

## **The Pledge to End Poverty: The image and the reality of international aid for health and population**

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### **Summary**

The “end of poverty” is now regarded by the international development community almost as a certainty, a destination to be reached preferably by 2025, if only rich countries will keep their pledge of “helping the poor countries to achieve them through increased development assistance and improved global rules of the game” and if only the poor countries will keep their part of the pledge to stay on track to reach the Millennium Development Goals (MDG) that they all unanimously agreed to in 2002 by signing the United Nations Millennium Declaration.

The goal of poverty alleviation, and more recently of “ending poverty”, that is internationally ascribed to is not entirely new but has gained new attention and commitment, and perhaps greater urgency. While the strategy for eliminating poverty is presented as simple and even doable, it has real and immense consequences both for the governments of poor countries that have to implement it and for the poor and marginalized people in those countries whose lives are affected by it, consequences that are not always predictable or even visible, to those advocating these prescriptions. But unfortunately the social and gender relationships and structures that govern access to resources needed to come out of poverty and achieve equality and social justice are rarely addressed by mainstream economic and social policy.

In addition to hunger, ill health and illiteracy, exposure to violence, political powerlessness, lack of freedoms of expression and association, social marginality, and lack of freedom from torture and exploitation, in other words denial of the classic human rights, are also central to the experience of extreme poverty. The current universal approach of the poverty reduction policy process fails to acknowledge that poor countries and ‘citizens’ of poor countries, including poor women, have a stake in their own poverty reduction, and as citizens must be given a say in the crucial decisions that affect their

livelihoods and in turn must be empowered to hold policy makers and other actors to account for failure to implement them.

The silver lining in this scenario is that the PRS process has enhanced the national policy focus on poverty reduction and visibilized budgetary allocations to poverty reduction, and also brought unprecedented levels of civil society (though mostly elite) involvement in public policy processes. The MDGs provide a national platform for bringing the livelihood concerns of poor people and poor women to the forefront of public policy and action, opens space for debate and engagement, and also allows a strategic entry point for raising issues that are important to women with people who otherwise would have paid no attention. Thus, the MDGs are strategic tools that must be used to leverage as much international funds and as much commitment from government and the powerful elite within countries as possible; they must be used to bring visions within the realm of possibility and give direction to action.

This paper reviews the efforts of one developing country Bangladesh, which has served as the laboratory for many development experiments, to utilize international aid to reduce poverty. Using the lens of three generations of international aid for population and health activities the paper seeks to answer the question: why has poverty reduction been so sluggish despite the fact that Bangladesh remains one of the largest recipients of IDA loans? The question achieves even greater significance given that Bangladesh has also had nearly two decades of formal practice of democracy with regular elections.

Why does the international development community (bilateral donor countries and multilateral financial institutions) want to end poverty in so many different parts of the world? Although there are several reasons, more recently the rationale for pledging more international aid to end extreme poverty has been magnified and intensified by the belief that there are “deeper causes of global instability.... (that) societies are destabilized by extreme poverty and thereby become havens of unrest, violence and even global terrorism” (Sachs 2006, pp1).

And the international development community have gone about it in the only way they know how: by giving poor countries financial aid (loans that have to be repaid) to enhance economic growth and technical assistance (expatriate consultants) to transfer technology, processed through massive bureaucracies like the World Bank (over 8,500 staff in Washington alone) and country overseas aid offices. However, financial resources and technical assistance by enhancing economic growth may provide the means for the reduction of poverty but is certainly not sufficient. Besides, the linear/unitary manner of approaching the problem of poverty reduction with remedies/solutions being designed and transported from the developed to the developing world in a largely context neutral manner and sometimes in defiance of local knowledge and evidence to the contrary has often proved quite costly to countries and its citizens.

Ill health, high fertility and poverty are interlinked in causal ways. Thus, health and particularly family planning have long been obvious and very crucial candidates for international aid in the global fight against poverty. Within the field of international aid for health and family planning activities, which is the entry point for this paper, several grand views have shaped thought and action of the international development community over the years.

