Twenty Five Years of Economic Initiatives for Grassroots Development
- Hopes and Anxieties -

Final Draft

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Twenty Five Years of Economic Initiatives for Grassroots Development - Hopes and Anxieties -

The Discourse, Output and Recommendations of
the Asian Regional Conference on
"The Potential and Limitations of Economic Initiatives in Grassroots Development – Current Issues and Asian Experiences"
held at the BRAC Centre for Development Management (BCDM),
Rajendrapur, Bangladesh, from 27th to 30th November 2000

Final Draft

INASIA General Secretariat, Colombo, Sri Lanka

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PROGRAMME

"Micro Economic Initiatives for Livelihood and Solidarity "

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The document itself was prepared by Ms. Felena Lovendhal, Director Programmes and Research, INASIA General Secretariat, for the Core Group on ‘Micro Economic Initiatives for Livelihood and Solidarity’ of the INASIA Network.

Respecting the views of all

"………………… Our conference, I would say, has been typically Asian in spirit and content. For we in the Asian region are extremely slow to offer 'prescriptions' or to say that 'this' is the 'correct' way or the 'only' way of doing things or that 'these' are the universal truths or that 'these' are the absolutes to which all must conform. Such a way of perceiving reality is not in harmony with the values and orientation of the people of this part of the world……… All that this conference has done is to identify through debate and discussion, some perspectives and issues with which you 'can' be concerned – not perspectives and issues with which you 'should' be concerned. All that the conference has done is to give you some new ideas or a new sense of direction in which you may, if you like, proceed: Some perspectives to think about: Some ideas to reflect upon……… The conference has quite simply mapped out for you some paths along which you may travel or which you may reject………….. So let us all go back to our own institutions, reflect by ourselves, reflect with our colleagues on what we have gathered out here in the last four days. Let us accept what we consider to be of value and reject what we think is irrelevant to our own context, our own countries, our own values, our own capacities, our own world views and our own philosophies of life………… So you must work out your own solutions for yourself. No one else can work your solutions out for you. This conference cannot tell you what is the correct way to work with grassroots communities: That is for you to work out for yourself. All that this conference has done is to give you some guidelines, some ideas, some perspectives, some little help which you may take or which you may reject………… That has been the spirit that animated this conference and let it be the spirit in which we conclude the conference, pledging, each one of us, to go back and reflect on what we learnt and take our own decisions, work out our own solutions and take responsibility for what we will do………………."

Sunimal Fernando's concluding remarks
Rajendrapur, Bangladesh
30th November 2000

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To refer the case studies presented at the conference,
visit our website
www.inasia.lk

EXECUTIVE SUMMARY

The report on the landmark Conference on microfinance held in Rajendrapur, Bangladesh towards the end of 2000 has deliberately deviated from the conventional format of a report. Instead of being mere documentation of a sequence of events this report has endeavoured to capture the dynamics involved among a group of people surrounding a shared interest. And from the ensuing debate and discussion, to pick out the main threads weaving the fabric of microfinance practice.

The expected outcome of the conference was a sharing of microfinance experiences which would eventually lead to the formulation of a best practice handbook of sorts. Even the most meticulously planned agenda would rarely fit into a conference that allows for creative self-expression of content. And so it was with the Rajendrapur conference. Although the sessions began on the explicit theme of microfinance, which incidentally was put aside in favour of Economic Initiatives, the participants appeared to occupy a continuum of attitudes towards microfinance which for the purpose of analysis has been bisected. The result was that two divergent views soon became apparent.

Some NGOs perceived themselves as quasi bankers catering to the poor who would otherwise have no access to institutional credit. Others dovetailed microfinance into the broad spectrum of development activities they were engaged in finding no cause to accord it greater importance than other aspects such as social, political or spiritual development.

If one were to look for a resolution the search would prove futile and disappointing. There was none, except in a very superficial way in the working groups towards the close of the Conference where concessions were made to ease an otherwise would-be taut relationship. The resolution if there was to be any, was left for a future date.

The report in many ways mirrors the affinities and tensions that were for the most part implicit and at unguarded moments, furiously explicit throughout the four days of the Conference. It is these human emotions and intellectual incitement that kept the proceedings along parallel lines and prompted the layout of the present report. Beginning with a Discourse on the four main elements around which the Conference seemed to revolve the report goes on to document the proceedings and follows with copious annexes for reference and further reading.

Names have been deliberately kept out to avoid labelling. What has been attempted instead is to present the critical points concerning each issue within a context enriched by discussions with the Founder of INASIA and other well-known academics and experts in the field of development and also by further reading of related subject matter/literature.

The very fact of the report being irritatingly inconclusive provokes or rather goads the reader to react be it through intellectual analysis or gut response. To this extent the report is pregnant with possibilities for development thinkers and practitioners in their avowed mission to alleviate poverty.

FOREWORD

This document seeks to capture the hopes and anxieties of ‘Twenty Five Years of Economic Initiatives for Grassroots Development’ on the basis of the proceedings of the Asian Regional Conference on “The Potential and Limitations of Economic Initiatives in Grassroots Development – Current Issues and Asian Experiences” held in Rajendrapur, Bangladesh in November 2000. It is the product of process documentation and reflection. At the same time it is the expression of an effort towards seeking new initiatives to ensure the empowerment of the poorest and the most marginalised segments of society.

It is important to locate this document in the context of INASIA’s on-going search –reflection process and action towards developing coherent people-centred micro economic initiatives for livelihood and solidarity. It is also appropriate to place this document within the context of the process that preceded the conference as well as in the context of the on-going process that continues after the conference to concretise a vision for developing people-centred micro economic initiatives for rights-based holistic development.

INASIA – A Collective Process

INASIA is an Asian social change forum. It was founded in Colombo, Sri Lanka in January 1997 by a group of 40 social change activists from 13 Asian countries. INASIA seeks to facilitate alliance building and solidarity among social activists and among social change initiatives on the basis of the social, spiritual, cultural, economic and political experience of a diverse spectrum of communities and peoples in Asia.

INASIA seeks to articulate and strengthen alternate perspectives and paradigms of development that express the potential of an Asian discourse for a humane, just and equitable course of social change, based on the principle of need rather than of greed, and born of the living experience of Asia’s diverse grassroots communities.

INASIA offers itself as a forum of debate and dialogue in which various social change experiences as well as alternate modes of thought and action in Asia can be viewed within a holistic framework of harmony and well being among all people in all parts of the world, and communicated through networking to communities living not only in Asia but in the rest of the world as well. INASIA has dedicated itself to a social action discourse grounded in the real life experience of Asian grassroots communities, and actuated by a firm commitment to the principles of social and economic equity on the one side and of the interdependence and oneness of humankind on the other.

INASIA is an Asian regional alliance of individuals with institutional backing: Individuals who question the dominant development paradigms which reflect the interests of corporate finance capital; paradigms that are being increasingly challenged by civil society in all parts of the world including the North. The General Secretariat of INASIA registered in Colombo under Sri Lankan law provides coordinating services for the regional alliance. The General

Secretariat was incorporated in 1996 as a support service, a few months before the regional alliance was ratified. It has a board composed of Sri Lankan professionals, corporate sector leaders, academics and civil society leaders.

The evolving core group of the alliance, INASIA, met in Colombo, Sri Lanka in January 1997, in Bangkok, Thailand in December 1997, in Bhopal, India in December 1998, in Dhaka, Bangladesh in December 2000, in Dhulikhel, Nepal in April 2001 and in Bangkok, Thailand in March 2002. They sought to generate a people-centric alternate discourse on development by focusing on specific development processes grounded in reality and following a course of case study documentation, collective reflection, dissemination and action based on reflection.

Till about the end of 1998 different members of the core group participated in the alternate discourse by focusing on different development processes and initiatives. Among those that gripped the interest of the different core group members were the following: Micro Economic Initiatives for Livelihood and Solidarity; People's Right over Natural Resources; Alternative Politics for Asia; Culture and Spirituality in Grassroots Development; Community based Alternatives in the Context of Globalization; and, Self Reliant Social Action in Asia.

While there were different sectoral foci within the alliance, all segments of the alternate discourse were one when challenging the hegemony of economics and finance capital in the mainstream development discourse. All were agreed in perceiving development as consisting of several strands – economic, societal, political, ethical, moral, environmental, cultural and spiritual – interlinked and intertwined one with the other in a rich holistic process.

From 1999, while the Indian Chapter of the alliance, INASIA, continued to generate an alternate discourse on "People's Right over Natural Resources", another broad, articulate core group of INASIA generated the alternate development discourse on "Micro Economic Initiatives for Livelihood and Solidarity". This second discourse continues to be coordinated by the General Secretariat in Colombo.

In the course of the past 3 years this particular alternate discourse grew in importance within INASIA. During this period 24 initiatives in the grassroots level economic sector from 9 Asian countries – Bangladesh, India, Indonesia, Malaysia, Nepal, Pakistan, Philippines, Sri Lanka and Thailand – started participating actively in the discourse. INASIA's programmatic network in the field of grassroots level economic initiatives evolved and matured. The programme had grown in strength and coherence and with it the alternate discourse on "Micro Economic Initiatives for Livelihood and Solidarity" gained more ground and legitimacy in the international development community.

The high water mark was reached in the last week of November 2000. After 2 years of intensive organization and documentation, INASIA with the support primarily of FPH, Paris as well as of the Heinrich Boll Foundation of Berlin, CIPSI of Rome and CESVITEM of Mirano, Venice, and with the cooperation of the Credit and Development Foundation (CDF) of Bangladesh, organized a landmark conference at the BRAC Centre for Development Management (BCDM) in Rajendrapur, Bangladesh. It was an Asian regional conference on "The Potential and Limitations of Economic Initiatives in Grassroots Development – Current Issues and Asian Experiences". INASIA brought together the 24 best known experiences in the field of economic initiatives for grassroots development from 9 Asian countries. They were represented by their leaders. The internationally best known initiatives of the host country, Bangladesh, too were represented at the highest leadership level.

From November 27th to 30th 2000, at Rajendrapur, Bangladesh, the major players and pace setters in economic initiatives for grassroots development presented their experiences of the past 25 years. Many of the conference participants were founder associates of INASIA. Some were there on invitation. 25 papers were presented. Each conference paper was critiqued by two specialists from two perspectives that often stood in opposition to each other. A poverty alleviation specialist presented his critique of each paper from a social mobilization, value led, holistic perspective. A micro finance specialist provided a parallel critique from a somewhat techno-economic, micro finance perspective. These two perspectives combined to provide the broad framework of discourse when the case material was discussed in plenary by the participants.

Through an arrangement of plenaries and working groups the issues that flow out of the first twenty five years of Asia's best known practices in the field were abstracted. Their implication for the future of grassroots level economic initiative planning, design and implementation was identified and critiqued. Rajendrapur was an open forum debating one theme but two widely different approaches. Economic initiatives were the fulcrum on which the proponents of the minimalist and maximalist approaches endeavored to balance themselves. In the heat of the arguments and rationales which were volleyed back and forth, the global vision that INASIA had for so long nurtured was imperceptibly beaten into shape. Through the debate of Rajendrapur, strongly grounded in the diversity of the rich experiences of the Asian region, the alternate discourse on micro economic initiatives for livelihood and solidarity approached the threshold of reaching majority.

INASIA – Establishing a Unified Vision

What do we want to influence?

- Shift from micro credit only to broader people-centred economic initiatives
  Or,
  Shift from a service delivery approach to a holistic rights-based participatory development approach

What do we want to change?

- Minimalist approach
- Money-led paradigm of poverty alleviation
- Development where people are objects
- Dependency on donor support
- Patron-client relationship between government, donors and NGOs, and NGOs & people
- Adverse effects of globalisation particularly on the poor and the marginalised

What change do we want?

- The poor and marginalised as subjects at the centre of the process of development (people as decision-makers, owners and equal participants of the process)
- Changing funding priorities in favour of people-centred holistic development through social mobilisation rather than through credit only approach
- Ensuring accountability and transparency of the State, donors and NGOs particularly to the poor and marginalised/disadvantaged
- People-centred economic initiatives as a means for holistic development

Core Group
Micro Economic Initiatives for Livelihood and Solidarity
INASIA
4th March 2002

PREFACE

The Asian Regional Conference on 'The Potential and Limitations of Economic Initiatives in Grassroots Development – Current Issues and Asian Experiences" was held at the BRAC Centre for Development Management (BCDM) in Rajendrapur, Bangladesh from the 27th to the 30th of November 2000. It brought together the leading and best-known experiences in the field of Economic Initiatives for Grassroots Development of nine Asian countries. Their leaders represented the internationally best-known non-governmental institutions with the widest experience in the field. All the leading players of the host country, Bangladesh, too were present at the highest level. The Honorary Vice Chairman of INASIA, Mr. Sunimal Fernando, personally visited the internationally best-known practitioners in the nine countries, discussed the proposed conference and its projected outcome with them, and ensured their participation. A list of participants is appended to this publication as Annex 2.

It took more than four years for INASIA's programmatic network in this particular field to evolve and mature. It took more than two years to organise this conference around the network. Throughout this preparatory period INASIA was both supported and partnered by FPH / France. The patience and understanding with which Mr. Philippe Amouroux of FPH / France accompanied INASIA throughout this period I acknowledged with respect and gratitude. He partnered INASIA in a process that evolved to a point at which it was possible to organise a landmark conference on Asia's first generation experience of grassroots level economic initiatives. It was the guidance given by Mr. Amouroux and the support provided by FPH that enabled INASIA to bring such an influential network of partners together to this conference.

The network of partners of INASIA's grassroots level economic initiatives programme progressively grew in strength and coherence. A large majority of partners soon began to share the view that the landmark conference planned by INASIA should be held in Bangladesh, which is internationally recognised as the Mecca of economic initiatives for grassroots development. It was at this point that the Credit and Development Foundation (CDF) of Bangladesh, an important local network, agreed to jointly organise the conference in that country. The professionalism and efficiency with which CDF organised and hosted the conference jointly with INASIA was an important factor in the success of the meeting. While FPH / France remained the primary source of support for the conference, HBF / Germany, CIPSI / Italy and CESVITEM / Italy came in to support specific components of the meeting. But for the resources provided by these four Northern partners, the conference would not have been possible. Their support is acknowledged with gratitude.

As a critical input for the conference, it was the objective of INASIA to ensure that the experiences of the leading Asian players in the field of Grassroots Level Economic Initiatives are well documented and distributed to the participants by Email at least two weeks prior to the meeting. This objective was achieved. The documentation was prepared in the respective countries on the basis of detailed guidelines provided by INASIA. In the course of the preparatory period of two years, the Honorary Vice Chairman of INASIA, Mr. Sunimal Fernando, personally visited those preparing the documentation in their respective countries and discussed with them the manner in which the case material should be prepared and presented. The list of conference papers is appended as Annex 1.

