective of poor people the order of improvements in roads needs to be reversed, with much more emphasis on roads connecting villages to each other and the nearest town. In the domestic water supply sector much

innovative work has been undertaken around the world, and this needs to expand.[5] Private toilet areas to prevent assault and harassment of women emerge as a high priority in Bangladesh and Pakistan.

Literacy and skills

Poor people give high priority to literacy and skills acquisition and the value of education, but are interested in education only when their immediate survival needs have been met. There are exceptions. For example, in Kenya parents often express a willingness to sell everything they have to ensure children get through at least primary education (Kenya 1996). But in many countries poor people will invest in education only if the costs are lowered, if the structure and quality are relevant to their lives, and if they feel that the chances of finding employment are fair. The hidden and not-so-hidden costs of education are too high for many poor parents. Innovations such as scholarship programs for poor girls are radically changing the decision to send girls to schools in a few countries. New thinking is required to bring basic education within the reach of all poor children.[6]

Lawlessness and corruption

Poor people feel powerless to change the behavior and actions of state officials, the police, and the local elite. Corruption and a decline in personal safety are real and widespread issues for poor people. Since these issues cannot be dealt with in isolation, systemic interventions are needed to create local government councils that are accountable to poor people, an accountable police force that protects rather than harms the poor, justice systems, and legal aid within the reach of poor men and women. Local-level accountability can be increased through public access to information. Innovative use of information technology to connect poor people to markets, the media, and to each other can help shift the bargaining power of poor people vis-à-vis their governments, civil society, and the private sector.

2. Invest in the Organizational Capacity of the Poor

Organizational capacity or social capital has rightly been called the asset of the poor, yet our analysis shows that this asset is on the decline, eroded by economic pressure and by economic and physical dislocation. The analysis also shows that, given the pressures to survive and their dependency on the rich, the networks of poor people become atomized and serve a survival and social function rather than a transformational or political function. There are relatively few poor people's organizations that have the bargaining power to negotiate with local elites and participate in local, national, or global governance and decisions.

It is only when poor people can draw on the strength of their numbers and organize themselves that their voices can be heard, that they can negotiate with buyers and sellers, and that they can participate effectively in local governance and in government programs intended to serve them. Much remains to be done to support organizations of the poor at the local level. Developing organizational capacity of the poor is a long-term process that may take 10 to 20 years. It requires long-term financing, trust, and flexibility. This has to be done with care, because it is very easy for impatient outsiders to take over local processes and leadership. Taking a stand is risky. When funding is through intermediary organizations of uncertain duration, the poor and their families who take action bear all the risk.

Grassroots coalitions of poor people's organizations and intermediary organizations are needed to ensure that poor people's voices and interests are reflected in decisionmaking beyond the community. Information technology has a critical role to play. Global, regional, and national policy networks of poor people's organizations are crucial to influence decisions being made outside the community but that have an important bearing on the lives of poor women and men.

Implement community-driven approaches

Many countries are introducing radical decentralization in attempts to create accountable and responsive governments. Governments, international development agencies, NGOs, and the private sector need to support community-driven development strategies on a large scale. Community-driven development involves giving community groups authority and control over funds, resource allocation, and decisionmaking. This radically changes the incentives of service providers to be accountable to community groups that are representative of poor men and women. Neither radical decentralization nor community-driven development will work effectively, however, unless poor people's organizational capacity is strengthened for effective bargaining, and methods are found to encourage the rich to support the poor—or at least to minimize their negative impact on poor communities.

Developing local organizational capacity requires facilitators who work with poor men and women to inform them about programs, rules, and assets. Poor people need organization to demand local-level transparency and accountability, a process that may also require protection from punitive actions taken by the local elite. So far, governments and most development assistance have focused on the rules, resources, and capacities of the formal systems of governance, and not on mechanisms to build the capacity of poor women and men to participate in local governance and to demand local-level transparency and accountability. There are promising

examples of programs that invest in local organizers and organizations chosen by the poor that are unlocking information about budgets and wages and putting them in the public domain, and that are developing government procedures that deliver timely assistance without distorting local priorities.[7] An independent press that investigates local governance and prints information about wrongdoing can create pressure for accountability and good local governance.

Partnership with civil society

NGOs and civil society can play key roles in building up organizations of poor people and in serving a watchdog function. To be effective, NGO monitors accountable to poor people need long-term funding, media support, and space to develop. Local and national laws and finances must support this effort. In any environment it is easy for well-intentioned, powerful, and articulate outsiders to take over, thereby diminishing the very local-level processes they want to support. Organizing among the poor, letting leadership among the poor emerge, and acting on local-level priorities are all processes that have their own rhythm. They require patience, listening, and strong norms of service and humility. All are difficult for highly educated outsiders to practice.