First, since the early 1960s population control was seen as the route to poverty reduction, arising from the fear of 'population explosion', especially in South Asia, which was home to the greatest numbers of poor people in the world (and still is). Thus, from the early 1960s international funding was available for programmes to promote birth control in developing countries, particularly in South Asia.

Second, since the early 1990s the international development community led by the World Bank started to rally under the banner of another grand view, which was the 'sector wide approach' to aid provision for health to increase aid utilization and reduce wastage and duplication of resources associated with the implementation (or its lack) of a huge number of development projects. The sector wide approach coincided conveniently with and appeared ideal for implementing the new reproductive health (RH) approach universally

adopted at the International Conference on Population and Development (ICPD) in 1994, as a response to the overly demographic agenda of existing family planning programmes, which were criticized as coercive with unsatisfactory quality of services.

Finally, since the beginning of this millennium the overarching grand view in the international development community has been reaching the end of extreme poverty by 2025, together with seven other universal goals that include eliminating human poverty, achieving gender equality, ensuring environmental sustainability and establishing global partnerships. The crucial role accorded to health in the journey to end poverty is evident from the fact that three of the MDGs (4,5,6) are directly concerned with reducing mortality and morbidity, while the first MDG on reducing poverty and hunger targets reduction of the proportion of undernourished and underweight population.

So what each low income country needs is to design a poverty reduction strategy, that will at the most basic enable the poor to obtain the minimum amount of six major kinds of capital to overcome the “poverty trap”. Such a strategy for eliminating poverty is premised upon the framework that official development assistance can break the poverty trap through targeted investments that raise the level of capital per person, including human capital like health and nutrition. The assumption is that “without donor funding the necessary investments simply cannot be financed ... through taxes, user fees or privatization”.

What happened when these grand views were translated into actual policy and programme design at the national level: to what extent was policy driven by donor thinking and sentiment and to what extent was programme design fashioned according to donor preferences, and with what consequences? To answer this question we review the national family planning programme started in the early 1960s, internationally acclaimed as a “success story”, the experiment with sector wide health and population programme in the mid 1990s that was eventually abandoned, and lastly the PRS process and the MDGs since 2005, specifically MDG 5 on maternal health.

This review has shown that programmes and interventions designed to reach resources and services to poor and marginalized people and to women can become instruments of

abuse and patronage by the powerful elite and may even increase inequality. Unrealistic targets in an environment of weak demand has led to abuse of rights of women and poor people and place unfair burdens upon them without ensuring that they are able to enjoy the benefits. Lack of ownership and disregard for institutional context and local knowledge has contributed to over designed programme in terms of resource needs and institutional arrangements like integration of health and family planning services and community mobilization. While the health programme looked perfect on paper it was unworkable.

Ironically, however, the issue of ‘national ownership’ of the PRSP to qualify or become eligible for soft loans from the World Bank and the IMF under a medium term policy framework has itself arisen as a matter of aid conditionality, and is seen to have worked against ownership of the PRS process. There is also the crucial and quite distinct issue of ownership of implementation of the PRS, which requires policy makers, both government and donors, to be willing to commit to a transparent and accountable process of monitoring. While the MDGs and related targets are tools to monitor whether governments are on track in implementation of the PRSP, the question of who will monitor the donors, and how, remains. In Bangladesh the Economic Relations Division of the government is the gatekeeper for aid inflows, but has very little capacity for such monitoring

MDGs and related targets are useful but carry risks of increased marginalization. The policy attention on improving overall outcomes not only hides disparities but may even aggravate them by diverting attention away from the poorest population groups. The danger of a narrow focus on “easy to reach” groups in order to be on track to reach targets is clearly indicated in Bangladesh, possibly leading to further marginalization of the poorest. Targets can become obstacles for much needed prioritization of limited resources, causing wastage of donor funds and leading to neglect of services that need more investment. There are many obstacles in accessing and using services that will have an impact on poverty, particularly the intergenerational transmission of poverty from mothers to children, but the MDGs do not allow specific targeting of services to the poorest and most marginalized mothers. There is also need for creating effective demand for public services to increase their impact on poverty, since the supply of ‘free’ or low

cost services does not necessarily mean that all who need services are reached. In addition, even the most progressive policies are silent in the arenas of political empowerment and social transformation.

