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Poverty Reduction Strategy Papers: Some Reflections

Many NGOs and civil society organisations (CSOs) have been working towards the implementation of Poverty Reduction Strategy Papers (PRSPs). Five years into this process, PRSPs need some critical reflection, particularly so due to the major implications for CSOs' experience of participation.

By the end of the 1990s the two major lending institutions, the World Bank and the IMF, had recognised the futility of continuing with a globalised model of Structural Adjustment Programmes (SAPs) that had wreaked havoc in countries where they had been implemented. The disruption generated was paralleled by considerable political protest from many quarters of civil society, and contributed to rioting among people who watched their livelihoods being destroyed, services being privatised, while a few made it good on liberalised trade and economic policies.

One might have hoped that the experience of two decades of disruption may have convinced international donors that the 'trickle down' perspective of economic growth had once again been an abysmal failure and had, in large part, contributed to some 1.2 billion people continuing to live on less than a dollar a day and more than 2.8 billion on less than \$2.00 per day in 2001 (Panos 2002). This creates a world where hunger, indebtedness and fear plague the lives of a vast majority.

SAPs was criticised as a globalised model of growth advocated by economists from Washington, often overriding all national plans that might have had a pro-poor outlook. However, the mass protests over SAPs contributed to the reformulation of development policy and the introduction in 1999 of the PRSPs. The principle behind and content of PRSPs has been national 'ownership' and participatory planning.

Countries needing debt relief (in particular the Highly Indebted Poor Countries) and loans have to write a

substantive planning document, to show how they would address issues of poverty across economic and social sectors; significantly these plans have to be drawn up in consultation with CSOs. Without these plans being inclusive in their processes, there would be neither loans nor debt relief – so what on earth could be wrong with such a seemingly magnanimous policy that was inclusive and pro-poor?

In most countries CSOs and NGOs, who had protested about SAPs, were greatly relieved that an alternative nationally owned policy had emerged. Many of these groups became actively involved in the process, with the best of wills (Cornwall 2003). A number of international NGOs (Christian Aid, Panos, World Vision, among others) monitored the participatory process in the initial set of 28 countries involved and continued to do so as more countries were included.

However, by the end of the first year (2001) many CSOs were becoming increasingly disillusioned. In part, this was due to differences between CSOs and national governments on the meaning of participation, but in greater part it was due to the cursory way in which many consultations took place: involving lack of information, lack of understanding of the issues among both governments and CSOs and the consistently high pressure from bi-lateral agencies to deliver to tight deadlines which contradicted both the spirit and practice of consultation.

A more fundamental reason for disillusionment is the set of principles behind PRSPs; that the core macro-economic policies that led the earlier programme of SAPs had not altered, but had reappeared with clever contextualising using such language as 'national ownership' and 'pro-poor' rhetoric. The backbone of PRSPs continued to rely upon fiscal austerity and cuts that had a direct impact upon the livelihoods of the majority.

In this issue: Kasturi Sen reviews the evolution from SAPs to PRSPs and assesses the policy changes (if any) that have resulted; Janice Giffen outlines the role and development of civil society coalitions in the monitoring of PRSPs in Malawi; Alastair Fraser discusses competing theories relating to 'participation' in the context of PRSPs; and Hannah Warren focuses on the capacity of Ghana's PRSP to address poverty at the micro-level, highlighting the need for research into the impact of PRSPs.

Thus, underlying PRSPs are clear cut market led macro-economic policies, closely linked to the IMF's Poverty Reduction Facility (PRF), a new name for the Enhanced Structural Adjustment Policy (ESAP). So in reality very little has changed except the terminology. Countries had to implement liberalisation of trade, adjustment of the social sector (cut expenditure on public sector employment) and hand over to the private sector what remained of national assets in terms of utilities (water, electricity, transport), as well as health and education, the use of which was increasingly based on user charges.