3. Change Social Norms

A norm is a shared expectation of behavior that connotes what is considered desirable and appropriate (Marshall 1994). Poor people's interactions with landlords, traders, moneylenders, state officials, local council members, local elite, politicians—and women's encounters within the household with husbands, mothers-in-law, other relatives, other women, traders, financiers, police, educators, and employers—are not governed primarily by the laws of the land, but by the social norms that dictate who has what value in each interaction. These pervasive and interconnected norms hold the entire edifice of society and governance in place. Changed social norms can lead to sustained change in behavior, which is then reinforced by formal rules and laws. Changes in social norms about cigarette smoking in the United States in the last few years are a case in point. In contrast, dowry, domestic abuse, and bonded labor persist in India despite changes in laws because social norms support these practices. Laws create the space for change, but social practice does not change without supportive changes in social norms.

Change in social norms means changing mindsets, combining the power of the individual and the power of the institution, and facing up to pervasive gender inequalities.

Changing the mindset

After 50 years of development assistance it is clear that policies and projects are not implemented in a vacuum. They are formulated by bureaucrats and planners and implemented by people with a particular mindset in a particular culture and with particular social norms, reinforced by metaphors, stories, proverbs, and films. The power of social norms has been overlooked. The persistence of untouchability in India, female genital mutilation in Africa, and theft of state resources with impunity all suggest that technocratic fixes will continue to be defeated by social norms. Similarly, if officials and the political elite believe that poor people are lazy, stupid, undeserving, and pampered, poverty policies are unlikely to be formulated or implemented in ways that serve poor people. If it is assumed that poor people lack agency and cannot make wise spending decisions, policymakers are unlikely to seek the poor as partners in their own development programs.

Changing the mindset of service providers, the elite, and the press is not simple, but it can be done. Much can be learned from the market penetration strategies of the private sector. Development communication still remains a stepchild in poverty reduction strategies, in terms of both the resources invested and the technical expertise brought to bear.

Power of the personal

Communism was a societal experiment to create a more equitable world. It failed because human nature eventually subverted even the power of a coercive state. Development assistance, with its focus on the enormity of the problem, has lost sight of the power of the individual. Individuals in interaction with other individuals bring about change, one step at a time. Hence individual commitment, values, and behavior matter, and can be the most potent sources of change as committed individuals interconnect. Without tapping into the power of the individual, or personal, the best-intended plans go astray. With change in personal commitment, small miracles happen as people start to use their skills, positions, and power for the collective good.[8]

Power of the personal, combined with the institutional

To bring about large-scale change will require the power of both individual and institutional action, but attention has first to be given to the personal over the institutional. The evidence shows clearly that rules in use about bribery and behavior subvert formal rules that promote accountability and public commitment. India, for example, has progressive laws, but protection under these laws is nearly impossible, not only for the poor, but even

for the well-to-do. If personal norms change in favor of the poor and their rights, clever minds will just as creatively subvert outdated rules and laws to support resource allocation decisions that serve the poor.

The best strategy is to combine the power of the personal with the power of the right institutional incentives in a reformed state. Much has already been written about reform of the state.[9] Examples abound—such as the design of irrigation departments in water resource management, rural roads and markets, community-based education and health clinics, social investment, and community-driven projects. Everywhere, while case studies highlight the institutional, there are always individuals who set personal examples and lead the way to reform. Such champions cannot be created or programmed by development assistance, and their critical role remains unsung.

Facing gender inequities

Gender inequality is learned in every household around the world. Expectations about gender roles are internalized by both men and women from early childhood, and become such a deep part of the psyche that they are resistant to change and hard to overcome. The very way in which the PPA studies were conducted reflects the fact that development still follows a *women in development* (about women) approach rather than a gendered (about women and men) approach. The PPAs reflect remarkably little knowledge about men's lives and quite extensive information about women's lives.[10] Since men's and women's lives are intertwined, changing women's lives means changing men's internalized norms about women and their behavior toward women. Only then will equitable laws be put into practice. To enable both men and women to make the necessary transitions with fewer traumas, innovative approaches are needed to assist men with their fears of "emasculation and social impotence" when women step outside the house.

All poverty reduction programs impact gender relations within the household, and should include awareness-raising and psychological support to both men and women, together and separately, to navigate the difficult path of changing power relations. A poor woman in Uganda suggests one possibility: "*Women and men should sit at a round table to discuss their rights. Unless men are included, these things will not be understood. It will be like bathing in mud again*" (Uganda 1998).