For nearly two decades now Bangladesh has stumbled along the road to deepening democracy, but has only barely managed to retain a semblance of parliamentary democracy. Despite constitutionally guaranteed rights and provisions at the formal/legal level, people's experience of being a citizen of a democratic state is not one that fulfils the formal promise of 'equality, accountability and people's participation', nor one that delivers an accountable and transparent state. What is mystifying is that in spite all the makings of a 'predatory' state, the Bangladesh government does respond: it actually makes formal commitments to improve the welfare of the poor and marginalized and tries to keep them, as evidenced in the government's annual development budget and long term financial investments. In other words, there appears to operate 'non institutional forms of accountability' that puts the state under some kind of compulsion to provide for those "who have the greatest capability deficits" and invest scarce resources to reduce poverty.

However, these 'non institutional forms of accountability' operate only at the macro level, and do not permeate down to the community and grassroots level and to the daily lives of poor citizens. The poor and marginalized especially have little or no experience of citizenship practice except as voters every five years, and have few spaces for participation and voice, whether formal or informal, that are traditionally present in western types of democracy and that allow individual and collective agency to make claims and seek redress. The weak accountability of institutions that deliver services and resources to the poor and to rural populations, absence of any state regulation of the private sector, poor implementation of laws, particularly the labour laws, have all contributed to the perception of Bangladesh as an extremely fragile democracy with a severely governance challenged policy environment, especially among donors.

While this is not far from the reality, such a situation puts government always on the defensive and gives donors an upper hand, with frequent cancellation of aid to on-going

projects and premature termination of projects, from which the poor stand to lose the most. Donors have also taken advantage of this situation that has made government vulnerable to pressure and imposed programmes that are insensitive to the needs of poor people and of women, that are over designed and inappropriate to the social and economic institutional context, that have disregarded local knowledge and ground realities, that have promoted unequal relationships with partners within government, that have insisted upon 'ownership' of transplanted ideas, and so on. In other words, poor governance has allowed donors themselves to behave irresponsibly and in non transparent ways. The lack of transparency in decision making and lack of dissemination of information on design and implementation of projects and even more on factors that adversely affect aid effectiveness and hamper implementation makes accountability of both government and donors by ordinary people next to impossible.

But repeated disregard for social and economic rights of the poor in order to protect the interests of the powerful, and abuse of policy targets that curtail peoples' freedoms have led to the predicted tensions between the "procedural" and "participatory" aspects of democracy. Thus, existing cultures of patronage and granting favours and norms of exclusion are beginning to be contested and re configured, and the process of re negotiation of the state citizen relationship and the new meanings of citizenship and rights are emerging as a result of grassroots mobilization and mediation.

Although the effect of formal democracy on poverty may not be as clear cut as one would like, building citizenship from the grassroots and enhancing the collective capacity of poor people to participate and hold government, private sector, and NGO actors to account is thus the most promising basis on which policy makers, whether donors or the government, can be made to keep the commitments they have made for "ending extreme poverty". However, strengthening the voice of the poor and socially marginalized and building their capability to participate in policy processes means "changing the way that these processes are done" and will involve the devolution of significant resources and authority to local government, village assemblies and citizen committees (Kabeer 2006, pp74).

To what extent is the international community and national governments prepared to enter into another global social contract to ‘end exclusion and ensure justice’: a contract that acknowledges the interest of all citizens in the policy process of ending poverty, particularly poor people and women, recognizes their individual and collective citizen entitlements, and are willing to provide support at the grassroots to build citizenship and the collective capabilities required to participate in policy processes? Undoubtedly the rationale for international support for poverty reduction in poor countries has to be based on “respect and reverence for human life” (Sachs 2005) but this support must also necessarily be based upon reverence for *diversity* of human life, respect for *personhood and citizen entitlement* and adherence to the principles of *fairness and justice*. The lessons emerging from the use of rights based approaches to address the challenges of ending poverty must also be seriously considered (for example, the Right to Food Campaign and Rural Employment Guarantee Act of 2005 in India). Perhaps the time has come to think of a rights based poverty line.