Thus in Senegal when water was privatised, poor and low-income urban areas had to pay three to four times more than rich groups; when the groundnut sector was sold off several hundred jobs were lost and many more left on the brink in the countryside (Moussa Dembele 2003); in Tanzania there was constant conflict between the PRSP and the National Poverty Eradication Strategy, and one wondered whether the PRSPs had

really been nationally geared? The PRSP was never brought before the Tanzanian Parliament for debate or approval (a common criticism) and many viable CSOs were only brought in at a very late stage, suggesting that there was need to rubber stamp the whole process (Mbogora 2003). Similarly in Pakistan, the rush to obtain the IMF loan led to a quick acceptance of the stringent conditions underlying it as well as considerable rhetoric on the degree of civil society participation (Rizvi 2003).

The question that needs to be carefully asked by CSOs and NGOs, who feel that they have been taken for yet another ride by international donors, is whether the process of interaction (however minimal) has given them a real taste for policy lobbying, (even if the policies were old ones dressed up in new clothes) and thus enough knowledge and weight to continue to act as a voice for those marginalised groups. Donors need to think carefully about the impact of a relatively 'hollow' process upon the degree of disillusion and especially in relation to participation fatigue, in any future plans of the same.

Donors also need to realise that however much there is a change in language, the impact of neo liberal economic policies at the level of civil society and household will be acutely felt and challenged all the way, until it is realised that growth without redistribution cannot work.

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INTRAC Publications

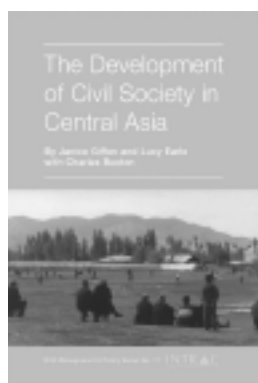
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Latest publication

The Development of Civil Society in Central Asia (NGO Management and Policy Series 17) by Janice Giffen and Lucy Earle with Charles Buxton, September 2005, 196pp, £15.95, ISBN 1-897748-75-2



Uzbekistan. It examines whether civil society organisations (CSOs) are a progressive force for change, or a safety net. Various forms of CSOs are investigated: NGOs and community-based organisations, trade unions, political parties and religious groups, as well as more long-standing Soviet and traditional institutions and practices. The book contains lessons and perspectives about civil society growth across time, and considers future directions.

This book is about the applicability and use of civil society, both as a concept and in practice, in Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and

Also available

'Aid Architecture: Reflections on NGDO Futures and the Emergence of Counter-Terrorism' (Occasional Papers Series 45) by Alan Fowler, January 2005, 40pp, £8.95, ISBN 1 897748 89 2

Today's architecture of international aid and the emerging impact of counter-terrorism measures, demand that non-governmental development organisations have well thought-through strategies. This paper identifies questions for NGDOs to ask themselves about their identity and their activities in a rapidly changing environment.

This publication is also free to download from the resources database on our website.

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Monitoring the Poverty Reduction Strategy and Pro-Poor Expenditures in Malawi: a Crucial Role for Civil Society Organisations

After Malawi's transition to democracy in 1994, there were two programmes relating to poverty reduction prior to launch of the PRSP process in 2001. Both initiatives, (the Poverty Alleviation Programme and the Malawi Vision 2020) raised the profile of poverty related issues, identified poor groups and formulated pro-poor policies, but did not develop any action plans or links to actual budgets.

The PRSP process, by contrast, did involve strategising and costing of priority projects and specified the outcomes to be monitored. The process involved substantial consultation both at district workshops and in thematic working groups (see James 2005) for the development of key sectoral strategies. Jenkins and Tsoka (2003) state for example that the high profile of the PRSP planning process in Malawi gave a 'much needed boost' to the existing sectoral investment programmes developed for the health, education and agriculture sectors.

However, the rationale behind the PRSP in Malawi appears to be more than the development of pro-poor expenditures; these expenditures have to be financed, either from funds freed up from the Highly Indebted Poor Countries (HIPC) initiative or, in the long run, from funds generated through economic growth. However, the first draft of the Malawian PRSP did not contain any sections on the macro-economic framework; the thematic group responsible for this part only met once during the whole process. This section was eventually written with substantial input from the Bretton Woods Institution advisors, with assumptions about high rates of economic growth (7% per year) based on increasing export revenues.

Since the adoption of the PRS in 2002, economic growth has been much slower; during the past five years, for example, growth has averaged at only 1.2% per year, well below the average for low-income countries in Africa. Malawi continues to be one of the poorest countries in the continent.