Two internationally well-known specialists critiqued each conference paper from two, somewhat opposed perspectives. Mr. Susil Siriwardena, a Poverty Alleviation Specialist, presented his critique of each paper from a social mobilisation, value-led perspective. M. Benjamin. R. Quinones, a Micro Finance Specialist, provided a parallel critique of each paper from a somewhat technocratic, micro finance perspective. These two perspectives that often stood in opposition to one another, combined to provide the broad framework of discourse when the case material was presented and discussed in plenary by the participants. A skilful structuring of the case study presentation and discussion in the first two days along these lines produced a rich discourse that has been abstracted from the recorded tapes and presented in Part 1 of this publication.

This publication which attempts to capture the process, spirit and dialectic of the conference is prepared by Felena Lovendhal, Director Programmes, under the guidance of Sunimal Fernando, Honorary Vice Chairman of INASIA. The articulation of the discourse and output of the conference, and the coherence with which it is presented, are the result of several months of hard work at the general secretariat of INASIA in Colombo. The publication contains the learning, output and recommendations of the meeting.

At one level this conference was an event – perhaps a landmark event. At another level it was a part of an organic process of networking and exchange which commenced several years ago, and progressively, in measured steps, brought the network partners together, - a process that was facilitated, guided and animated by INASIA's general secretariat in Colombo; a process that will surely continue into the future. It is hoped that this publication will help strengthen this process in the period ahead.

INASIA
Colombo, Sri Lanka.
4th March 2002

PROCESS

The Asian regional conference on The Potential and Limitations of Economic Initiatives in Grassroots Development marked a momentous event in the history of economic interventions in poverty alleviation. The conference was jointly organised by INASIA and CDF at the BRAC Centre for Development Management (BCDM) at Rajendrapur, Bangladesh from 27th to 30th November 2000. FPH, France; Heinrich Boll Foundation, Germany; CIPSI and CESVITEM, Italy supported the conference.
The conference programme is found in Annex 3.

The event was also unique and historic in its congregation of participants representing nine Asian countries. It brought together dignitaries from leading micro finance institutions of world repute and at the same time comparatively smaller and younger organisations were also represented to share and benefit from the experiences of these experts. The participants are listed in Annex 2.

The inaugural session began with addresses by leading development practitioners on the status of poverty in the Asian region and the timeliness of reviewing first generation micro finance practices for future reference.

The first two days of the conference had a heavy dose of case studies presented either dispassionately, with the precision and conciseness typical of a scientific report or related in typically languid Asian style enlivened with quotations, analogies and metaphoric detail. There were 23 cases in all painting with broad brushstrokes the co-existence of poverty and the rich topographical and cultural diversity of the region. The case studies are listed in Annex 1. The cases ranged from spectacular success stories of staggering economic growth in an amazingly brief period to the painstaking nurturing of socio-economic and political empowerment over 15 long years. They illustrated the development interventions of a score of organisations whose motivating factor was the alleviation of poverty. Each case was clinically and sensitively analysed by a micro finance expert and a poverty alleviation specialist respectively.

The purpose of the meeting i.e. to identify the issues and concerns for second generation micro finance users came to the fore on the third day of the conference. At the end of all the presentations the participants were requested to identify specific concerns from amidst the myriad issues that surfaced from the cases themselves in addition to those that sprang up from the comments and discussion that followed. These issues and concerns were then carefully scrutinised by the steering committee of the conference. In order to facilitate manageability and focus the ensuing discussions and issues were tabulated under four thematic topics: (1) design and management; (2) methods, tools and techniques; (3) long term sustainability; (4) vision and micro-macro relations. Sub-headings were detailed under each thematic heading as a point of departure for the group discussions. Participants were grouped according to their interest in the four topics mentioned above. However, as there were few participants showing interest in topic number two, it was amalgamated with topic number one. Finally there were three working groups discussing four topics.

Like any topic of moment economic initiatives and the way it was dealt was subjected to much debate and considerable controversy especially as all the participants were representatives of non-governmental organisations. What is of importance, however, is that the participants were able to rise above hair-splitting and petty concerns to reach towards a common goal. The overall objective was to enable the coagulation of thoughts, ideas and best practices in the realm of first generation economic initiatives to revamp the framework of design and implementation of second-generation grassroots development activities. The golden thread that ran throughout the deliberations and discussions of the workings groups was that there were no absolutes, no hard and fast rule about which economic initiatives and practices were to be taken on board and which to be jettisoned. What must be aimed at is a consensus regarding what micro finance practitioners or economic initiative proponents must be concerned with in the design and implementation of second-generation development interventions.

Although not directly relevant to the conference or its outcome, the reductive method of boiling down issues to facilitate manageability results in the loss or obscuring of interesting cultural nuances. It also questioned a more fundamental related to scientific objectivity. Was the classification of the issues objectively carried out? Was not voluntary choice with either autarchic or oligarchic undertones exerted? Could the classification have been arranged differently? The need for western scientific rigour collided head on with the Asian penchant for accommodating a variety of perspectives on life. A compromise ensued and work progressed.

The main task of the three working groups was to animate a healthy debate among the respective members and to streamline the issues under each of their topics into a checklist. The checklist would single out the concerns of, or areas that need to be considered in the design and implementation of second-generation economic initiatives at grassroots level. Prescriptions, recommendations and magic formulae had no place in the discussion and output. What was to be aimed at was rather a useful checklist that would be easily adaptable to the variations in ideological orientation, historical context and level of socio-economic and political development of the different countries. There was a brief recapitulation of the checklist on the fourth day and the lively discussion that followed honed the items further.

The fourth day, which was also, the final day of the conference had two plenary sessions, which consisted 1½ hours of working group sessions, each, followed by the concluding, or the third session. At the end of the first plenary session, which was just before the participants adjourned for the morning tea/coffee break at 10.30 a.m., Ms. Ruth Callanta who was presiding at this session provided a framework of four subjects for reflection. All these subjects concern the elements of a participatory self-evaluation and the pooling of ideas for a follow up. She requested the participants to go into the same three working groups as on the previous day and meet from 11.00-12.30 in the morning at which time the lunch break would commence. The four subjects were:

- What have we accomplished?
- Learning and insights
- How can these insights and learning be used in different milieu? Where will we go from here? What kind of follow-up is needed to move on from here?

She said that after lunch, namely at 1.30pm the conference will convene for its final plenary session. At this session the rappoteurs of the three respective working groups she said, would be called upon to present the ideas of their groups on the first three themes mentioned above, which constitute the elements of a participatory self evaluation of the conference.

In respect of theme four, namely the pooling of ideas for follow up action, Ms. Callanta requested all participants in their individual capacities to write their proposals on cards, which she distributed. These cards were to be collected from the participants before they leave for lunch. She said that during lunch she and Mr. Ben Quinones would classify and synthesize the ideas for follow up and present them during the final plenary session. She said that the final plenary session, namely the session from 1.30-3.30 p.m. would be divided into two parts. During the first part of the session the three rappoteurs of the working groups will present the ideas of each group in respect of the three themes that constitute the participatory self-evaluation of the conference, to be followed by a discussion. She said that during the second part of the plenary session she would present the ideas of the participants on follow-up action. This too will be followed by a discussion.

In the first part of the final session the group rappoteurs presented the reflections of each working group on what the conference has accomplished; the learning and insights derived from the conference; and, the way they can be used in the diverse historical, cultural, political, social and economic contexts of the Asian region. A lively discussion followed. The second half of the final session commenced with Ms. Ruth Callanta presenting the synthesis of these ideas relating to follow-up action to carry further the wealth of experience gained from the conference. Participants' ideas for follow-up action were segregated and classified by Ms. Callanta and Mr. Ben Quinones into five categories:
Individual action. What each one would do after returning to the respective organisations

- Suggestions on post conference activities
- Networking
- Specific suggestions
- General Suggestions

At the closing session chaired by Professor H. I. Latifee of Grameen Trust, Mr. S.M. Rahman of CDF Mr. Ben Quinnones of APDC, Mr. Stefano Comazzi of CIPSI, Mr. Philippe Amouroux of FPH, Mr. Khander Zakir Hossain of CDF, Mr. Sunimal Fernando of INASIA and Professor Latifee of Grameen Trust made formal presentations in which each one of them tried to draw out the essence of the conference.

Part I

THE DISCOURSE

- Chapter 1 – Development
- Chapter 2 – Economic Initiatives
- Chapter 3 – Poverty
- Chapter 4 – The Responsibility of NGOs

Chapter 1

Development

Development is everybody's business. But nowhere is it more eagerly discussed than in the Third Sector comprising non-governmental organisations(NGOs). Among NGOs development is almost always discussed in relation to poverty and rarely other than with reference in to poverty in the Third World.

Discussed in the context of Third World poverty development seems to encounter definitional problems. To the developed West poverty connotes economic deprivation. This interpretation of poverty tends to linger for two reasons one of which is that the model aspired to is the economically rich West. The second is that since most of the aid for development programmes is supplied by the West the interpretation of poverty as synonymous with economic deprivation is perpetuated.

Apart from the general discussion of poverty in relation to Third World poverty there is also a tendency to discuss poverty in relation to Asia, Africa and Latin America. The constituent countries of each of these regions is considered *en bloc*. Although the typology facilitates discussion at a macro level ignoring the diversity within each of these regions country-wise could have serious consequences for the implementation of development interventions. Taking the cue from development as a multidimensional concept it is possible to delineate parallel continuums along which the level of social, political, economic development etc., of a country can be marked. Therefore for example, the social indicators of development such as literacy rate, life expectancy and infant mortality rates in Sri Lanka would be closer to the Right end of the continuum than the indicators of social development would be for Nepal.

Different parts of Asia are also at different points of the economic continuum in terms of economic activity and percentage of population involved. These differences would in turn determine the credit needs of these communities. For example, there would be a qualitative difference in the credit needs of an Indian tribal community whose economy is predominantly agriculture compared to the Malaysian economy in which agriculture consists of only 6%.

Money centred development

In the early stages of development interventions the projected image of poverty as economic deprivation drew a large following, as the West was a compelling example of the material comforts economic development brings in its wake. However, towards the close of the last millennium development was re-defined. There seems to be a return to the concept of development as going beyond economic growth and encompassing every aspect of the human being that makes societal life possible. Development is now seen as multidimensional. Apart from economic growth development is attributed with socio-cultural, political and spiritual connotations. The current interpretation of development is neither novel nor new. To most Asians at east, it is a way of life that they have always believed in but were compelled to shelve due to western influence.

Despite the recognition of other aspects of development the content of economics in development discourse is still high. It accounts for the preference most donors display for economic initiatives for development and poverty alleviation efforts. There are several reasons underlying this preference.

Following World War II and the economic ascendancy of the West, the rest of the world came to be looked at with the West, the United States in particular, as the point of reference. Primacy was accorded to economics and countries were graded according to their capacity for production and consumption – both measurements created in a money economy. This was the beginning of the binary division of developed/ underdeveloped. Per capita income reigned supreme in the statistics game that had just begun and was closely followed by calorie intake. Quite obviously a large number of countries fell statistically far below the standards of the wealthy West. Given the economic supremacy of the West and the confidence in their economic lead a unilinear and progressive economic model was devised to uplift the so-called underdeveloped countries.

The manifest assumption of the economic model of development is that economic power is the fundamental input to overcome poverty. It is assumed that economic power enables poor communities to access more material resources the consumption of which would bring about non-material benefits and thereby lead to a higher standard of living. To this extent social development is seen as a derivative of economic empowerment. Notwithstanding the brave efforts to introduce, transform and sometimes even completely overhaul existing economies of Third World countries economics-inspired development interventions have failed to reduce the number of poor people in the world.

Enter – Third World development agencies

A point worth noting is that around the time the realization of failure dawned on the rich benefactors of massive science and technological development it coincided with a flowering of development agencies in Third World countries. Rural development gave impetus to and created a breed of ever-increasing development agencies in “underdeveloped” countries which in some ways ended the oligopoly/monopoly of development business and introduced subcontracting. Now not only was economics a conceptual model for development but it was also an operational necessity. Statistics were still the rules of the game. The questions ‘How many people?’ and ‘How much money?’ are inseparable – if the developed countries wish to retain their tight grip on Third World countries.

- A guilt trip

Some thinkers speculate that development is partly driven by an effort to assuage Western guilt. The fact is that many of the developed countries have amassed their wealth and affluence through imperialism and colonialism. These developed countries had fed on the fat of their colonies exploiting both the human and natural resources of these countries. Paradoxically, spearheaded by the reigning superpower the developed countries are currently on a guilt-driven mission to manipulate the underdeveloped Third World countries economically. Free trade and open markets are the catch phrases to herald in unprecedented affluence or so the Third World countries are told. If trade and markets are to be unbridled by ethical considerations and to flourish Third World people need to be ‘empowered’ financially – that is, their purchasing power must necessarily be enhanced.

Trends in development interventions

When it comes to development interventions, there is little difference between development interventions and Parisian haute couture. Development has also had its share of fads. Starting from Growth with equity it passed through Basic needs, Women/ Gender equity, Environment and sustainable development, Empowerment, Microfinance and now to Civil society. The trend marks the shifting emphasis on the development agenda.

The urge to develop the "underdeveloped" parts of the world began with large scale technological interventions designed to increase production and yield such as dams, irrigation systems and HYVs. Many are the accounts of the human and ecological costs incurred through these interventions. Often they wrought havoc by displacing people, dispossessing them of their land, traditional livelihoods and even brought about ecological mayhem. The cost could still have been overlooked had these interventions delivered the goods, i.e. eradicated poverty. Today many such massive technological development interventions are nothing more than white elephants.

The setback was far from discouraging. A new concept was developed – rural development, an umbrella term under which a myriad issues such as self-employment, small scale enterprises, environment, gender and equity, women and children, human rights, child rights, savings and credit etc., were crowded from time to time. The fact that the working out of some these issues contradicted with certain others was immaterial. Development interventions were thus scaled down. However, the developed countries never lost sight of the economic goal of development. Only scale was modified. The conceptualization of development along economic lines remained the same. *So today there is savings and credit playing an important role in the lives of millions of men and especially, women.*

The popular notion is that financial stability results in socio-political empowerment and solidarity. Nongovernmental organisations have therefore introduced and implemented programmes such as enterprise development with the objective of enabling the poor to either generate or increase their income. To this end these organization resort to one or more of the following: they mobilize families, provide training in movement building, include participatory methodology and invariably train people in savings and credit management.

Microfinance and development

The fact that economic development could lead to social development cannot be denied. There is a strong possibility that an enhanced income could enable a family to access resources which would lead to a better standard of living. Moreover, there is also the option of facilitating economic advancement through mobilizing families to utilize existing local resources and strive towards self-reliance through capacity building. In the same vein, it is also possible to complement economic development by fostering community initiatives geared towards social development. Whichever way it was implemented savings and credit was seen as the panacea for the eradication of poverty. The scenario, in a nutshell, resembled the following: the poor could not access institutional credit and were eternally indebted to the village moneylender for capital requirements. Providing a line of credit through NGOs would cut them loose from this servility and open the opportunity to become an entrepreneur.