4. Support Development Entrepreneurs

New alliances must be formed between the state and the poor, civil society, and international development agencies. The lessons from the literature on social movements, including such concepts as new political

opportunity structure and political allies, need to be applied to transforming defunct bureaucracies.[11] Raka Ray has recently added the concept of political fields, "the socially constructed environment within which organizations are embedded to which organizations constantly respond" (Ray and Kortweg 1999: 21–36). This environment includes all parties, the media, religious organizations, and pressure groups. Social movements bring about realignments of power, change social norms, and create new opportunity structures. Out of this will emerge a mindset that applies "liberalization not only for the rich but also the poor" (Bhatt 1998).[12] In Ethiopia, for example, even though free-market policies have been adopted, poor people in some rural areas note that regulation of certain types of trade has made the search for a livelihood more difficult. This includes bans on firewood cutting, street trading, and on trading in the traditional market (Ethiopia 1998).

Development leaders or entrepreneurs are found at all levels in society, from the woman in a village who takes a stand on behalf of her neighbor being beaten up by her husband, to technical innovators in electrical companies. Their social energy creates momentum for an improved quality of life for poor people.[13] Yet their scale and impact remains limited. Venture capital funds are needed for development entrepreneurs.

Recent research by Alan Khazei and Vanessa Kirsch based on interviews with more than 350 social entrepreneurs, business people and government leaders in 20 countries came to the same conclusions: limited impact and problems of scaling up. They conclude that there is plenty of start-up money for nonprofit work and funds for really big established groups, but almost no money for those in-between groups that need bridge money to survive and grow. They point to the need for a second-stage capital market for nonprofits. Since their research Kirsch has created a venture capital fund to finance carefully selected organizations that will be nurtured and monitored using "balanced scorecards" and dropped if they do not post measurable social returns (Dahle 1999). Venture capital funds for poor youth are also being tested in India.[14]

Find allies within and outside the system

Allies are needed to initiate change in social norms, from both within the system and outside it. Within the system development entrepreneurs are needed to initiate change in behavior and actions. The power of the media, of news stories, advertisements, music, and theatre is needed to start a new conversation about a just and equitable society for all, and to change specific social norms about the poor, gender, and corruption. For example, to fight corruption it is critical to re-establish honesty—not corruption—as the norm. Faith-based organizations have a particularly important role to

play in the struggle against corruption, in giving voice to the poor, and in building social cohesion.

Create new heroes

The paradox of large organizations is that the corrupt and the honest live side by side.[15] The PPA studies also mention cases of honest officials or caring local leaders and elite surrounded by corruption. The challenge is to recognize, support, and empower these individuals so that their social energy is more effectively harnessed for the collective good. At the same time, we need to broaden and deepen our understanding of the institutional environments that create and reproduce both corruption and commitment, so that committed individuals can be supported at the same time that institutional environments are redesigned. Only then will it be possible to turn institutional cycles from vicious to virtuous.

Support the committed

Development assistance is geared to move large amounts of money through inefficient and frequently corrupt bureaucratic systems with little flexibility. Rules and audits are needed to keep systems accountable. Transforming a government department or ministry through social movement, on the other hand, requires empowering development entrepreneurs with authority, finances, and supportive resources to implement programs and to deliver results both in changed social norms and in services. It is equally important that these heroes be celebrated through the media, and that they become household names and new role models. Checks and balances will, of course, still be needed, with results from monitoring studies of client satisfaction made widely available.

Poor people's lives will improve by building on their priorities, realities, and networks. This will involve long-term support to civil society to facilitate the emergence of people's organizations that enhance the ability of poor men and women to share in economic growth, participate in democratic governance, ensure fair distribution of government resources, and protect themselves from exploitation. Governments have important roles to play by adopting economic and social policies that open economic opportunities for the poor, provide basic infrastructure, and protect citizenship rights. International agencies have important roles in supporting intermediaries that work directly with poor people.

The Voices of the Poor

For poor people empowerment, security, and opportunity must all be experienced at the local level. Without physical, psychological, and economic security, participation and empowerment remain meaningless

slogans. Poverty is experienced at the local level, in a specific context, in a specific place, in a specific interaction. Those who plan for poverty reduction are far away. While participatory poverty assessments such as those reviewed here give us some idea about poor people's realities, the danger is that development agencies will simply continue "business as usual." When we go into poor people's homes as outsiders, poor people open their lives, their joys, and their suffering to us, and we experience their dignity, their wisdom, and their warm hospitality. It is difficult for us to practice direct reciprocity, but we can communicate their voices. Researchers in the South African PPA write: "*After we had lunch with them, they sang for us. It is really amazing how they used songs to express themselves and their thoughts, expectations, fears, and anxieties. The words of the final song were: 'Here they are, yes we agree, here they are, our visitors who were sent by the World Bank, yes, here they are, they are here to help us ... and we hope they won't forget us'*" (South Africa 1998).

Will we remember?