The PRS approach may be seen as a minor shift in part from the market liberalism of the 1980s and 1990s, towards a recognition of the importance of state intervention in certain fields. However, for this to work, the state does have to take its mandate seriously, however confined it may be by external forces. One of the problems faced by civil society groups which want to monitor the pro-poor expenditures, is that there is no link between the budgets outlined in the PRSP and the annual government budget; this despite several efforts to introduce new budgeting systems in Malawi.

The Growth of Civil Society Coalitions

Various coalitions of NGOs formed in order to participate in the PRSP consultation process, and to monitor the actual government expenditures and outcomes.

The *Civil Society Coalition for Quality Basic Education (CSCQBE)*, a coalition of 23 NGOs working in the education sector, initially formed to work on the sectoral investment plan. Since 2002 it has carried out two budget-monitoring exercises as part of the PRS monitoring process. However, due to the lack of activity-based budgeting, it has proved impossible to track expenditure. Instead the coalition has resorted to examining annual budget allocations for education, and tracking changes in certain outcome indicators (such as enrolment and drop out rates, teacher-pupil ratio, numbers of teachers trained etc.). This work is comprehensively undertaken and the network has gained much respect. Similarly, the *Malawi Health Equity Network (MHEN)*, formed in 2000, carried out monitoring of the availability of drugs at district hospitals, numbers of health workers trained, and availability of funds for health workers' salaries. The *Civil Society Agriculture Network (CISANET)* founded in 2001, monitored the agriculture budget classified as Priority Poverty Expenditures: agriculture extension, small-scale irrigation, and the effect of targeted inputs.

The *Malawi Economic Justice Network (MEJN)*, founded in November 2000, is a coalition of 27 NGOs and CSOs whose goal is to ensure that government economic policies and strategies are pro-poor. It supports other networks in their engagement with the budgetary process, through training and advice, as well as being involved itself in budget monitoring. The MEJN analysis of the 2004/5 annual budget commented on the proposed expenditures, pointed out inconsistencies and welcomed certain initiatives. It concluded that, based on previous experience it was likely the proposed budget would bear little resemblance to actual expenditures. It states that the present practice of cash management allows for a 'hidden second budget' that is not accountable to parliament. Thus annual budgets are not regarded as binding. This may be due to the difficulties of operating within externally set conditions, but in order to protect pro-poor expenditures there should surely be more commitment to setting budgets that are meaningful and applicable?

The fact that CSOs are increasingly involved in the monitoring of budgets has to be a good thing, so long as this work is done well and is credible. A danger is that, like governments, who find it easy to participate in 'gesture politics', CSOs themselves, if over burdened with work from well meaning donors, may also end up producing superficial work. This would be a pity, since it is only the pressure from civil society groups that could in the long run, force the government and executive to have greater accountability.

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Welcome to Capacity Building News No. 19. In this edition Jerry Adams, with input from Simon Forrester, outlines INTRAC's work with civil society groups in Kyrgyzstan, building their capacity to monitor and evaluate participation in the PRSP process.

Enabling Civil Society Organisations/Groups to Monitor Their Participation in the PRSP Process

An essential element of the PRSP process is for governments to develop poverty reduction strategies which are meaningful and relevant to civil society (CS). This is key to dealing with issues of appropriateness, effectiveness and sustainability. In addressing this the PRSP process involves CS groups in the development of the PRSP document through consultations, meetings and discussions. In Central Asia participation has been seen primarily as 'informing', with no emphasis or understanding of the role CS groups can and should play in the process. This article looks at a 2004 project which used a process of workshops, mentoring and field work with CS groups in Kyrgyzstan. The aim was to enable groups to analyse their participation in the current PRSP and to develop skills to participate more effectively in the next PRSPs due to start in 2005/6¹.

Background

PRSPs are prepared by governments in low-income countries, through participatory processes involving domestic stakeholders as well as external development partners, including the IMF and the World Bank. A PRSP describes the macroeconomic, structural and social policies and programmes that a country will pursue over several years to promote broad-based growth and reduce poverty, as well as external financing needs and the associated sources of financing.