Despite the initial euphoria regarding microfinance or micro credit, savings and credit, as it is variously referred to, there have been intermittent expressions of doubt concerning the efficacy of economic initiatives to arrest poverty. The skepticism generally surrounds the two strands of thought concerning microfinance. One strand tends to place microfinance on a pedestal far above any other aspect of development while the other sees it as nothing more than another facet needing attention and therefore questions its legitimacy as top priority. To the latter the need for microfinance is on par with other development needs such as the socio-cultural, the political and the spiritual. The tussle in short, concerns the overemphasis of economics in poverty alleviation programmes

Briefly, the argument of those who engage in microfinance activities in the strict sense of the word, focus on bringing about tangible results in double quick time. A concentration of professionalism and special skills ensures efficiency and effectiveness as defined by finance management. A tradeoff in success rate and time factor is exacted on those who engage in a broad spectrum of development activities. The satisfaction and motivation as far as these exponents are concerned, lies in subscribing to a holistic ideology of development.

Towards a symbiotic relationship

The views need not necessarily be so mulishly divergent. There is plenty of intellectual space to admit a waters-meet without a compromise of identity. It only requires a mind that is sufficiently open and receptive to understand development from a wider perspective - to acknowledge and appreciate the quintessential *humanness* of human beings in all its complexity and motley array of aspirations and anxieties. There need be no compulsion to shift from a pure microfinance approach to a holistic one, but rather to internalize this ideology so that development interventions may be enriched by it. For development practitioners who are microfinance oriented it could spell the possibility of outsourcing social aspects of development or requesting social issues-oriented organizations to supplement their work. The danger, as it is perceived, lies in negating or subordinating other aspects of human development to financial prosperity.

Changes on the global corporate scene too, hold out the promise of holistic development superseding the parochial view of financial development. Ethical reporting is fast gaining ground in the West with more and more stakeholders and the general public wanting to know more than how much profit the company they patronize made. While environmental issues still head the list ethical and social issues are making their presence felt in no uncertain terms. For instance, Nike - a significant global corporate - was pilloried for producing shoes in Indonesian sweatshops. Although it is still not legally binding on any organization to disclose policies on good governance and include ethical reporting blue chip companies are becoming increasingly aware of the way these elements influence their share price. The option therefore is to take the line of moral obligation and stay afloat or ignore the pressures and go under.

Currently, the trend in the third sector is to introduce stringent accounting standards to ensure transparency, accountability and efficiency. These norms, until very recently, were the only criteria in the corporate sector. Given its genesis of humanitarian motives the incipient revival in governance, ethics and social issues in the corporate sector should meet with least resistance in transposing itself on the development agenda of the donor community as well.

Chapter 2

Economic Initiatives

The response to economic initiatives in development efforts is coloured by two mutually exclusive ideologies. One is the concept of capitalism engendered in the economically wealthy West, which gives pre-eminence to the place of wealth creation to arrest poverty. The other is a holistic approach to life in general, and development in particular, where the economic aspect is encompassed in a broader spectrum of social, political and spiritual growth. The former is a perspective that is on a crusade to proselytise the entire world into a cramped global system to unite in the worship of mammon. The other is a perspective, the embers of which are still alive in the less developed parts of the world, which is struggling to protect its cultural wealth and rich diversity.

Economism and Holism

To a great extent the ascendancy of economics is responsible for the increasing focus on the tangible, material aspects of growth and well being. For instance, the discourse of development invariably assumes the distinction between the polarised worlds of the Northern hemisphere and the Southern hemisphere in terms of economic indicators – tangibles that can be quantified. Therefore, the status of a country is determined by its GDP, GNP, per capita income etc, all of which have a monetised value.

Economics is a persuasive and convincing theory given the material prosperity in the economically developed world. It is an image of overabundance that is relentlessly publicised through the media to such a point that it would not be inaccurate to state that economics as a body of knowledge has arrogated the suffix of '-ism'. Economics now sees itself raised to the level of a philosophy with TNCs as its ardent evangelists. Material prosperity is an irresistible prize that attracts poor Third World countries, like a moth to a flame, to embrace the materialistic philosophy of economism.

Resisting a purely economistic view of development is a school of thought that espouses the ideology of a world peopled by holistic human beings. The preachers of this school of thought believe that development is a multifaceted phenomenon. The parochial economistic perspective is considered inadequate to capture the qualitative aspects of human existence such as spiritual consciousness, solidarity and contentment. Their argument is that the existence of these aspects cannot be negated simply because they are intangible, because they defy scientific observation.

The minimalist-maximalist dichotomy

Issuing from this split perspective are two strains of development interventions for implementation at ground level. One is a "minimalist" approach where the economic component in development activities supersedes the rest. The other is the "maximalist" or "integrated" approach where the economic component is part of a holistic development intervention that incorporates socio-cultural and political components.

The basic underpinning of the first approach is the assumption that what the poor experience is a cash flow deficit. If this can be resolved through the provision of credit, or savings and credit through external mediation the rest of their needs such as health, literacy, sanitation will be taken care of by the poor themselves.

An important point with regard to this is that it will hold true only to the extent that infrastructure facilities pertaining to health, education etc are already in place and in working order in that particular community. For instance in an outback area credit would be meaningless as their purchasing power comes to naught in the absence of infrastructure facilities and systems that work.

Raising the income level of poor people does not necessarily lift them out of poverty although statistically they may be above the national poverty line. Despite being economically better off the families may still be deprived of access to satisfactory health facilities, education and sanitation. Proponents of the maximalist approach lament that these aspects are left to chance or conveniently swept under the carpet, as they are considered secondary to the alleviation of economic poverty.

Finance and its entourage

Economic initiatives as a lever for poverty alleviation necessitate the introduction of savings and credit in a smaller scale than that offered by commercial finance institutions. Thus micro-finance comes into being. A point noteworthy is that although the mobilisation of savings and disbursement of credit is small compared to the transactions in a commercial bank for instance, the operation is fundamentally similar. Fixing an interest rate commensurate with risk and inflation, cost of funds and repayment rate, specialist skills for record keeping etc., are a few examples.

Since the effectiveness and sustainability of a finance institution be it in the private, public or NGO sector, depend on a fine balance between lending and recoveries, efficiency and professionalism take centre stage in the mobilisation of savings and credit. Moreover, feasibility studies of the proposed income generation activity in terms of creating a market niche, the need for support services such as training in entrepreneurship and basic accounting, assessment of local, national and where applicable global competition are also obligatory whether or not these items are featured on the agenda of the organisation providing credit. These features bear a very close resemblance to a private sector organisational culture in which centrality is given to organisational efficiency rather than the social purpose for which the product was launched or the organisation founded. In this case micro-credit for poverty alleviation.

Economic initiatives as a tool for poverty alleviation is tantalising as it is perfectly suited to the game of numbers. Outreach, total number and value of loans disbursed, value of savings, number of entrepreneurs created, market rate of interest and enviable repayment rates etc can be made to appear quite impressive in terms of both impact and duration compared to holistic development efforts aimed at raising the overall well being of the poor. The ‘visibility’ of the impact of micro-finance-led economic initiatives among the poor is another supporting argument for economic interventions. Social solidarity and political empowerment pale in comparison to improved housing, better clothing and accumulation of modern household appliances which are visible indicators of economic prosperity.

Providing financial services – loopholes and pitfalls

Broadly, finance institutions, including NGOs offering savings and credit products can be grouped into two categories, one type which concentrates solely on micro-finance for the creation of economic initiatives, and the other type which garnishes micro-finance with a dash of support services. A situation applicable to both these types is market saturation. The question of how many small entrepreneurs can a community sustain and how much profit can the economic initiative generate in the midst of intense local and national, and perhaps even international competition are bound to surface. It would be only a matter of time before the lending institution is confronted with plummeting repayment rates and escalating default rates.

Perhaps what prompts a re-examination of the rationale of economic initiatives for poverty alleviation is the fact that NGOs engaged in the promotion of economic initiatives presage a progressively weakening local economy. They forecast a swelling of its membership/clientele not so much from an influx from the social stratum below the layer they are already financing such as the hardcore or ultra poor but from the layer just above it, viz. the small farmers. Envisaging a section of society previously economically secure sliding into poverty in the foreseeable future calls for a deeper questioning of the role of micro-finance and economic initiatives in poverty alleviation and the insidious influence of global corporate capitalism.

Not all loans are given or used for investment. New products have been innovated in response to the credit demands of the poor. Disaster mitigation loans, especially in the Bangladeshi context and other emergency loans in case of death etc., are two examples. These loans are for consumption purposes and as such would not be able to generate an income to repay the capital with interest. Studies and casual observations have also brought out the fact that loans taken with the express objective of starting an economic activity have been diverted for consumption purposes such as for important life cycle events e.g. weddings, dowry, reaching puberty.

A community proliferated with micro-finance institutions gives easy access to credit to unsuspecting loan applicants who taking advantage of the competition within the lending institutions involuntarily trap themselves in a merciless cycle of living on borrowed money and becoming heirs to a legacy of institutional debt. In addition, although micro-finance institutions have indeed replaced the loan shark, the euphemistic appellation of the local moneylender, and established the so-called creditworthiness or ‘bankability’ of the poor they have in no way removed the obstacles in the informal system. The process has simply been operationally formalised and institutionally legitimised. The interest rates are at market level if not higher, fixed asset collateral is replaced by peer pressure or savings-tied credit, and in terms of duration indebtedness is just as binding and can be endless.

What about social mobilisation?

The role of social mobilisation is another important factor that draws a distinction between the minimalist and maximalist approaches to development. For institutions on a quest to achieve economic well being for the community it works in social mobilisation is a means to an end. Their involvement in social mobilisation efforts is confined to the organisation of groups to fit in with the objectives of the micro-finance institution (MFI), to ease the collection of savings and disbursement of loans, in short to increase the efficiency and effectiveness of the administrative function of the MFI – to professionalise.

To organisations adopting a maximalist approach social mobilisation is an end in itself. They attempt to sensitise people to economic and political exploitation and mobilise collective action towards remedying the situation. Empowerment is central to their concept of development and unlike in the minimalist approach it is not a fall-out of economic well being but rather integral to the successful implementation of economic initiatives as a development intervention at grassroots level.

Social mobilisation as practised by the maximalist group of NGOs is focussed on encouraging solidarity and collective action; it is geared towards quickening the impulse for creative and constructive political agitation, to lobby for far-reaching and longer lasting policy changes. Uplifting an entire community by drawing upon social consciousness is at the heart of their development efforts. The economics-inspired brand of social mobilisation on the other hand, instead of fostering social cohesion creates unhealthy capitalist competition and also deepens existing social differences between members of the same community.

The maximalist approach to development would typically strengthen the social institutions in the community over a period of time through awareness programmes and other sectoral programmes before introducing an economic component. The latter once introduced would be allowed to take shape according to the social dynamics operative in that community with minimal interference by the external agency. The system would in most cases be inefficient by capitalist business standards but would definitely be effective in serving the people it was designed for and the in-built flexibility of the system can be tolerated without much loss of resources if the unit of planning is a single community.

Minimalist MFIs perceive this type of flexibility as a weakness that impedes economies of scale and optimisation of available resources. Their objective of reaching a larger number of people and lowering transactional costs make the enforcement of rigour and discipline imperative. Scant notice is paid to the social and political dynamics of the communities they work in to the point that economic initiatives as a development intervention becomes soulless.

Although the fact remains that the maximalist lobby still does not have an antidote to poverty its only redeeming feature of envisioning a development strategy that brings out the positive creative potential of the total human will prove beneficial in the long run compared to a reductive strategy which pries out and unleashes baser qualities such as greed and competition which the maximalist group unwittingly brings in its wake.

Chapter 3

Poverty

"South Asia is fast emerging as one of the poorest, most illiterate, most malnourished, least gender sensitive and most deprived region in the world. And unfortunately, 40% of the world's poor live in the Asian region*." Ironically, the pathetic condition of the South Asian people is caricatured in terms of the issues emanating from affluent societies. However, as poverty is not static the paramount difficulty in eradicating poverty is that "the rate at which the poor multiply is ten times greater than the pace at which they are being enrolled in poverty alleviation programmes*". (*Statements made by two participants at the Conference) It is interesting to note that the dynamism of poverty appears to be more palpable than the dynamism of human needs and wants.

The 'discovery' of the Third World

The preoccupation with poverty on a global scale according to Sachs came in the wake of World War II. Prior to the 1940s the nomenclature for this segment of the world (which is now numerically referred to as the Third World) was a values-loaded term – "uncivilized". The colonialists were a godsend in that they were carrying out a mission of purging these communities of barbaric practices and heathenish beliefs. However with certain countries achieving economic supremacy a name change followed. Communities were no longer divided along civilized and uncivilized lines. Instead was a yardstick which measured poverty and affluence leading to a statistical game play. And so began a crusade to lift these communities out of the economic bog they were mired in.

With income as the deciding factor macro and micro interventions were designed to help the poor raise their earning capacities. Notwithstanding the gallant efforts of all those who tenaciously believed that money can buy happiness economic interventions did little to arrest let alone eradicate poverty. The failure and in many instances the futility of economic interventions forced practitioners to (sometimes) reluctantly turn their attention to the communities in question. Rather than applying solutions whose origins can be traced to a bygone era of a First World country practitioners began to look more closely at the dynamics within their own countries and communities. And so began the search for new reasons, for new causes underlying the prevalence of poverty.

Depending on the lens through which poverty and human misery were seen several aspects were identified:

Psychological poverty

The less-than-satisfactory outcome of economic interventions to uplift society was at one time attributed to a singular pathology of the mind. It was thought that the poor had unwittingly psyched themselves into a mindset which kept them entrenched in their miserable condition, that they had internalized their poverty to an extent that bordered on fatalism. The answer therefore seemed to lie in building awareness – an awareness of their own suffering and as to why they should overcome it. Poverty in this instance was seen as stemming from a psychological problem. It was also perceived that despite their low income the poor muster sufficient money to spend on dowries and addictive substances such as alcohol. Spending on what is considered hygienic amenities for instance seems beyond their capacity. The reason for this selective spending was traced to a lack of awareness. It was assumed that making people aware of the importance of a particular outcome assured its realization.

Political poverty

It was also found that the flow of economic resources to various groups in a community was determined not so much by their abundance or scarcity but by those who wield power. Political powerlessness therefore rendered some segments of society unable to access certain resources. Very often the reason why the poor continue to let themselves be exploited is due to the mistaken belief that political power is synonymous with economic power. In most cases this holds true. Yet political power is also tied up with numerical strength. And the poor are numerous. Asserting themselves therefore, is not impossible. The solution to poverty stemming from lack of political power was encapsulated in the term "empowerment". Increased political power, it was felt, should ideally, enable the poor to negotiate a fair share of resources to better their standard of living.

