

What works for Poverty Reduction?



**LESSONS FROM THE DEVELOPMENT
COMMUNITY**

It's not easy



- Reducing poverty not just a challenge for conservation organisations but also poverty professionals
- Poverty in countries such as China and India has been significantly reduced by rapid economic growth. But it has left many behind.
- Need *targeted* poverty reduction interventions to reach those pockets of poverty bypassed by growth.
- And then need to scale up to have a significant poverty impact.

Challenge 1: Who are the poor?



Five ways to conceptualise

1. Income: eg US\$1 /day (changed to \$1.25/day in 2008)
2. Human development (based on lack of food/income, illiteracy, lack of access to health)
3. Duration of poverty – eg chronic poverty = poor for 5 years or more – poorest = intergenerational poverty
4. Intuitive – pick an indicator easily assessed in the field at household level – eg access to food
5. Participatory eg wealth ranking

Who should we help?



Limited benefits for all or significant benefits for a few?

Targeting:

- Focus interventions on geographically defined pockets of poor people
- Focus interventions on particular groups (eg women, children)
- Focus interventions on key sectors where the poor benefit most (eg small holder agriculture, min wage jobs)
- Focus interventions on the poorest (by means testing of community criteria)

Limited benefits may be ineffective BUT targeting a few may be divisive:
“we are all poor here”.

Choice of whether and who to target depends on administrative capacity, goals, relative poverty between groups, popular perceptions of what is fair

What needs to change?



- ❑ Inadequate and often unstable income → inadequate consumption of necessities
- ❑ Inadequate, unstable or risky asset base
- ❑ Poor quality, insecure, hazardous or overcrowded housing
- ❑ Inadequate provision of public infrastructure and basic services
- ❑ Limited or no safety net
- ❑ Inadequate protection of poorer groups rights through operation of the law
- ❑ Lack of political voice and power

Lessons from development: 1

Assets matter

Key focus: Improve **income** and **assets** of poor people including:

- physical (infrastructure),
- financial (micro finance, insurance, credit);
- human (skills, education);
- natural (access to and use of nature, natural resources);
- social (networks and organisations that support poor people eg cooperatives, womens groups etc).

Lessons from development: 2

Interventions that work

- Building assets and income: 1) **employment**; 2) selling local goods and services; 3) increasing access to land and resources; 4) increasing productivity of existing resources
- Providing or improving infrastructure and services: to reduce env health risks (eg sanitation) or mitigate impact of risks (eg healthcare, safety nets etc)
- Securing safety nets: **Social protection** crucial - protects people from shocks and reduces vulnerability, helps conserve and accumulate assets, helps transform economic and social relations
- Increasing voice: within national political structures and within own locality eg through CBOs or elected local authorities

Just give money to the poor

- New philosophy – give money to poor people directly so they can help themselves
- Micro credit NOT an alternative: poor people need a minimum income before they can make use of micro credit
- Small amounts of money make a huge difference – recipients use money well.
- Cash transfers can create a virtuous cycle at the household and community level.
- Most cash spent locally – stimulates local economy
- Generally happens at the national level. But no reasons why couldn't apply same principle at local level.

Lessons from development: 3

Factors affecting success/scale up

- Enable the poor to drive the process and select the interventions – create necessary conditions and capacity for poor people to help themselves
- Link with existing govt systems –this may mean advocacy to challenge existing policy/structures
- But don't let political commitment become political interference
- Key individuals often needed to get a programme going but mustn't be allowed to dominate
- Balance realistic timelines with a few quick wins
- Flexibility
- Encouraging physical buy in from the poor – eg to insurance schemes – builds ownership, avoids external dependence etc but has to be affordable
- Targeting cash grants at women also helps in empowerment
- Targeting cash at children helps break inter generational poverty. Early nutrition critical to preventing mental and physical stunting; children who go to secondary school much less likely to be poor than those who do not

Lessons from development : 4

Poverty Reduction?

“*Poverty reduction*” - Reducing the number of poor people, lifting people beyond a defined poverty line

“*Poverty alleviation*” - Alleviating the symptoms of poverty and/or reducing the severity of poverty without transforming people from ‘poor’ to ‘non-poor’;

Livelihood improvements – beneficiaries not necessarily limited to those who are “poor”.

Implications for biodiversity conservation



- Narrow understanding of poverty (income, food consumption): role of biodiversity not immediately apparent.
- Focus on *assets* : biodiversity role much more apparent because so many poor people depend on access to biodiversity for some most or all of their livelihoods.
- Biodiversity not only key in providing natural assets, but also in addressing natural hazards associated with poverty.

Conservation already doing lots:

- Building assets and income: 1) employment ; 2) selling local goods and services; 3) increasing productivity of existing resources
- Securing safety nets: cash transfers, support to social services such as schools and clinics, conserving natural safety nets.
- Increasing voice: within national political structures and within own locality eg through CBOs or elected local authorities

BUT....

There may be trouble/trade-offs ahead

- Potential trade offs between poverty reduction and biodiversity conservation
- Misperceptions about the role of the poor/poverty in driving biodiversity loss
- Reducing poverty and conserving biodiversity can both conflict with political interests of different groups
- Decisions about how resources used and by whom generally made independently from any concern with poverty or biodiversity
- Promoting pro-poor conservation implies addressing perverse political structures and processes: promoting good governance (or “good enough” governance) at all levels – international to local