Five core principles underlie the PRSP approach, including that they should be:

- Country-driven, promoting national ownership of strategies through broad-based participation of civil society;
- Result-oriented and focused on outcomes that will benefit the poor;
- Comprehensive in recognising the multi-dimensional nature of poverty;
- Partnership-oriented, involving co-ordinated participation of development partners (government, domestic stakeholders, and external donors); and,
- Based on a long-term perspective for poverty reduction.

A World Bank study of participation in PRSPs (Waglé et al, 2002) set out a number

of criticisms including: the confinement of information sharing and consultation to capital cities; the dominance of finance and planning ministries; a lack of inclusion of non-conventional NGOs (e.g. community groups and women's organisations); poor quality data; and, a lack of gender analysis. This is confirmed by a discussion during a roundtable meeting in Kyrgyzstan in September 2004, which raised the following main points:

- Only about 25% of indicators (to record progress towards objectives) are being used
- No resources are available to build an effective M&E system
- No understanding of or chance to collect and analyse statistical data
- Lack of qualitative information to understand any change taking place
- No mechanisms to promote learning
- Capacity weaknesses in key institutions (both state and NGO) and unclear functional relationships between central and local government and line ministries
- Little value attached to CSO inputs.

Monitoring and Evaluation (M&E) of Participation in the PRSP in Kyrgyzstan

An integral part of the INTRAC Central Asia Programme (ICAP) was the establishment of a participatory M&E system, which included training workshops to develop new skills. During a regional workshop, representatives from Kyrgyzstan recommended the piloting of participatory approaches in the monitoring of activities within the framework of the country's PRSP (2003–2005). As a result of this a project was developed (within ICAP) with the aim of:

- Evaluating the effectiveness of implementing projects or activities under the Kyrgyz PRS in selected geographical areas as per the objectives of the PRSP 2003–2005 and local development plans;
- Providing feedback and recommendations to the stakeholders on adjustments and additions to ongoing programmes;
- Providing a learning experience in the implementation of a PM&E system for the participating organisations; and,

- Demonstrating at an *oblast* (provincial) and national level the benefits of a participatory approach to monitoring the implementation of the PRS and programmes under the Comprehensive Development Framework (CDF).

The project, which ran from June–October 2004, was concentrated in an area away from the central decision-making hub and incorporated three smaller centres. Working with organisations selected on a competitive basis, the work consisted of formal training events, coaching and mentoring support, working group meetings and mini workshops.

The opening workshop achieved a number of objectives, including:

- Developing a common understanding of the importance of a participatory approach to M&E;
- Enabling participants to identify key issues around CS participation in the PRSP in Kyrgyzstan and how they might go about monitoring and evaluating responses to those issues; and,
- Allowing participants to review existing documents related to the Kyrgyz PRSP and to begin to identify gaps

Outcomes from this first workshop highlighted some important issues regarding the perception and understanding of the PRSP. These included:

- A reasonable understanding of the principles behind the PRSP process and a willingness to engage, albeit at times little collaboration between actors involved, with work often running parallel;
- The mechanisms employed to promote participation in 2001 were judged to be dysfunctional as activities initiated by local communities were co-opted by local authorities or initiated by local government but not followed through;
- A lack of information about the PRSP process; poor co-operation between local government and NGOs; low levels of social mobilisation; lack of transparency in decision-making; low awareness of rights and a corresponding low capacity

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to know how to enforce them; a lack of commitment from local officials to prioritise assistance to the poorest in society; and, no clear monitoring system defined ways in which CS could contribute;

- Issykul Oblast did not have a local development plan to show how the PRSP was to be implemented nor any formal mechanisms for monitoring or evaluating any *oblast* level development interventions³.

Participants created a logframe for developing and implementing a participatory M&E system to measure participation in the PRSP process. They met two months later to review and finalise the content of the 'model' logframe on participation in the PRSP, to develop practical plans regarding data collection and to develop skills and knowledge in the choice and use of different instruments for assessing involvement in the PRSP process. Following this preparatory work the teams returned to their areas and started the process of collecting and analysing data.

A final workshop, utilising an 'action-reflection' approach, reviewed the process and used the data that was gathered to assess the effectiveness of implementing projects or activities under the Kyrgyz PRS in selected geographical areas, against the objectives of the PRSP 2003–2005. It also provided an opportunity for participants to reflect on the process of using a

participatory M&E process. Prior to the workshop the participants specifically asked for input on issues relating to:

- Qualitative Sampling – how to choose a sample, different approaches
- Developing skills in choosing and using different data collection tools – in particular focus group discussions and note-taking
- Tools and approaches for data analysis
- Addressing issues of validity, reliability and credibility.