Moreover, in a world where corporate capitalism creates and destroys to pander to the whims of market forces and calls the destruction "creative" the only hope of survival is through the articulation of Rights. Enjoining people to respect and protect universally acclaimed Rights together with empowering the poor to stand up for their Rights has now become the last straw to protect the poor from oppression and injustice.

Poverty and natural disasters

In some cases recurring natural disasters thwart efforts to overcome poverty. In Bangladesh for example, frequent floods take human life, devastate real estate and livestock, and plunge the country deeper into debt and wretchedness. Disaster mitigation is a mammoth issue in the country. It saps the economy of the country and makes poverty alleviation an almost Herculean task. Unable to contain Nature's temperamental wrath what lies within the capacity of such countries is the provision of credit to rebuild – until the next flood returns with greater force and fury….

Poverty and an agrarian economy

Poverty can also result from an agrarian economy which still provides livelihood opportunities to the majority of Third World populations. A lack of industrial based off-farm activities to complement the economy can be particularly asphyxiating in a world economy dominated by capitalist industrial and manufacturing sectors. Industrial and technological innovation is the remedies prescribed for this malady. Nevertheless, the development of the industrial and manufacturing sectors of Third World countries is tolerated only to the extent that it still remains far below those of the affluent West. A case in point is the ban on nuclear testing following the attempts of India and Pakistan. The irony lies in the timing of the realization that nuclear testing is a threat to human life and the ecology.

Consumerism and economic poverty

Although various other aspects have been highlighted over the course of time the notion that poverty is a matter of economics still holds sway. This is underscored by the fact that in the majority of poverty alleviation programmes the economic factor is predominant. With capitalism unbridled consumerism has risen to unprecedented heights. No segment of the population is excluded. Even the poor are potential consumers. Therefore, poverty alleviation continues to be perceived as synonymous with increasing the purchasing power of goods and services of those segments which are lagging behind. With this end in view poverty alleviation programmes focus on credit facilities, savings mobilization and small enterprise development. These activities are often grouped together under microfinance programmes.

- Microfinance programmes

The rationale of microfinance programmes is that financial assistance in the form of credit for example, enables the poor to generate an income. This income would help them to access resources which would eventually permeate other aspects of their life and thereby improve their quality of life. Many concede the inadequacy of money to improve quality of life. Yet, the argument runs, if invested pragmatically money given to the poor could well be an investment by itself provided they use it as capital for small enterprise. This would not only generate an income but once expanded, could create employment opportunities.

A further point in favour of microfinance programmes is that the organizations which provide such facilities also give training in investment, credit management and participatory methodology. It is believed that such training stands in good stead for the development of advocacy and negotiation skills which would give access to a wider network of opportunities.

It is also apparent that caught up in a whirlwind of corporate capitalism, which feeds on consumerism like vultures on carrion, the poor are becoming increasingly partial to economic programmes as they produce quicker results compared to programmes with a social orientation.

In order to understand poverty experts and development practitioners also resort to the distinction between urban and rural poverty, and the concept of structural and relative poverty.

Rural and Urban poverty

Comparatively the poor in rural areas are worse off than their urban counterpart. Contrary to popular belief a village cannot be regarded as a homogenous unit even though an entire village population falls below the poverty line. Cross-cutting relationships of kinship, power etc, contribute to the gradations in poverty and will always be discernible to the sensitive observer. These crosscutting relationships also mean that accessing the limited economic and non-economic resources becomes highly competitive. The competition becomes intensified given the fact that access to the national system of rewards and opportunities is marginal in a rural economy.

From an economic point of view, the urban poor are somewhat better off. One reason for this is that since they live in an area where the engine of growth is most manifest the opportunity of finding some sort of income generating activity, if not regular employment, is greater.

Structural Poverty and Relative poverty

The seemingly impossible task of eradicating poverty despite the application and re-application of numerous development models is an impasse that many poverty alleviation experts and grassroots development practitioners have encountered. An attempt to understand poverty through the concepts of Structural and Relative poverty might untangle the confusion and ease the despair to some extent.

Structural poverty could be defined as poverty caused by a dearth of infrastructural facilities such as motorable roads, electricity and water supply, education and healthcare facilities etc. In such restrictive contexts credit and small enterprise development cannot reach their full potential. For instance if a farmer is unable to transport his/her produce to the marketplace on time due to a lack of good roads and reliable transport facilities the purpose of the endeavour will be entirely defeated and it will not be long before the entrepreneurial spirit is extinguished. Therefore as microfinance activities do not cover the construction of roads etc, credit facilities will not go a long way in helping the poor to overcome poverty.

Poverty like beauty, much as it jars on the concept under discussion, is a relative term. There are no absolutes. Levels of poverty vary between and within societies. For example, those considered poor in the West might be leading quite comfortable lives in comparison to the poor in any Asian country.

On the same theme but from a slightly different angle it might also be added that poverty is not necessarily relative only in terms of economics. It can also be relative in terms of social solidarity for instance, although most dictionaries listing relative poverty hardly deviate from the statistical descriptors. As an illustration it could be reasonably stated that in times of adversity a person in the West is poorer than his/her Asian counterpart. The nuclear family having dwindled in importance in the West, the individual is left to survive the ordeal as best he/she could amidst impoverished social bonds whereas in Asia the situation is markedly different. The nuclear family is still a strong institution in Asian society and so is the extended family (though its importance is slowly receding). Therefore, in Asia, the family flocks together in a gesture of solidarity and support in times of adversity giving the individual the best chance of surviving a crisis.

Perhaps it is the realization of this type of relativity that sparked a new way of looking at poverty. Considering it to be one of the most insidious of human miseries poverty has been perceived, understood and tackled from ‘dry mathematics’ to pseudo-religion. The face of poverty, as it affects to people, highlights a different feature each time that it spawns a different technique of cosmetic surgery. Poverty is a phenomenon - but it is a phenomenon that affects people. And people unlike bacteria defy the laws of prediction making the application of a single discipline highly inadequate and incapable of addressing the problem of poverty.

Poverty or poverties?

The concept of poverty needs to break loose from its inhibitive economistic definition to encompass a range of aspects affecting human life. The reinterpretation of poverty therefore, as some writers suggest, should first acknowledge the plurality of the condition. The basis of this thinking is that any human need that is not adequately satisfied is tantamount to a human poverty such as poverty of subsistence (due to insufficient income, food, shelter etc.,); of protection (due to inadequate health systems, violence etc.,) of participation (due to marginalisation and discrimination of women, children and minorities). Having conceived of poverty as multi-dimensional it is necessary that a transdisciplinary approach be applied to understand its complexities and ramifications.

Understanding poverty as a kaleidoscope discourages the application of set models of development which when implemented across-the-board tend to aggravate rather than alleviate poverty. Instead, it fosters a deeper understanding of people and their processes from an unconventional and unorthodox framework which once internalised will be a sound guide for designing and implementing poverty alleviation programmes. For instance, the nuclear family is still very much the warp and woof of society in South Asia. Poverty tends to engulf the entire family unlike in the West where it can be an individual affair. Poverty alleviation programmes in South Asia must necessarily take the family into consideration as any intervention, irrespective of whom it targets, is very likely to bring about changes in the structure of the family and the conduct of its members. This type of sensitivity to and respect for existing socio-cultural aspects is possible only to the extent that poverty in Asia is understood as affecting people and not objects.

Straying from the discussion on poverty yet on a more pragmatic level, it is worth noting that the yearning for bygone eras is not new. With the onset of Industrialisation in England the poets harked back to a past when there were clear blue skies in the cities and working was more an extension of one’s creative potential than the transformation into a cog in a wheel/machine, to an age when kinship ties were almost unbreakable and the countryside the epitome of blissful communion with God and nature. The flip side of pre-industrial life such as a staggering rate of infant mortality is tactfully kept out of the picture. Change is always inconvenient – even for the better. Yet it is the tug towards the beauty, morals and values of the bygone era that keeps the “new arrival” in check. If it were not for this streak in human nature the race would probably have been annihilated a few decades ago. The implications of this for economistic poverty eradication and humanistic poverty eradication are striking in its similarity.

Chapter 4

The Responsibility of NGOs

One way of looking at the role of non-governmental organisations in poverty alleviation is to compare it with the other major players in the field of development, viz. the government or public sector and the private sector.

Where do NGOs fit in?

The onerous responsibility of poverty alleviation has primarily rested on the ruling government. Although relative poverty is a phenomenon common to both developed and developing countries the task of poverty alleviation is decidedly more burdensome for governments of developing countries that have to juggle the pursuit of economic growth and the provision of a social safety net for the poor. In terms of prioritisation and budget allocation one of the tasks will be accorded more importance. Invariably the ambitious aspiration of joining the ranks of NICs will shape the main thrust of government policies and activities.

Government-led poverty alleviation is beset with a number of obstacles, first of which is the disproportionately small budget allocation for development interventions at grassroots level. In addition there are also parochial party politics and bureaucratic red tape that inhibit a pro-active and impartial approach to poverty alleviation. Perhaps what is of more consequence, and pertinent from an NGO perspective, is the half-heartedness and lack of enthusiasm and commitment on the part of public sector employees towards the implementation of development interventions.

Next in order of importance is the profit-oriented private sector. Other than its odd donation for some charitable cause or other the private sector can hardly be expected to intervene in continuous and sustained poverty alleviation efforts. Unlike a government it does not have a populist manifesto but rather a set of empire-building capitalist objectives.

The private sector therefore is allowed to concentrate its efforts on energising the economy through profit maximisation and the government finds itself wrestling with the unenviable responsibility of spurring economic growth and ministering to the poor. The dichotomy inherent in the task and the second place given to the latter in addition to the number of poor communities that continued to be excluded from poverty alleviation programmes questioned the efficacy of government-led development interventions. Empirical reality thus revealed that the public sector due to several of the handicaps previously mentioned, no more than skimmed the surface of poverty among rural and urban poor communities. There was therefore a space or more realistically, a gaping void for another player on the development field. The vacant position was filled by NGOs that conveniently doubled as civil society institutions.

As civil society institutions NGOs derive their legitimacy from two ideological positions. One position draws from the moral and normative background of Christianity where sharing with the less fortunate is highly rated. The other is a more pragmatic approach where the role of NGOs is perceived as supplementing or complementing public and where applicable, private sector development interventions which due to administrative inefficiencies or policy decisions fall short of reaching the target.

Common to both positions is the notion that NGOs are more sensitive to the needs of the poor and as such are more efficient at interacting with grassroots communities. One reason for this pro-poor image is that voluntarism played a significant role in the emergence of NGOs as a third sector.

Changing Roles of the NGOs – from welfare to finance

The initial development interventions of NGOs had a strong partiality to welfare with food rations, free medicine and monetary grants featured on the agenda. This could be seen as a natural outcome of the innate voluntarism of the staff of the NGOs and philanthropy of the donors.

In the welfarist mode NGOs adopted a holistic attitude to development focussing on the improvement of the community as a whole and on the total human being. Foreign funding seemed inexhaustible and this new breed of non-for-profit organisations was not overly taxed with issues of sustainability. The spotlight was on the community and the improvement of its socio-economic condition.

Gradually there was a shift from welfare to thematic issues such as women's empowerment, human rights, environment conservation, awareness raising, child rights and entrepreneurship. The current trend appears to be on facilitating the circulation and generation of money within the community through savings and credit.

The type of programmes characteristic of early NGO activity such as awareness raising and training left many loopholes to be exploited by unscrupulous NGO personnel. The utilisation of funds and results/benefits were intractable and sometimes existed only in the realm of the implementer's imagination.

From a largely philanthropic plane the donor-NGO relations have moved to a different level where the dynamics of the private sector business world are played out in its day-today activities. Donors and their constituencies no longer dole out money; like most currency speculators they invest in Third World economies with the objective of increasing the purchasing power of the poor and thereby facilitate inordinate profit-making. According to certain far-sighted intellectuals the ultimate objective of donor agencies is to create a demand for the products and services of the West and thereby increase their market share in developing countries.

A shift from people to institution

With decreasing foreign assistance in terms of outright grants and the introduction of micro-finance to the development scene the NGO instead of the community was taking centre-stage. The onus of procuring a supply of sustained development support and in an oblique manner, 'staying in business' fell squarely on the local NGO. The money had to be generated internally, from within the community itself. Institutional sustainability is now the buzz phrase in NGO circles. The instinct for survival is manifested in the strategies resorted to; e.g.

coalitions, mergers, networking, invitation to non NGO stakeholders and the introduction of the ‘profit’ element into the theoretically speaking, not-for-profit organisation. With a scandalous past of NGO corruption and financial embezzlement there was a push for accountability and transparency by the donor agency as well as by the community. Constricted funding also meant that good governance was essential to make a small sum go a long way. At this crucial point efficiency and professionalism make a grand entrance into the design and administration of NGO poverty alleviation programmes.

The moral and ethical considerations of NGO existence have given way to crass self-interest. Notwithstanding the erosion of altruism and commitment to the social service of poverty alleviation it can be argued that the existence of the NGO in its present garb is still beneficial to the poor from a narrow economic point of view.

NGOs that still abide in their faith in a holistic approach to development and inspired by selfless dedication vehemently oppose the ideological change in micro-finance-propelled NGOs. The pith of their argument is that these micro-finance institutions are sacrificing their social objectives in favour of institutional viability and are becoming increasingly private sector-like, that the quintessence of the NGO character has been obscured by money. In biblical terms these NGOs have sold their birthright as champions of civil society for a mess of pottage.

The Impact of Global Capitalism

The minimalist approach to development reflects the current trend in global capitalism. The economic aspect is underscored and with the shifting emphasis from community well being to organisational efficiency, levelheaded impersonality has replaced the one-to-one humane relationship between the NGO and the community members. Moreover, micro-finance institutions (MFIs), seem to have been co-opted by transnational corporations which have ignored national borders and defied the latitudes and longitudes of the globe. These MFIs slavishly ape the strategies of global capitalism e.g. mergers, development and innovation of new financial products.

With aid-tying of Third World governments into complying with structural adjustment programmes of the Brettonwoods institutions NGOs comprised the only sector which could work in the interest of the people. Now however, it appears that the NGO as a civil society institution too, is furthering the global interests of TNCs.

In some quarters of the third sector there is a sense of inevitability with regard to globalisation which propels them to adapt to the needs of global capitalism by specialising in micro-finance and moving towards efficiency and professionalism. These MFIs have no qualms concerning their focus on financial capital, as they feel self-satisfied that there are other NGOs engaged in the creation of social capital.