Notes

1. The decline in numbers is almost exclusively due to reductions in the number of poor people in East Asia, most notably in China. In South Asia the number of people in poverty has increased steadily although there was a modest decline in the share of people living in poverty. In Africa, both the share of the population in poverty and the absolute numbers of poor people increased. Africa is now the region with the largest share of people living below $1 per day. In Latin America the share of poor people remained roughly constant over the period but the number of people in poverty increased. In the countries of the former Soviet bloc, poverty rose markedly — both the share and numbers of people in poverty increased. For more detail see *Poverty Trends and Conditions,* World Bank 1999.

2. The Self-Employed Women's Association (SEWA) is a registered trade union with 250,000 women members who are self-employed vendors, home-based workers, and laborers in the informal sector. To protect these workers SEWA started the Integrated Social Security Program, the largest and most comprehensive contributory social security scheme in India, presently insuring over 32,000 female informal sector workers in India. The scheme covers health insurance, life insurance, disability insurance, and asset insurance (loss or damage to house or work equipment). SEWA works with two nationalized companies—the Life Insurance Corporation of India and the United India Insurance Company. The scheme works through risk-pooling by women who already know and can monitor each other. The scheme is financed by the interest paid on a grant provided by the Deutsche

Gesellschaft für technische Zusammenarbeit (GtZ), one-third through direct contributions by female workers, and one-third through a scheme subsidized by the government of India through the Life Insurance Corporation. The total health and asset insurance premium is rupees 60 (US$1.50) per year, and life insurance can be added for a higher premium. The coverage is rupees 3,000 for natural death, rupees 25,000 for accidental death, rupees 2,000 for lost assets, and rupees 3,000 for a lost or severely damaged house. Currently SEWA is thinking of expanding to pension plans for older workers and increasing coverage and health benefits. For more information see Srinivas (1999).

3. A health insurance scheme started by Grameen Bank is promising. Grameen Kalyan, Grameen Bank's health-care program, acts as both an insurer and health provider. The health centers are attached to the Grameen Bank centers and offer curative outpatient and door-to-door services. A center is started after thorough discussions with members. Premiums are based on a sliding scale. Health centers have recovered approximately 65 percent of costs, and already 66 percent of Grameen Bank members participate in the scheme. The annual premium in 1996 was Taka 12 (US$2.50) per family for a maximum of eight family members. As village health workers have been added to the centers' staffs, the pricing structure is currently being refined (Srinivas 1999).

4. See Lori Heise, M. Ellsberg, and M. Gottemoeller, *Ending Violence Against Women.* Population Reports, Series L, No. 111. Baltimore, John Hopkins University School of Public Health, Population Information Program, December 1999. For more information see http://www.genderhealth.org and http://www.jhuccp.org

5. See the Water and Sanitation Program, a multidonor program executed by the World Bank, searchable at www.wsp.org

6. The Indian state of Madhya Pradesh has received an amazing response from the government's offer of "a teacher and books" if the village applies for a school within 90 days of the announcement. The teachers are from the village and the school may be under a tree.

7. Recent analyses of success stories all point to long-term investment, evolving, adapting, and learning by doing (see Krishna, Uphoff, and Esman 1997; Narayan and Ebbe 1997). Recent examples of World Bank-financed community-driven programs include poverty-focused projects in Northeast Brazil, the Kecematan Development Project in Indonesia, the Uttar Pradesh Water Supply Project in India, and a Village Community Support Project in Guinea, among others.

8. Robert Chambers has written extensively about the importance of personal change. See Chambers (1997).

9. The World Bank's *World Development Report 1997* focused on the role of the state and reviewed extensive literature and experiences from around the world.

10. A computerized search for men's networks or groups yielded almost nothing, whereas a mound of paper resulted from a search for women's networks.

11. For an excellent history and review of social movements, see Tarrow 1994.

12. Speech by Ela Bhatt at the World Bank, January 1998. Ela Bhatt is the founder of SEWA, a trade union in India that serves women working in the infor-

mal sector. Her work has also led to the creation of WIEGO, a global network for "Women in Informal Employment, Globalizing and Organizing."

13. This is the motivating principle for the Ashoka Foundation, which identifies and supports individuals, leaders, and practical visionaries who have the entrepreneurial drive and creativity to transform systems to bring about large-scale change. Over 1,000 fellows have been financed in 34 countries since 1981.

14. The Bharatiya Yuva Shakti Trust (Business and Youth Starting Together) provides venture capital in the range of US$1,000, training, and mentoring to poor unemployed or underemployed youth between the ages of 18 and 35. Founded in 1991, it has spread to several Indian states and helped over 450 youth with business ideas to start up businesses. Many have not only lifted themselves out of poverty but now employ others. Even as the nonprofit trust is growing, every business start-up is provided active one-to-one mentoring by an experienced business person living in the same city.

15. Although not a new observation, this paradox was sharpened by a conversation with Norman Uphoff in June 1999.