The conclusions from the final workshop showed that the project was very useful because it laid the foundations for future work developing the involvement of NGOs and CSOs in the PRSP process. The skills gained by the participating organisations will enable them to participate more actively and to provide a more analytical contribution to the process than had been the case four years ago, when involvement and engagement of CSOs in the PRSP process was very passive. The participants are now an important resource for enhancing knowledge and understanding of how participation in the PRSP can be realised as well as assessed by other NGOs and CSOs.

Whilst the events in Kyrgyzstan have delayed the preparation for the next PRSP the potential exists for making it more appropriate and relevant to the people's needs, building meaningful two-way participation between the State and civil society and having an appropriate and

effective system. It is encouraging to note that since the last training a Comprehensive Development Framework Resource Centre⁴ has been established under the National Statistics Committee, which has two local NGOs and INTRAC as founding members. Institutionally this will, hopefully, provide a 'home' for much of the learning on monitoring the PRS and related processes. With these elements in place the path will be laid for actions which are relevant and sustainable in the future.

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Notes and References

1. The timing of the 2nd PRSP will be adjusted due to political changes in Kyrgyzstan in early 2005.
2. From IMF Factsheet on PRSPs (2005) www.imf.org/external/np/exr/facts/prsp.htm
3. At national level the PRSP does have formal indicators for M&E purposes but no clear M&E system or strategy for implementing any monitoring activities.
4. Legally speaking the Centre is actually a registered Public Association, with National Statistics Committee providing a venue and a paid secretariat.

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INTRAC People

In July we were delighted to welcome back Lizi Bowerman, who has done temporary work with us in the past, as Finance Assistant, taking over from Stacy Hennessy who has made a move to north Oxfordshire – good luck to Stacy in her new home. We are also sad to lose our Office Assistant, Gabriela Guzman, and wish her well as she embarks on a Masters in Forced Migration at Oxford University.

One of our Researchers, Lucy Earle, has been funded by the ESRC to work on her doctorate on urban social movements in Sao Paulo Brazil. Lucy will be based at the London School of Economics but the PhD is a partnership between INTRAC and the LSE and Lucy will remain in close contact with us and provide regular feedback.

We are grateful to Tony Lloyd who has been working with us for the past few months as a volunteer, bringing his experience and expertise to a project being undertaken by the finance team. Alexis Kiray is also giving his time to us as a volunteer, working in the library, which is a much-appreciated contribution to the organisation.

Our Senior Management Team:

Brian Pratt	– Executive Director
Brenda Lipson	– Deputy Executive Director
Anne Garbutt	– Director of Consultancies and Programme Management
Peter Howlett	– Finance and Resources Director
Kasturi Sen	– Research Director

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Four Ways of Thinking about PRSPs, NGOs and Democracy

In 1999 the World Bank announced that the much criticised Structural Adjustment Programmes (SAPs) would be replaced by Poverty Reduction Strategy Papers (PRSPs). PRSPs, the Bank argued, will build ‘ownership’ because, rather than policies being imposed, countries write their own three-year national development plans. The Bank then judges whether these PRSPs are an acceptable basis for writing off debts or making new loans. The Bank hopes governments will be happier to implement plans they have written themselves. To meet the charge that imposing conditions is undemocratic, the Bank also now insists on the ‘participation’ of other stakeholders, such as NGOs, churches, unions and business, rather than just government, in writing the plans.

Having lobbied hard for participation, development think-tanks, Northern NGOs and bi-lateral donors initially welcomed PRSPs as a means to reverse power relations between donors and governments and between citizens and states.

By February 2005, PRSPs were being implemented in 45 countries. There is now a burgeoning literature assessing the quality of the participatory processes surrounding PRSPs. Within this literature four broad characterisations of the changes brought by PRSPs compete.

First, critics of neo-liberalism charge that participation is a sham and that PRSPs can be understood as a public relations exercise that has had little impact on the fundamental ‘dependency’ relationship in which the Bank and IMF continue to dictate policy.