Others counter-argue that the quasi capitalism of MFIs create fissures in the very foundation of the institution of a third sector. The argument also runs that capitalism in its present form must be arrested as it creates an inhospitable environment for the total well-being and long-term sustenance of people. They seek to bring errant NGOs back into the fold of holistic development agencies and restore civic consciousness. They endeavour to present a viable, wholesome and more responsible development alternative to the one sold by corporate capitalism.

A glimmer of hope?

NGOs have an infamous reputation of being donor-driven, sometimes referred to as ‘supply-driven’. Given the relative economic and political powerlessness of Third World NGOs the subservience is understandable. There is however the possibility of harnessing countervailing power to press for a demand-driven, pro-people change for the reason that the existence of donors is legitimised by the reality of poverty and the existence of Third World NGOs through which a fraction of western affluence reaches the poor. To this extent there is interdependence even though the donor and local NGO make an odd couple.

Moreover there is deep concern in the western industrialised countries over the sweeping monolithic influence of corporate capitalism that weakens the warp and woof of the fabric of society. Civic conscious organisations have been founded to steer corporate capitalism away from its present destructive course. To this end they rekindle the dying embers of social solidarity and holism in the less developed parts of the world in the hope of creating oases amidst the desertification brought on by global corporate capitalism.

Part II

OUTPUT

- Chapter 1 – Vision and Micro – Macro Relations
- Chapter 2 – Long Term sustainability
- Chapter 3 – Design and Management Methods, and Tools and Techniques

Chapter 1

Vision and Micro – Macro Relations

Presentation No. 1

The first presentation made to the plenary was on the topic of **vision and micro-macro relations** as this was the backdrop against which the development drama unfolds. To a long list of 22 issues listed under the topic the group members added 3 more, the issues of spirituality, people's power and the role of culture bringing it to a grand total of 25 issues.

Taking cognisance of the fact that micro and macro impinge upon one another the group deliberated on the classification of issues under philosophical, political and economic headings, all of which have their own dynamic of micro-macro relations. Western capitalist globalisation was considered a given but not immutable. A change of course is crucial and the catalysts were to be people themselves. Hence the need for sloganeered people power. The type of power alluded to is not hierarchical but rather distributive horizontal power which the group members felt must be pitted against state power, corporate capitalist power and even the dichotomy of developed and developing countries.

Globalisation has financially enriched a small number of individuals to stupendous heights and reduced the rest of the world into either consumers or units of labour, the latter -which in the last analysis - are also consumers. While corporate capitalism presses forward heedlessly the only countervailing power the poor could exert would be through 'solidarising' as consumers i.e. through consumer solidarity so that they could hold the market and the state that condones corporate capitalism, accountable to them.

Having understood the micro-macro relations and their implications the group proceeded to analyse the current reality of the development work they engage in. Mostly derived from the experience of the mature Bangladeshi cases, the analysis was considered sufficiently broad to be applicable to other Asian countries as well.

In analysing the role of the NGO in poverty alleviation the group members discerned a marked shift in emphasis in operations, which they broadly described under phase one and phase two. The initial phase saw the NGO in the role of a trustee. The primary concern of the NGO at this phase was the needs of the poor and the poor in turn had implicit faith in the well intentioned economic initiatives advocated and supported by the NGO and contributed their savings and reserves to the NGO.

In phase two, institutional sustainability has usurped the needs of the poor as the pivotal concern of NGOs. The encroachment of professionalism and efficiency into the operations of NGOs has rendered it private sector-like. The members saw little difference between the present nature of the NGO and a commercial bank or a private Trust. Even though the poor hold approximately 40% of the shares, they cannot influence the management and utilisation of their funds. Certain members succinctly described the transformational process as a development cartel.

Delving deeper into the causes of transformation the group members were able to identify two possible forces. One was the external force of corporate capitalism with its blinkered vision of one market, one economy and one culture, again vividly described as McDonalisation. The other emanated from within by the steady decrease in poor people's collection and the focus on organisational efficiency, sustainability and professionalism.

Like a food chain changes in the international scene affected the Third World NGO community and changes in the NGO culture invariably impinged on the poor themselves resulting in a wave of massive disempowerment of the poor. The people became increasingly isolated from ownership to resources and the power to negotiate markets and manage their own affairs. They were also in the high-risk zone of losing diversity/pluralism and together with it, their own identity.

It would not do to simply understand and bemoan the grim reality of the present. In order to be proactive the group members brainstormed to formulate a set of guiding principles for an alternative framework for 2nd generation economic initiatives. Before the introduction of any development intervention however, the group was of the opinion that there should be a joint study, on the part of the NGO and the poor, of the current reality at the local, national and if the need be at international level. The poor need to have at least a faint notion of international dynamics and a clear idea of the systems, e.g. state, market, health etc, available to them. Just as much as the need for change should be self-engendered so must the need to start an economic initiative.

The economic initiative that would follow this joint assessment would ideally be guided by principles intended to preserve the holism of the individual while enabling material prosperity. Foremost among these principles would be retaining the (1) **identity** of the poor by protecting their **ownership** of resources. This would be brought about through the (2) **re-empowerment** of people, i.e. the distribution of power along a horizontal axis. The economic initiative should also enable the poor who are at various points on the hypothetical scale of poverty to hold the (3) **state and market** accountable to them. The next principle focuses on enhancing (4) **spirituality and personhood**, in other words to rejuvenate conscious living. It would also be (5) **culture and values**-sensitive. The intervention would therefore be respectful of (6) **pluralism and diversity** as well as focus on promoting the **devolution of power**. The community should regain its role of (7) **stewardship and trusteeship** and exercise these rights through recourse to indigenous and other knowledge systems. Moreover, the economic initiative should have (8) **equity** at the centre of its operations.

This ideal framework is expected to go through several critical phases and be replicated by a joint effort of the people and the support organisation. The process will be initiated with an understanding of the current reality, followed by consciousness-raising and finally move towards facilitating self-organisation among the poor.

Central to this process of development is the subordinate position of economic initiatives in the process of holistic development. Economic initiatives will form only one aspect of development. It will be nothing more than an underpinning to a holistic approach to development.

Over time the process is expected to multiply horizontally as each self-organised and empowered group of people gives rise to the formation of new autonomous organisations of poor with equal access to resources and opportunities.

The idea of shared learning is integral to this process of development. The constant re-assessment of reality and adaptation demanded is a process that both the people as well as the support organisation must go through in order to reach higher levels of maturity. Progressing from handholding by the support organisation to autonomy of and solidarity among the poor community is the ultimate objective of development interventions.

The role-play of the support organisation becomes important in relating to the poor as they progress from ultra poor to the not-so poor level. The process is referred to as graduation. The support organisation will move from handholding, as discussed above, to the position of advisor. A complete withdrawal of the support organisation from the community is not envisaged.

In order to determine the point at which a group of self-organised individuals could be considered mature and ready to become the teachers or founders of similar organisations the members identified a tentative set of indicators. These include the following:

- clarity of vision
- negotiability in the state and market
- involvement in local government and ability to influence policies for local level development
- practice of gender equity
- transparency and accountability to the membership
- financial sustainability
- internal democracy
- capacity to critique, change and negotiate pitfalls

A community in control of its destiny and held together by bonds of solidarity is the reality envisioned. Translating this vision into reality requires ring-fencing a number of actors which influence the interpretation of the development drama. The group members identified four actors, i.e. the state, private sector, donors and NGOs.

It was unanimously decided that the state should actively support pro-poor policies, programmes and procedures. Policymaking and the organisation of the state's activities should have a sharp focus on its role in poverty alleviation. It should also be aware and supportive of the role of the third sector in poverty alleviation. Government policy should not subvert NGO efforts through wilful or inadvertent overlapping, unhealthy fragmentation, competition, all of which ultimately result in confusion and waste of resources.

Although the private sector has so long been given a free hand in profit making, the group strongly felt that it should no longer be cloyed by the profit motive. The time was considered most opportune for the realisation of the civic responsibilities of the corporate sector that the group hoped would temper the ill effects of globalisation. It was also felt that the exercise of their social responsibilities could be facilitated through dialogue with the organisations of the poor.

The role of donors and NGOs was discussed in tandem. The essence was that the working relationship between these two communities should be based on equal partnership and solidarity. The relationship should also be long-term rather than project-based, as poverty cannot be made to disappear by sleight of hand. Poverty is a complex issue that demands sustained efforts over a long period of time before a significant improvement can be seen. For this reason the partnership between donors and NGOs should transcend the limits of time bound projects and move to the plane where the relationship will be a moral one based on mutuality, regardless of the time dimension.

Another important issue that sprang up as a result of the discussion was the tussle between time and quality in relation to poverty alleviation. The disparity between the rate of enrolment of the poor into development programmes and the rate at which the poor 'reproduces' itself was something that brought home an important point concerning the nature of poverty alleviation efforts. If NGOs were to keep up with the increasing number of poor, a professionally designed and efficiently run economic initiative would be the best alternative. It will lift a larger number of people out of poverty in a relatively shorter period of time.

That will of course be achieved at the cost of socio-political empowerment of the people. They will have little say in how they and their depressed economic conditions will be dealt with. Decision-making will be the sole prerogative of the NGO whose plan of action will be framed by donor requirements and the voracity of the capitalist market.

For a more qualitative improvement in well-being the methodology adopted would need between 5 to 10 years, and in some cases even 15 years, to usher in any perceptible changes in the community. Building social capital is a long-term process and given the fact that poverty is not static there is a strong probability that the list of poor on roll in the meantime will keep on unfurling. This is the cost of shelving professionalism and efficiency in favour of holism.

Irrespective of the methodology however, the fact remains that more and more people are joining the ranks of poverty. The real challenge lies in identifying the causes of this influx and designing effective mechanisms for the prevention of this pathological situation. Just as much as the state and market at present work towards the growth of globalisation it can modify their roles to play a decisive part in curbing the spread of poverty.

In order to bargain for a modified course in the affairs of the state and market, both of which are organised institutions, the people too have to be organised as a force to be reckoned with. It is only then that they will be able to increase their power as stakeholders in the economy, lobby for their rights and protect what they believe is rightfully theirs.

Chapter 2

Long Term Sustainability

Presentation No. 2

The second presentation was on **long-term sustainability**. To the six main issues listed for discussion, the group members added another, which was the issue of social development.

The theme of long-term sustainability seemed to have had an in-built incongruity resulting from the co-existence of two approaches, viz., the minimalist and maximalist approach to development. Deciding whether the issue of sustainability was to be discussed from the point of view of an NGO or of the community was therefore a harassing question. The inclusion of social development into the list of concerns hints at the inner struggle to reach a compromise.

After much debate and to a certain extent soul-searching, the group was able to reach a consensus that for a lasting impact of financial intermediation social development was compulsory. The amended list of concerns is as follows:

- social development and financial viability
- ownership
- governance
- capitalisation
- relationship with external agencies
- capacity building of micro-finance organisations (MFOs)
- self-help groups and the poor

Although it is not explicitly articulated the discussion appears to have assumed a distinction between MFOs, denoting a minimalist approach and NGOs - those adopting a maximalist approach.

As **social development** was essentially a derivative of an integrated approach to development the group was confronted with the issue of financing this component if it is woven into an economic initiative. The issue was particularly pertinent given the dramatic turn in the terms and conditions on which donors relate to NGOs in developing countries.

Prior to the 1990's there was much concern among the donor community over the amelioration of the social aspects of well being which resulted in a generous flow of funds for these activities. The recent trend of declining international assistance for development activities other than those that have the potential to generate more funds has more or less coffined the funding of social development.

Apart from the question of financial viability of social development, the question of whether MFOs or NGOs have the necessary skills and capacity to carry out effective social development activities was left open-ended.

Undefeated by dwindling donor funds the group members concentrated their efforts on learning from the experience of MFOs/NGOs which have successfully integrated the social component into their development activities. The outcome was a list of guidelines for MFOs to facilitate social development. Broadly, the guidelines dealt with three aspects, viz. (1) weaving social development into the design of economic initiatives , (2) financing social development and, (3) strengthening non-micro-finance organisations in the third sector.

Rather than patching social development into the framework for economic initiatives the group felt that making a provision, however small, for social development within the main framework would be more effective. While enlisting the active support of the people for social development efforts was considered a prerequisite building the capacity of the grassroots community to further develop and sustain these initiatives was considered an added impetus.

With regard to financing one possibility was to divert some of the surplus generated through credit investment into social development initiatives. The other is to lobby for grants or subsidies for this type of activity as the surplus may not always be sufficient to cover the entire gamut of social development such as primary health care, education, sanitation etc.

Yet another alternative is to arrive at a mutually agreed working arrangement where grassroots development is concerned. This involves a clear-cut division of labour where MFOs would concentrate their efforts on the promotion of savings and credit for income generation and material well being while civil society NGOs would focus on the social and political empowerment of the poor.

Another interesting point that surfaced during the course of discussions was the need to change the mindset of people. For long years the poor, it was assumed, have been conditioned to believe in the fatalistic fallacy of ‘once poor, always poor’. This has resulted in the poor resigning themselves to poverty and passivity to such an extent that whatever money that reaches them either through work, state or NGO intervention tends to slip through their fingers. It finds its way out though moneylenders, pawnbrokers, corruption or through debilitating habits like drinking and gambling. Prior to the introduction of social development activities it is imperative that this self-destructive mindset be replaced by a positive and constructive one that will also lasso the issues of psychological variance and poverty, and the culture of poverty.

Interestingly the emphasis so far has been on changing the mindset of the poor who are assumed to have internalised poverty. However, to realise the level of material well being and socio-political empowerment development practitioners envision for the poor a change of mindset is also required in other quarters. There has to be a qualitative change in the dominant pattern of thinking in the state, NGO and donor communities and perhaps most significantly in the corporate sector.

The issue of **ownership** raised several questions. Some of the questions concerned the safeguarding and protection of the savings of grassroots communities. Developing legislation and/or a foolproof regulatory framework for the collection, retention and disbursement of funds is crucial as is a mechanism that ensures the transparency and accountability of the MFO to the depositors.

At present the accountability and transparency of MFOs are limited to only two entities, i.e. the government and the donor. However, during the course of discussion a moral question arose as to whether the poor communities in which MFOs operate should not also be accounted to. It seemed morally correct, and reasonable to say the least, that the poor on whose savings the MFO runs its programmes should be able to demand transparency and accountability with regard to the management of their funds.

It was also deliberated whether the ownership of the savings and credit programme should rest with the people themselves instead of the MFO as is often the case. Two very pertinent questions were raised during the debate that followed the presentation. One was whether ownership by the poor would result in the erosion of the quantity and quality of services. Another other was whether the issue of ownership was brought out by the poor themselves or whether it resulted from the moral and ethical leanings of certain NGO leaders. The crux of the matter was 'Do the poor really want ownership and governance of institutions or do they want more benefits and services?' Although no consensus was reached regarding this controversial issue there was a suggestion to concentrate on optimising the investment and allocation of assets for the purpose of institutional development of people's organisations and self-help groups.