A second view, argued by some donors and researchers, is that the transfer of responsibility for initiating policies is more substantive. They suggest that limited change in policy outcomes reveals not that the Bank and IMF maintain control, but that recipient governments have learnt that international economic realities offer few choices but to embrace market reforms.

A third position, shared by a vast majority of the NGO community, is that despite the World Bank and IMF continuing to impose conditions, the requirement for participation introduces a progressive element that could, in time, subvert the logic of conditionality. Thus participation, it is claimed, holds an as yet unrealised potential. The debate over how much progress has been made is largely informed by case studies that ask whether participatory planning techniques are being implemented according to their ‘true principles’.

However, there is another way of looking at PRSPs that points to limitations on ownership resulting not from the way participation is implemented, but from the underlying principles of participation itself. David Brown worries for example that participation in PRSPs creates ‘a markedly quiescent form of representation. On the one hand, those who continue to be excluded under discretionary arrangements have no legal right to demand representation. On the other, those who are included will be put under pressure to accept whatever they are offered, on the grounds that, as supplicants, they could have received much less.’ (Brown 2004: 244)

It is not just that manipulating participatory processes helps to legitimate government and World Bank policies. Participation is also open to manipulation by relatively powerful international actors, including NGOs, so that the process strengthens their own influence as they build new local and international ‘reform coalitions’. From this perspective, PRSPs can be understood as having been designed by and for groups capable of expressing their project in the language of logical planning matrices and poverty discourse. But here there is a problem. Few such groups exist, and few are likely to emerge from domestic social processes in developing countries. PRSPs thus inevitably fail to engage with the identities and priorities driving the ‘civil society’ that exists in reality.

Instead international NGOs seem desperate to find and build the capacity of

‘pro-poor’ organisations despite the fact that most recognise the difficulty of finding groups both able to claim some legitimate representative function in poor communities, and willing to construct their arguments in the technocratic form required to ‘participate’ effectively in a PRSP. Bi-lateral donors and NGOs are thus encouraging ‘local civil society’ to fill the political space provided by the PRSP process by providing advice, training and funding to ensure that more and more civil society groups emerge, and that those willing and able to engage do so.

The PRSP is then in some senses a joint project of the international financial institutions, bi-lateral donors and Northern NGOs, all of whom collaborated to design the process, all of whom expect their interests to be served by it, and all of whom understand that the process cannot ‘perform’ without the active engagement of all the others. Northern NGOs have welcomed PRSPs because they believe it opens up political spaces in developing countries in which their discourse and priorities will be privileged. The World Bank and IMF are relatively comfortable helping to open those spaces because they understand that ‘reasonable’ voices are being supported to ensure they dominate the process. PRSPs are thus being used to legitimate the increasingly intrusive supervision of developing country political communities. At the same time existing local political identities, institutions and representatives are undermined, and democracy is weakened.

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This article is based on a forthcoming article in the *Review of African Political Economy* (September 2005).

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INTRAC Sixth Evaluation Conference 2006

April 2006 • Europe

INTRAC's successful series of conferences on monitoring and evaluation continues with the Sixth International Evaluation Conference to be held in April 2006.

The conference agenda will be based on key issues emerging from a series of regional workshops that are being held throughout 2005 in Africa, Asia and Latin America. The Regional Monitoring and Evaluation Workshops are as follows:

1. African Workshop: Ghana, April 2005

The workshop report is available on INTRAC's website: <http://www.intrac.org/pages/conferences.html>

2. Latin American Workshop: Peru, 8–10 August 2005

The Peru workshop will focus on M&E debates from a Latin American perspective.

3. European Workshop: Sweden, 10–12 October 2005

The Sweden workshop will focus on M&E debates from a European perspective.

4. Asian Workshop: India, 9–11 November 2005

The India workshop will focus on M&E debates from an Asian perspective.