If the debate on ownership brought forth moral concerns the discussion on **governance** brought a pile of practical concerns in its wake. The governing body of an NGO, the group members felt, should consist of individuals who can empathise with the overall objectives of the organisation and be fully aware of their role in realising those objectives. In addition, participation, democracy and representation (especially of programme participants) should have full play in the governance of the organisation.

Returning to the necessity for transparency and accountability, it was keenly felt that the poor as stakeholders had a natural right to be kept informed of the status of financial affairs. Interestingly even organisations that claim to be pro-poor fail in this respect. Certain others that do not want to be blacklisted and which at the same time have no desire to be transparent publish their audited accounts using technical terms that are totally incomprehensible to the poor people. In order to be proactive and the group suggests tools such as a social audit, independent monitoring and an unhindered, intelligible flow of information to the primary stakeholders.

The members also recommend advocacy for accountability and transparency whereby the poor can support or veto the policies adopted by the state, corporate sector and even the donor community. The idea is that the poor no longer consent to be passive recipients of state and donor patronisation or consumers in the assembly line of global capitalism. Although the question of whether the poor want to hold the reins of decision-making themselves remains unresolved there seems to be an urgency to regain their power not to wipe off globalisation but to negotiate with the state and market for a fair deal.

The next issue that triggered concern was **capitalisation** as it had a direct bearing to a large extent, on the sustainability of the organisation and to a lesser extent, on the programme. Increasing demand for credit and decreasing foreign funding are the twin realities MFOs are forced to come to terms with. Mobilisation of resources from within the community will be the mainstay of the MFO. For this, the group suggests diversification of savings products and innovation of other strategies such as securitised bonds.

In addition, lobbying for higher and sector-wise national budget allocation was also suggested for poverty alleviation activities and particularly, for social development initiatives.

Discussions also identified a means through which a revolving loan fund could be sustained and augmented. The fundamental mechanism that determines the sustainability of a revolving loan fund is the interrelationship between the rate of interest, inflation and the time value of money. Profiting by the experience of certain organisations the group proposes the possibility of augmenting the revolving loan fun by ploughing in fees levied for various types of services provided by the facilitating organisation.

However, the ability to pay the service charge has a direct relationship with the profitability of the enterprise. In the case of very small income generation activities the profits generated are insufficient to meet the cost of training and ancillary services. MFOs are therefore compelled to conduct training sessions with subsidies or grants obtained from donors. If however, MFOs could work towards increasing the profitability of the borrowers' enterprises they would be able to sell their services to the entrepreneurs at very competitive rates. One outcome of this is greater empowerment of the entrepreneurs in terms of skill development and self-reliance of the MFOs.

There are other implications as well. In order to increase profitability the economic activity must necessarily be one that has a bigger capital investment compared to a small labour intensive income generation activity. Increasing the loan amount invariably results in a concomitant increase in risk from the viewpoint of MFOs. In an effort to ensure the repayment of the loan the MFO is therefore compelled to provide more support services. The bad debts of a few defaulters could be written off without much of a in the case of income generating activities. To state that a similar number of small enterprise defaulters would threaten the sustainability of the MFO would be an understatement.

The type of **relationship with external agencies, government and other organisations** is another important aspect of ensuring long-term sustainability. With one voice, the group members declared that substantive changes in relational terms were very important in view of the current situation and future prospects for the implementation of second-generation economic initiatives.

With reference to NGO relations with the government, it was decided that NGOs should no longer comply with a contractual partnership. The usual procedure has been the government contracting NGOs to implement a predetermined plan of action in the formulation of which the NGO has had no part. There is little scope for innovation and creativity; the role of the NGO is quite simply to execute the project or programme.

The group felt that there is a greater need now than ever before for innovation as it will determine the 'life expectancy' of the NGOs. The ideal government-NGO partnership envisages equal participation in matters pertaining to planning and implementation of pro-poor development interventions.

The relationship between donors and NGOs too had to be redefined in a manner that would be more accommodative of the people's needs rather than the donor's vested interests. It should ideally break free from subservience to foreign funding. The high point of the discussion with regard to this particular issue however, was the need for a concerted effort to mitigate the adverse effects of globalisation.

NGO-NGO co-operation was emphasised in the discussion on relationship with other organisations as this is likely to have considerable influence on the long-term sustainability of MFOs and NGOs. The group decided that existing networks or coalitions of NGOs should be strengthened and developed while people's organisations should be federated at the various levels between the local and national borders.

Moreover, the importance of shared learning for the benefit of adaptation, improvement and ultimately survival, technically referred to as long-term sustainability of NGOs, also came to the fore. Instead of being bound by insular project and programme interests all the key players in the field of development would do better in their poverty alleviation efforts if they embrace a more eclectic approach with regard to experience-sharing.

Contextually too, NGO-NGO collaboration and partnership development was vital especially in meeting challenges in the aftermath of a natural disaster such floods in Bangladesh.

In its quest to identify key areas that will actuate long-term sustainability the group focussed on the need for **capacity building**. For greater clarity the members subdivided the issue into organisational capacity building and capacity building of programme participants. In the discussion that followed there was a distinct flavour of corporate sector values and essentials.

The implications for organisational capacity building took on board managerial efficiency, cost effective processes, qualitative improvement of products and services and innovation. For programme participants the package included development of entrepreneurial skills, basic accounting, simple managerial skills to ensure the smooth functioning of their organisations, self-monitoring and evaluation, development of marketable skills and the adoption of modern technology.

As for **Self-help Groups (SHGs)** the members were of the opinion that NGOs and MFOs should consider the role of SHGs in long-term sustainability, especially as they are the primary units of planning. The interdependence inherent among all the major players in development activities is clearly reflected at ground level too. Unless SHGs are unified and their capacities strengthened the development interventions implemented by MFOs/NGOs will bear no results.

A more propitious implication is that the cohesion and pooling of resources characteristic of SHGs could be extended to the rest of the community with the objective projecting the poor, if not as an equal player among the state, corporate sector and donor community, at least as an entity with an enhanced power of negotiation.

Chapter 3

Design and Management, and Methods, Tools and Techniques

Presentation No. 3

The third presentation amalgamated two topics, viz. **design and management** and, **methods, tools and techniques**. If the presentation of vision, micro-macro relations was pitched at a level of abstraction and philosophy the thematic presentation on long-term sustainability maintained an equilibrium of ideology and practical modalities. It was however the third and last presentation that gravitated towards ground reality.

The main task of the group was to draw up a checklist of the spadework involved in reaching towards long-term sustainability and realising the vision for wholesome and mutually beneficial micro-macro relations. Backed by their own experiences at ground level and enriched by others' the group sub-divided the issues into six key areas:

- approaches
- strategies
- programmes
- monitoring and evaluation
- phase out
- operational systems

The presentation began with an enumeration of the various **approaches** to be considered at the design level that would either be consonant with the ideological orientation of the NGO or determine the 'personality' of the development intervention.

The group also discussed the importance of designing need-based initiatives. Needs as identified by the people themselves rather than dictated by the West was implied.

The members also stressed the need to go beyond economic interventions for income generation and to explore the possibility of using economic interventions for social development issues such as health, education, housing, sanitation etc. as low income was not solely responsible for poverty.

Another suggestion was to promote small enterprises or small businesses as opposed to self-employment. The idea is to identify individuals with entrepreneurial skills and acumen and encourage them to start up a business so that it will create job opportunities for people who wish to be employees rather than entrepreneurs. Although the idea is feasible the risk and financial viability of NGOs impinge upon the disbursement of bigger loans.

Attention was also drawn to the hardcore or ultra poor which is the lowest strata in society. This segment of the population tends to be left out of economic interventions. The basis of the disqualification is lack of credit-worthiness which the group members felt did not warrant exclusion.

The group next focussed their attention on **strategies** that were compulsory irrespective of the ideological orientation of the NGO. Segmentation headed the list as it played a decisive role in determining the success or failure of an intervention. The poor are not a homogenous entity. There are layers of variations discernible to the sensitive development practitioner/activist. Theoretical targeting at the design level and practical segmentation at ground level are therefore equally important.

The discussion also included the issue of social mobilisation, the need to animate and harness the collective, creative energy of the target group to overcome poverty. Prefacing poverty alleviation efforts with this type of social animation is central to those adopting an integrated approach to development. To those with a minimalist approach to economic initiatives releasing the potential of people becomes a means to an end. To them it is building social capital which like any other article of trade can be sold on the market. Unlike the maximalists who raise creative energy to a level of self-actualisation the minimalists reduce it to a spiritless commodity. The activity is the same but the objectives could not be more dissimilar.

Social mobilisation must then be followed by the creation of a socially enabling environment. This implies a rearrangement of the existing resource allocation and power relations starting from within the community and working outwards so that development interventions will not be subverted. Care must also be taken to manage the process in a manner that will not totally upturn the status quo.

As the successful implementation of an economic initiative would also depend on relevant skills the NGO would have to make provisions for capacity building at all levels of personnel - from the NGO staff to the community members. The NGO will have to focus on the various functional areas that impact on the intervention such as organisational, managerial, financial, marketing etc.

If the focus were on strengthening the small enterprise sector in a community it would also be necessary to take the facilitation and development of forward and backward linkages. This would mean designing small enterprises that would use local inputs for a product which would then be value-added by yet another small enterprise. The facilitation of backward and forward linkages would not only create a healthy interdependence and sense of solidarity among entrepreneurs in the small enterprise sector but would also increase its bargaining power with macro level organisations.

In order to keep up with current trends the group felt that the NGO and the people need to have up-to-date information. Innovation and research on new product development was also considered essential for long-term sustainability.

From an organisational point of view it was also considered important to develop and transfer technology for economic as well as social purposes. Generally, an NGO focussing on the promotion of economic initiatives veers more in the direction of developing cost-effective and efficient technology to optimise the use of resources. Although it may rate high on efficiency and effectiveness the technology may be socially counterproductive. Conversely, an organisation engaged in social development may falter in the development of

economically feasible technology. There will always be a trade off. The challenge however, is to be mindful of both purposes and to minimise the dissonance.
Before the application of new systems to scale the group also calls to mind the advisability of pilot testing. The precautionary measure will expose the flaws and deficiencies of the system and will lend itself to correction and modification more easily due to the manageability of the sample. The honed and perfected system can then be promoted and shared among development practitioners and activists.

Irrespective of how well designed and fine-tuned the intervention is however, there is a strong probability of it producing substandard results due to infrastructure deficiencies. Policy advocacy for infrastructure such as basic amenities including communication must also be featured where applicable.

On the checklist for **programmes** the group recommends the advantage of moving away from project based interventions to sustainable programmes and systems. A project generally has a set of narrow and specific objectives to be achieved in a relatively short period. A programme that spans a longer period on the other hand, allows for developmental stages in the implementation and in terms of objectives attempts to realise a degree of sustainability. It may also facilitate the development of workable systems that will function even after the NGO withdraws from the community.

For optimal utilisation of resources and maximum effectiveness a change of course is suggested from diversification to specialisation. This has a number of implications for the organisation. The plus points are that the NGO will be able to recruit professionals in the area of specialisation. Specialisation would also mean a higher success rate in terms of the micro-finance-economic initiatives package, outreach, repayment rate etc. The minus points are that since most NGOs are project dependent they are compelled to take on any type of development projects that are on offer if they are to remain in the ‘business of development’. Diversification in this instance becomes a survival strategy.

Another point in favour of specialisation is that it avoids the difficulties inherent in managing a split personality. Specialising in economic initiatives would mean an insistence on business discipline, one that the staff and participants will adapt to in due course. The culture of a diversified organisation on the other hand would require the adroitness and agility of a tightrope walker. Neither the staff nor the programme participants would ever have a clear idea of how to relate to the organisation. There is hardly any compatibility between business discipline and social expansiveness.

Still in the same vein of optimising resources, the group recommends networking and collaboration among NGOs and other significant actors in poverty alleviation. Due to haphazard planning NGOs have been dissipating much of their energy by duplicating interventions (overlapping) and thereby unwittingly creating competition. Networking and collaborating it is hoped would ensure properly orchestrated development interventions to reach a larger number of people.

NGOs would also need to explore alternative methods of catering to the growing need for institutional credit especially among the poverty graduates. Liquidity constraints, the inability or reluctance to disburse larger loans due to the high risk involved with regard to default are barriers that inhibit the growth of the small entrepreneurs. Fostering linkages between NGOs, banks and self-help groups is considered an effective means of addressing the problem. While the linkage may solve an operational difficulty it will also serve as a conduit through which people will be integrated into mainstream society which is the ultimate objective of development efforts.

Given the overwhelming presence of globalisation, which thoroughly distorts the power relations among all it affects, the group felt that programmes should incorporate advocacy for enabling macro policies. NGOs should lobby for more equitable micro-macro relations. For this the capacities of the poor must be strengthened to the point where they can operate as a pressure group. This might be the embryonic stage of civil society.

The group next discussed the need for **monitoring and evaluation** of economic initiatives. The first question arose as to what was to be subjected to monitoring and evaluation, i.e. whether it is the process of implementation, results of the intervention or the impact on poverty alleviation.

While soundness of financial systems was identified as a key area to be monitored the group also debated on the issue of quantitative and qualitative indicators to be applied in the process of monitoring and evaluation. The decision of applying one or both was left to the organisation.

The question of internal vs. external monitoring was also left open-ended. Monitoring is more a procedure rather than a process in that it requires a list of indicators against which empirical reality is measured. To that extent the skills required for monitoring may be more easily acquired than the skills required for evaluation. To begin with, evaluation is a process that demands a degree of sensitivity and perspicuity.

A key issue that emerged during the discussion was the centrality of authenticity in impact assessment methodologies. Authenticity could be hampered by the individual/s or organisation that carries out monitoring and evaluation. Bias could enter at any level in an internally conducted monitoring and evaluation, whether it is carried out by one of the participants or by the staff of the implementing organisation. External monitoring and evaluation is no more immune to bias than its internal counterpart.

Moreover, the methodology employed for monitoring and evaluation should incorporate a correlation between benchmark data or a base line and the current status to obtain a more accurate picture of economic progress. The methodology should also as far as possible be one where quantitative and qualitative indicators coalesce to produce a keener measurement of well being.

Monitoring and evaluation is not looked upon favourably either by the implementing organisation or the community. The reason underlying this lukewarm response is the discrepancy between the agreed terms and conditions of the programme and realities at ground level. The NGO is often compelled to comply with the donor agenda in order to obtain a project despite its inappropriateness to and inapplicability at ground level. However, at implementation level one way the NGO compromises on the donor requirements is by tacitly allowing a reasonable degree of flexibility to the programme participants. The other is to be faithful to the donor agenda and leave it to the prospective participants to make the best of what is available. The result is a group of very quiescent participants who play by the rules until they lay their hands on what is offered. Thereafter the manner in which the resources are utilised has very little in common with the original objectives. Quite understandably monitoring and evaluation would have disastrous consequences under such circumstances.

The group also toys with the idea of people's participation in the process of monitoring and evaluation. However, the reality discussed above would be influential in deciding the practicability of the proposal. People's participation may work well in revolving fund solidarity groups but may not on a one-to one relationship with the NGO. A cardinal principle to be borne in mind is that regardless of the genius that has gone into the design of an effective and foolproof mechanism or system people will always find the means to defeat its purpose if it is not in their interest. This is what is manifested as weak self-monitoring systems.

If the process of monitoring and evaluation is to generate a more positive response it would have to change its role from nitpicking of violations in the agreed plan of action to assessing the appropriateness of design and original objectives to ground reality, stimulated by the desire to learn from mistakes. The attitudinal change to enable critical analysis and self-criticism is required by the people, the NGO as well as by the donor.

The group found itself on the horns of a dilemma with regard to the issue of **phasing out**. During the course of deliberations they stumbled upon the fact that despite the invariability of phase out built into each and every project or programme there was no universally accepted operational definition of phase out. There was no agreement regarding whose phase out, timing of phasing out and as to why phase out at all. Phase out could be a mild way of signalling the termination of a project/programme, the exit of the NGO from the community and/or the end of a flow of benefits and resources to the people.

From this point of view nothing could be more threatening than the imminent phase out of a poverty alleviation intervention. To NGOs that are not yet self-reliant it presages the termination of employment contracts and the need to visit the alms bazaar if they are not be 'out of business'. For the community it is a portentous sign of the even the trickle drying up.

Especially with regard to economic initiatives, phasing out could have other implications. The first question is whether the people have reached the required level of maturity to manage their enterprises on their own. Or, will these newly set up enterprises fail to outlast the NGO tenure in the community? Phasing out could therefore signal the probability of having to revert to the old lifestyle and having to restore relationships that may have suffered during the heyday of NGO activities.

The group rounds up its discussion with a checklist of operational systems many of which have been reviewed during this presentation or by another group during the course of their own presentation. In addition to the minimalist and integrated operational systems, and the tripartite linkage between NGO, bank and self-help groups it draws attention to the role of second tier organisations. These organisations provide consultancy services such as monitoring and evaluation to implementing organisations and specialise in the provision of training. NGOs could draw upon the expertise of these organisations to fine-tune their operational systems. The presentation concludes with a clarion call for learning and adaptation. Rather than be bound by bigoted ideas and antiquated systems the group urges the participants to develop a willingness to adapt and a desire to learn from best practices.

Part III

PARTICIPATORY SELF EVALUATION AND FOLLOW UP RECOMMENDATIONS

- **Chapter 1 – Participatory Self Evaluation**
- **Chapter 2 - Synthesis of Participants' Ideas for Follow-up Action**

Chapter 1

Participatory Self Evaluation

The need for social development along with financial intermediation was given strong emphasis during the conference. It was agreed that an integration of the two would be necessary for planning and designing second-generation economic initiatives for grassroots development. The conference implicitly focused on the need to think out the strategies, mechanisms, tools and instruments for integrating social development and financial intermediation.

It was seen that there has been a global shift in operational emphasis where NGOs in poverty alleviation are concerned. On the one hand, there are several organisations whose main concern is to focus on the needs of the poor and the poor themselves rely on the economic initiatives supported by them. These organisations seek to empower the poor. However, on the other hand, recognition is being increasingly given to the need for professionalism and efficiency and for securing institutional sustainability. This is the juncture at which several organisations progressively transform themselves to take the form of privatised institutions in order to become professional and efficient on the one side and secure institutional sustainability on the other, at the cost of people's empowerment and people's ownership. The conference focused sharply on the need for a resolution of this dilemma in the second generation of economic initiatives for grassroots development.

The assertion that support organisations dealing with economic initiatives for grassroots development should have a clear understanding of the interrelationship of macro and micro issues when mobilising the poor, found emphasis at this conference. There has been in recent times a strong focus on organisational efficiency, sustainability and professionalism which has unfortunately steered the poor towards disempowerment. As a result of this upsurge of disempowerment and the building up of institutions largely external to them to plan out their activities for them, the poor have been deprived of ownership of resources and the power to negotiate markets and manage their own affairs. The process of disempowerment is unknowingly supported by NGOs who, by and large, do not have a clear understanding of micro-macro relations. It was seen that second generation grassroots level economic initiative design and practice will be greatly strengthened by creating awareness of micro-macro relations among NGOs and support organisations.

The conference identified the need to consider separating, at the implementation level, the micro-finance component from the social development component of grassroots level development interventions in the second generation of economic initiatives for grassroots development.

Chapter 2

Synthesis of Participants' Ideas for Follow-up Action

A **review of the outcome of the conference** by an unbiased and neutral third party.

The production of a **document** highlighting the issues and concerns that emerged during conference, for wide dissemination at national, regional and international levels with the possibility of preparing translations in Asian national languages. The assignment of compiling this document was given to INASIA.

As far **as individual courses of action** are concerned, there was a suggestion to refine the development strategies, programme designs and implementation orientations of organisations based on the learning of this conference. Some suggested the preparation of individual action plans after reviewing the conference learning and insights. Some said that they would start a process of critical reflection within their organisations. These individuals will not pause at refining their development strategies and programme designs but would go on to refine their methods, practices and also review the impact of their programmes and projects in terms of the conference learning.

The preparation of a **checklist** of impact indicators of the conference learning for the second generation of grassroots level economic initiative planners and practitioners. The checklist should be supported by the compilation of a clear set of definitions of terms commonly used in this sector.

The organisation of a **follow up workshop** on the new themes and the issues raised at this conference. This should follow the preparation and dissemination of a set of publications based on the conference learning.

A set of activities for **sharing the learning of this conference** with governments, micro-finance institutions, donors, international economic agencies and the UN system. These activities should be supported with publications and advocacy documents based on the conference learning.

Networking for policy advocacy at national, regional and global levels on the one side, and for dialogue on social issues. There is a strong need for networking and solidarity building among Asian countries and civil societies to move towards poverty free, value driven, fully democratic societies. It was also agreed that there is no compulsion to establish a network but it would be more appropriate to evolve simple, inexpensive mechanisms be in touch to meet when possible. The impracticality of formalising yet another network the attendant cost factor was recognised. It was realistically stated that the recommendation for a formal network is not unusual at the close of a good conference as a statement of appreciation of the conference, and as a statement of desire to remain in touch with each other. It was agreed that although it is very convenient to develop a network, the difficulty lies in sustaining the interest of the members in that network for long.

The need for **action research**. The need for participants to undertake action research programmes to assess the impact of grassroots level economic interventions, to clarify issues and to validate alternative frameworks. There is also the related need to develop sensitive impact indicators based on the new ideas and perspectives discussed at the conference.

Organising **small reflection workshops** at local, national and regional levels. These will enable those who participated at the conference to dialogue with smaller NGOs and conduct immersion programmes to sensitise them to the new perspectives and insights of the conference. These workshops need to be supported with publications prepared out of the conference material.

Preparing a **Capacity-building Package** for second-generation grassroots level economic initiative practitioners, using the new insights and learning of the conference. This should include capacity-building in relation to issues such as Governance, Transparency and Ownership.

Setting up a post conference website and an Email Forum for second-generation economic initiative planners and practitioners to discuss and debate the insights and learning of the conference.

A **charter of principles.** A declaration of principles / intentions which the participants, or those of them who agree, could sign. Such a charter could also serve as a mobilising instrument for a solidarity movement around an interrelated set of principles, values and best practices.

Compiling a set of **best practices** that reflect the principles, values, ideas and methodologies that constitute the conference output. The wide dissemination of such a publication in the development community at local, national, regional and international levels.

Identifying practical ways to promote the **alternative vision** that forms a part of the conference output, which is people-centred rather than profit-centred, with multiple action at multiple levels. The alternative model should have the flexibility to be adapted to the different cultural, social, political, historical, social, economic and environmental contexts of the Asian region.

INASIA was mandated with the task of prioritising the above suggestions and taking action to implement them in consultation with its core planning group, the conference participants and the donors.

Drawing Out the Essence of the Conference – The Closing Session

Mention was made of the importance of person-to-person networking. Such networking have been recognised to be more effective than institutional networking. The success of this conference was due in no small measure to the effectiveness of the person-to-person networking of grassroots level economic initiative practitioners which Mr. Sunimal Fernando, now the honorary vice chairman of INASIA, had carried out in the Asian region progressively over fifteen starting from the mid nineteen-eighties. A majority of the conference participants are a part of this person to person networking of Mr. Sunimal Fernando. Such networking is more effective than institutional networking because the bonds of personal friendship strengthen it.

The importance of persistence. To work together, to act together, to share experience and perspectives, people must know each other and trust each other. When people meet, ideas are exchanged; experience is shared and dialogue starts. But for ideas to get translated into policies and projects it takes several years. So new ideas that get launched at a meeting invariably will take years to show effect. Throughout this intervening period, persistence is imperative and it is usually a person and not an impersonal institution that can give life and blood to persistence. The people who shared the original idea have to continue to be in touch and follow the idea through with persistence. For this, personal networking, strengthened by bonds of personal friendship, is more effective than institutional relationships. Things happen around innovative persons who network with other, with institutional back-up. Most of the people who were brought together to this conference had been in touch with each other and with the present head of INASIA for over fifteen years. They were a part of a personal networking process. They enjoyed a fund of goodwill, friendship and trust to start with. The conference achieved results because it was, to a large extent, a meeting of a person-to-person network that had proved its persistence over a long period of time.

The contradiction between the pace at which poverty is increasing and the pace at which social mobilisation methodology can proceed was discussed but not resolved. The general drift of the conference was to identify the issues that the second generation of grassroots level economic initiative planners and practitioners should focus on, but to allow the mode of solution to remain open-ended. It was agreed that right now the rate at which the poor are enrolled into poverty alleviation programmes is much slower than the rate at which the poor reproduces itself. For every one person lifted out of poverty, ten persons are recruited into the category of the poor. While this is so, it was also agreed that the depth and quality of social mobilisation led economic initiative methodology is such that it requires 5 – 10 years to lift a poor family out of poverty – a slow methodology indeed. The contradiction between the dynamics of poverty reproduction on the one side and the social mobilisation led poverty alleviation methodology on the other has relevance not only for the approaches and strategies to be adopted but also for the very sustainability of poverty alleviation programmes as well. While some reference was made to some experience of methodologies that have succeeded in reducing the time dimension while maintaining quality and depth, the resolution of the issue – like most issues discussed at the conference – was left open-ended. The persistent question of the possible trade-off between time and scale on the one side and quality and depth on the other was not worked through at the conference.

The need for developing instruments, tools and institutional mechanisms for an on-going interaction between those with vision and those with the technical skills to convert vision into plans, programmes and projects that capable of being implemented: An interaction between visionaries or innovators and policy makers on the one side and managers and practitioners on the other. The need for strengthening the dialectical relationship between vision and practice at the level of the NGO became apparent as both categories of persons were present at the conference and interacted productively with each other during both plenary and working group sessions.

The interaction of different cultures and the diversities in geography, situation and even projects, added richness to the conference at the end of which each participant left with enhanced cultural and professional experiences. It was mentioned that the diversity seen among the participants is an expression of the wealth of humankind, which needs to be consolidated through a globalisation of solidarity, which is in fact the path of progress of humankind. Globalisation of solidarity connotes unity in diversity and a global coherence of output that feed upon but at the same time transcends the richness of diversity.

Some participants argued that poverty alleviation is not the sole objective of development. Development is a multi-dimensional process. They argued that poverty alleviation is one important dimension of development, which has social, cultural, spiritual, ethical, moral, political, and environmental dimensions as well. Others argued that the need is for target-oriented action with poverty alleviation as the goal: That the causes of poverty should be addressed directly and indirectly, intellectually and practically and that the other dimensions of development should be addressed only to the extent that they have a bearing on poverty. The interrelationship between the three variables, economic initiatives, poverty alleviation and development, was discoursed at length but left open-ended.

Value-led visionaries and hard-nosed pragmatists animated the conference by frequently counter-pointing one set of perspectives with another. For instance when visionaries spoke passionately of governance and ownership of institutions by the poor, the pragmatists raised some hard-nosed questions: Do the poor want governance and ownership of institutions or do they want quality services and benefits? What will be the quality and quantity of services if the poor are owning and governing the institutions themselves? Is it preferable for the poor to own and govern these institutions or for the poor to be empowered so that they could hold those who are owning and running the institutions answerable and accountable because the institutions derive their legitimacy from the services and benefits provided by them to the poor.

The conference respected diversity of perspective, objective and method. There was almost reluctance on the part of participants to push the conference towards consensus and agreement. The only agreement that was possible was on the ‘issues’ or ‘concerns’ that need to be addressed by second-generation grassroots level economic initiative planners and practitioners. The insights and learning of the conference, it was felt, could stimulate the reflection on these issues and concerns. The philosophical underpinning of the conference seemed to be that all can reflect and discourse together but that each must take his / her decision on matters of vision, values, perspective, method, goals, objectives, tools and instruments. It was also said on several occasions that these decisions on ‘what’ and ‘how’ should be taken on the basis not only of information, knowledge and experience but also in relation to one's own worldview, ideology and capacity and in relation to the cultural, historical, social, political, economic and environmental context of the communities that are targeted by an intervention.

The energy of the conference seemed to derive from the dialectical interplay between the broader, softer, holistic, humane interest of social development and narrower, hard-nosed, professional, technocratic interest of instruments, tools and methodologies for the translation of vision into practical programmes and projects.

The conference was not structured as an 'activity' or 'event' but was sensitively handled and guided as a 'process' by a steering committee of twelve participants who met every night to reflect on the day's proceedings and plan for the following day. The functioning of the steering committee enabled the conference to progress organically rather than mechanically from day to day. The process-orientation of the steering committee introduced a level of organisational flexibility that enabled the conference to sustain the interest of the participants throughout the four-day period. It was also a factor that contributed to the richness of the conference output.