INTRAC's conferences aim to generate dialogue between practitioners, academics and policy makers, and the programme will give space for plenary sessions as well as workshop presentations and discussions. Going beyond the M&E of projects and programmes, the conference will examine the monitoring and evaluation of issues such as:

- advocacy
- networking
- PRSP processes
- conflict prevention
- capacity building
- civil society development
- gender mainstreaming

For further information, please contact Zoë Wilkinson, Conference Organiser, zwilkinson@intrac.org, or go to the INTRAC website: www.intrac.org

countryfocus

Assessing the Poverty Reduction Capacity of Ghana's PRSP

Almost twenty years after the introduction of Structural Adjustment Programmes (SAPs), Ghana has developed, and is implementing, a Poverty Reduction Strategy Paper (GPRS) (2003–2005). Although the international financial institutions (IFIs) propose that PRSPs differ significantly from SAPs due to their inclusion of, and apparent focus on, poverty reduction, their distinction from previous policies has been questioned, and the potential effects on the poor and vulnerable may be no less damaging. This article outlines the impact of SAPs in Ghana, assesses the extent to which the GPRS differs in its potential for poverty reduction and suggests the need for detailed analysis of the impact of the GPRS on the poor.

During the 1980s Ghana embarked on a series of SAPs aimed to reverse economic decline and stabilise the economy through a number of macroeconomic policy interventions. Ghana's SAP has been heralded by the IFIs as a success and indeed since 1983 Ghana has experienced economic benefits including growth in

GNP (averaging 5%), income per capita (of 2.4%), and agricultural output (of 5%) (Manuh 1994: 65). However this success has failed to 'trickle-down' to the poorest in Ghana, and the SAPs have resulted in devastating consequences for social development, worsening the situation of the poorest and most vulnerable. Ghana has witnessed public sector retrenchment, currency devaluation, reduced public spending resulting in reduced access to health and education, a decline in incomes, and high underemployment (Baah 2001). Although a Programme of Action to Mitigate the Social Costs of Adjustment (PAMSCAD) was introduced, the lack of integration of these 'add-on' interventions into macro-economic policy rendered them wholly inadequate and ineffectual (Manuh 1994; Ofei-Aboagye 2001).

Do PRSPs mark a radical departure from the economic focus of the SAPs and incorporate distinct poverty reduction policies and goals? What is their scope for micro-level poverty reduction? The development of the GPRS involved analysis of the causes of poverty in relation

to key areas (Chapman 2005). This, combined with the inclusion of poverty reduction as an explicit goal of PRSPs and a stated priority to enhance social services and provide special programmes in support for the vulnerable and excluded, (Cheru 2002:8) indicates that 'poverty reduction' was an integral aim. However, the extent to which poverty reduction could be achieved without radically altering the macroeconomic framework is questionable.

Indeed, there remains an overwhelming feeling by many that the poverty reduction goals of PRSPs conflict fundamentally with, and are crowded out by, the dominance of the overarching neo-liberal economic thrust, which focuses on economic growth, privatisation and trade liberalisation. Issues of equity and structural inequalities, for example land reform, are often absent, and clear policies relating to vulnerable groups are lacking (Abugre 2001; Cash and Sanchez 2003).

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It is argued that the poverty analysis in PRSPs is often inadequate and of poor quality and that poverty strategies become 'add-ons' which are not explicit or detailed enough (Cash & Sanchez 2003). As Abugre (2000:7) argues, 'Until SAPs are fundamentally reconceived, the PRSP will add a social justice icing to the cake of failed macroeconomic and structural policies'. In addition, there are often no explicit linkages made between neo-liberal macroeconomic policy and poverty reduction, or any acknowledgement of the potential incompatibility between the two (Abugre 2000; Cheru 2002).

It is questionable whether the current GPRS, and PRSPs in general, differ fundamentally from the SAPs that preceded them. As a result, at best any poverty reduction components may be ineffectual or sidelined, and at worst the overriding neo-liberal economic focus may lead to negative social impacts, in particular amongst the poor and vulnerable.

Monitoring the effects of PRSPs (including poverty outcomes) is meant to be an integral part of the process, however according to Abugre (2001) there has been little progress in this respect in Ghana. As evidenced in the experiences of SAPs, there is an urgent need for ongoing and detailed monitoring and research into the social effects of PRSPs at the micro-level (in addition to macroeconomic policy). Such monitoring (for example the monitoring in Malawi referred to in an earlier article) would ensure that detrimental impacts are highlighted and addressed, and fed into the development of future PRSPs in order to refocus their poverty reduction agendas.

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