Annex 1

List of Conference Papers

	COUNTRY	NGO	TITLE OF CONFERENCE PAPER	AUTHOR OF CONFERENCE PAPER	PERSON PRESENTING THE PAPER AT THE CONFERENCE
1.	BANGLADESH	BRAC	Micro Credit NGOs in Bangladesh – Growth, Impact and Challenges	F.H. Abed (Founder and Executive Director, BRAC	M. Ghulam Sattar (Manager, Research and Evaluation Division, BRAC) on behalf of F.H.Abed (Founder and Executive Director, BRAC)
2.	BANGLADESH	GRAMEEN TRUST	Micro Finance and Poverty Reduction – Experiences of Grameen Operation in Asia	Professor H.I. Latifee (Managing Director, Grameen Trust)	Professor H.I. Latifee (Managing Director, Grameen Trust)
3.	BANGLADESH	BURO, TANGAIL	Diversification of Microfinancial Services: *The Case of BURO,Tangail in Bangladesh*	Dewan A.H. Alamgir (Consultant)	M. Mosharrof Hossain (Finance Director, BURO, Tangail)
4.	BANGLADESH	PKSF	Micro Credit Program of Palli Karma-Sahayak Foundation (PKSF): A Case Study	Dr. M. A. Hakim (Economist, PKSF)	Dr. M. A. Hakim (Economist, PKSF)
5.	BANGLADESH	PKSF	Coping with Disaster in Bangladesh : PKSF Experience of Flood 1998 and Microcredit	Dr. Salehuddin Ahmed, (Managing Director, PKSF)	Dr. Salehuddin Ahmed, (Managing Director, PKSF)
6.	BANGLADESH	CDF	Microfinance Status in Bangladesh and the Forthcoming Challenges	S M Rahman (Director : Credit and Development Forum – CDF)	S M Rahman (Director : Credit and Development Forum – CDF)
7.	BANGLADESH	PROSHIKA	Proshika's Experience of Credit and Savings Service to the Poor	Dr. Qazi Faruque Ahmed (President, PROSHIKA)	Dr. Qazi Faruque Ahmed (President, PROSHIKA)
8.	BANGLADESH	ASA	Emerging Issues in Micro-finance	Md. Shafiqual Haque Choudhury (Managing Director, ASA)	Md. Shafiqual Haque Choudhury (Managing Director, ASA)
9.	BANGLADESH	CDF	Growth and Dimension of the Microfinance Sector in Bangladesh	Khandker Zakir Hossain, (Executive Director CDF) and Faruque Ahmed, (Research Manager, CDF)	Khandker Zakir Hossain (Executive Director, CDF)

10.	INDIA	EKTA PARSHAD	EKTA PARISHAD - A People's Organisation in Madhya Pradesh	Rahul Ramagundam (Consultant)	John Samuel (President, Bodhigram India)
11.	INDIA	CCD	On Covenant Centre for Development (CCD, Madurai)	Ms. Mallika Basu (Consultant)	John Samuel (President, Bodhigram India)
12.	INDIA	KUTCH MAHILA SAMITI	Through re-generation of a Fragile Ecology and Economy Women in Kutch Re-construct their own Lives and Villages	Joseph Keve (Consultant)	Om Shrivastava (Director, ASTHA)
13.	INDIA	ASTHA	Tendu Leaves and Tribal Lives : A Case Study on an Emerging Cooperative in South Rajasthan, India	Joseph Keve (Consultant)	Om Shrivastava (Director, ASTHA)
14.	INDIA	MYRADA	Documenting the Experiences of MYRADA's Self Help Groups in Holalkere *Taluk*, Chitradurga District, Karnataka.	Ms. Mamata Krishna (Consultant)	John Samuel (President, Bodhigram India) , for, Aloysius Fernandez (Executive Director, MYRADA)
15.	INDIA	ASSEFA	Social Credit for Sustainability – A Case Study of a Micro-finance Project of ASSEFA	Dr. R. Sowmithri (Consultant)	S. Loganathan (Executive Director, ASSEFA)
16.	INDONESIA	BINA SWADAYA	Microfinance, Poverty, and Social Capital : A Case Study on the Impact of Economic Intervention	Bambang Ismawan, President and Director, Bina Swadaya	Riza Primahendra (Assistant to the Board of Directors, for Study and Communication, Bina Swadaya) on behalf of Bambang Ismawan, President and Director, Bina Swadaya
17.	MALAYSIA	KPKK	The Case Study of Organizing the Poor in Malaysia through Credit Unions	Paul Sinnappan (General Secretary, Credit Union Promotion Club -KPKK, Malaysia)	Paul Sinnappan (General Secretary, Credit Union Promotion Club– KPKK, Malaysia)
18.	NEPAL	CCODER	Centre for Community Development and Research: A Movement towards Formation of an Ideal Society	Basudev Neupane (President, Samuhik Abhiyan, Consultant)	Govinda Dhital (Executive Director, CCODER)
19.	PAKISTAN	PEN	Striving for a Better Tomorrow : A Case Study of the Poverty Eradication Network (PEN), Pakistan	Ms. Sadiqa Salahuddin (Director, Indus Resource Centre – IRC)	Ms. Sadiqa Salahuddin (Director, Indus Resource Centre – IRC)
20.	PAKISTAN	ORANGI	ORANGI Pilot Project Micro Credit Programme – A Tool for Development	Anwar Rashid (Director, ORANGI Pilot Project - OPP)	Anwar Rashid (Director, ORANGI Pilot Project – OPP)
21.	PHILIPPINES	CCT	Minimum Investment, Maximum Returns : Micro Enterprise Development as a Platform For Holistic Personal and Social Transformation	Centre for Community Transformation - CCT	Ms. Ruth S. Callanta (President, CCT)

22.	SRI LANKA	PRDA	Learning from the Mistakes of a Micro Finance Programme : The Case of the Peoples Rural Development Association (PRDA) in Sri Lanka	Prof.. Ramani Jayatilaka (Consultant)	Ms. Jennifer Goonewardena (Manager Marketing, PRDA)
23.	THAILAND	RCP	The Thailand Rural Reconstruction Movement Foundation (TRRM) and Rural Capital Partners Co .Ltd (RCP)	Ms. Daonoi Srikajon (Consultant)	Ms. Siriwon Janekarn (President, TRRM)
24	SYNTHESIS PAPER		Microfinance as an Instrument of Poverty Alleviation: An Overview	Benjimin R. Quinones Jr (Micro Finance Specialist)	Benjimin R Quinones Jr (Micro Finance Specialist)
25	SYNTHESIS PAPER		The Imperative of Social Mobilisation as a Core Methodology for Poverty Eradication	Susil Sirivardana (Poverty Alleviation Specialist)	Susil Sirivardana (Poverty Alleviation Specialist)

ANNEX 2

LIST OF PARTICIPANTS

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Annex 3

CONFERENCE PROGRAMME

DAY 1 (27th November)

INAUGURATION OF THE CONFERENCE
8.30 – 10.10
Chair: Mr.F.H.Abed (Executive Director and Founder, BRAC, Bangladesh)

08.30 – 09.00	Arrival of Participants and Guests
09.00 – 09.05	Welcome Address: Khandker Zakir Hossain, Executive Director, CDF
09.05 – 09.15	Conference Objectives and Background: Sunimal Fernando, Honorary Vice Chairman, INASIA
09.15 – 09.20	Address: Philippe Amouroux, on behalf of the Fondation Charles Leopold Mayer pour le progres de l'Homme - FPH / Paris
09.20 – 09.25	Address: Stefano Comazzi on behalf of Coordinamento Di Iniziative Popolari Di Solidarieta Internazionale (CIPSI / Italy) and Centro Sviluppo Terzo Mondo (CE.SVI.TE.M / Italy)
09.25 – 09.30	Address: Ms Roshan Dhunijibhoy on behalf of the Heinrich-Boll Foundation (HBF/ Germany
09.30 – 09.45	Address by the Chairperson, F.H.Abed, Executive Director, BRAC
09.45 – 10.00	Inaugural Speech of the Chief Guest Dr Mohammed Farashuddin, Governor, Bangladesh Bank
10.00 – 10.10	Vote of Thanks: S.M. Rahman, Director CDF and Conference Coordinator
10.10 – 10.30	Refreshments

SETTING THE FRAMEWORK
10.30 – 11.00
Chair: Mr F H Abed, (Executive Director and Founder, BRAC, Bangladesh)

Presentations:

10.30 – 10.45	Mr.Susil Sirivardana, Associate Coordinator, SAPNA, Sri Lanka (Poverty Alleviation Specialist): The Imperative of Social Mobilisation as the Core Methodology for Poverty Eradication: A Cross-cutting Overview: A Synthesized Perspective of the 23 Conference Papers
10.45 – 11.00	Mr. Benjamin R. Quinones,Jr, Programme Coordinator, Asian and Pacific Development Centre (APDC), Malaysia (Micro Finance Specialist): Micro Finance as an Instrument of Poverty Alleviation: An Overview: A synthesized Perspective derived from the 23 Conference Papers

PLENARY SESSION - 1
11.00 – 12.30
Chair: Mr. F H Abed (Executive Director and Founder, BRAC, Bangladesh

11.00 – 11.40 Presentation of Papers

- Paper presented by: Ms. Ruth S. Callanta, President of CCT, Phillipines (Emphasis: Project level social mobilisation led processes rooted in values, ethics and spirituality);

Title of the paper :Minimum Investment, Maximum Returns: Micro Enterprise Development as a Platform for Holistic Personal and Social Transformation

- Paper presented by: Mr. Om Shrivastava, Director, ASTHA (Emphasis: Project level social mobilisation led processes rooted in values, ethics and spirituality); Title of the paper: Tendu Leaves and Tribal Lives : A Case Study on an Emerging Cooperative in South Rajasthan, India

- Papers presented by: Mr John Samuel, President, Bodhigram, India (Emphasis: Project level social mobilisation led processes rooted in values, ethics and spirituality); Titles of the papers:1.EKTA PARISHAD- A People;s Organization in Madhya Pradesh, India and

- Covenant Centre for Development (CCD) Madurai, India (Emphasis: Micro credit led processes but towards new organisations and structures for community self governance and for working out new relationships with the support system)

11.40 – 11.50 Comments by Mr Susil Siriwardana (Poverty Alleviation Specialist) and Mr. Ben Quinones (Micro Finance Specialist)

11.50 – 12.30 Open discussion

12.30 –13.30 Lunch

PLENARY SESSION – 2
13.30 – 15.00
Chair: Mr. Paiboon Wattanasiritham (Chairperson, CODI, Thailand)

13.30 – 14.10 Presentation of Papers

- Paper presented by: Ms. Siriwon Janekarn, President, TRRM, Thailand (Emphasis: Project level micro-credit led processes – towards new institutional innovations) Title of the paper: The Thailand Rural Reconstruction Movement Foundation (TRRM) and Rural Capital Partners Co. Ltd. (RCP)

- Paper presented by: Mr. Riza Primahendra, Assistant to Board of Directors, for Study and Communication, Bina Swadaya, Indonesia, on behalf of Mr. Bambang Ismawan, President and Director, Bina Swadaya, Indonesia. (Emphasis: Project level micro-credit led processes – towards new institutional innovations) Title of the paper: Microfinance, Poverty and Social Capital: A Case Study on the Impact of Economic Intervention.

- Paper presented by: Mr. Om Shrivastava, Director, ASTHA, India (Emphasis: Project level social mobilisation led processes rooted in values, ethics and spirituality); Title of the paper : Through re-generation of a Fragile Ecology and Economy, Women in Kutch re-construct their own Lives and Villages - Kutch Mahila Samiti, India.

14.10 – 14.20 Comments by Mr Susil Siriwardana (Poverty Alleviation Specialist) and Mr. Ben Quinones (Micro Finance Specialist)

14.20 – 15.00 Open discussion

15.00 – 15.30 Tea / Coffee

PLENARY SESSION – 3
15.30 – 17.00
Chair: Ms Roshan Dhunijibhoy (Representative for Asia, Heinrich Boll Foundation, Germany)

15.30 – 16.15 Presentation of Papers

- Paper presented by: Mr. M. Anwer Rashid, Director, ORANGI Pilot Project, Pakistan. (Emphasis: Project level people led processes where bureaucracy and technocracy are constrained from usurping the power of the people); Title of the paper : ORANGI Pilot Project Micro Credit Programme- A Tool for Development

- Paper presented by: Ms Sadiqa Salahuddin, Director, Indus Resource Centre (IRC), Pakistan. (Emphasis: Project level people led processes); Title of the paper : Striving for a Better Tomorrow: A Case Study of the Poverty Eradication Network (PEN)

- Paper presented by: Mr. Paul Sinnappan, General Secretary, Credit Union Promotion Club (KPKK) Malaysia. (Emphasis: Project level social mobilisation led processes); Title of the paper : The Case Study of Organizing the Poor in Malaysia through Credit Unions

16.10 – 16.20 Comments by Mr. Susil Siriwardana (Poverty Alleviation Specialist) and Mr. Ben Quinones (Micro Finance Specialist)

16.20 - 17.00 Open discussion

DAY 2 (28th November)

PLENARY SESSION – 4
9.00- 10.30
Chair: Ms Ruth S Callanta (President, CCT, Philippines)

09.00 – 09.40 Presentation of Papers

- Paper presented by: Mr. S. Loganathan, Executive Director, ASSEFA, India (Emphasis: Towards new organisations and structures at project level for community self governance and for working out new relationships with the support system); Title of the paper : Social Credit for Sustainability- A Case Study of a Micfofinance Project of ASSEFA.

- Paper presented by: Mr. M. Mosharrof Hossain, Finance Director, BURO, Tangail, Bangladesh. (Emphasis: Towards new organisations and structures at project level for communities to work out new relationships with the support system); Title of the paper : Diversification of Microfinancial Services: The Case of BURO, Tangail in Bangladesh.

- Paper presented by: Mr. Govinda Dhital, Executive Director, CCODER, Nepal. (Emphasis: Project level micro credit led processes and towards new institutional innovations); Title of the paper : Centre for Community Development and Research: A Movement towards Formation of an Ideal Society.

09.40 – 09.50 Comments by Mr.Susil Siriwardena Poverty Alleviation Specialist) and Mr.Ben Quinones (Micro Finance Specialist)

09.50 – 10.30 Open discussion

10.30 – 11.00 Tea / Coffee

PLENARY SESSION – 5
11.00 – 12.30
Chair: Ms Sadiqa Salahuddin (Director, Indus Resource Centre, IRC, Pakistan)

11.00 - 11.40 Presentation of Papers

- Paper presented by: Professor H. I. Latifee, Ph.D , Managing Director, Grameen Trust, Bangladesh. (Emphasis: Dynamics of project level micro credit led processes but with an eclectic approach); Title of the paper : Micro Finance and Poverty Reduction – Experiences of Grameen Operation in Asia.

- Paper presented by: Ms Jennifer Goonewardena, Manager Marketing, PRDA, Sri Lanka (Emphasis: Dynamics of project level micro credit led processes but with an eclectic approach); Title of the paper : Learning from the Mistakes of a Micro Finance Programme: The Case of the People's Rural Development Association (PRDA) in Sri Lanka.

- Paper presented by: Mr. John Samuel, President, Bodhigram, India, for Mr Aloysius Fernandez, Executive Director, MYRADA, India (Emphasis: Project level micro credit led processes but towards new organisations and structures for community self governance and for working out new relationships with the support system); Title of the paper : Documenting the Experiences of MYRADA's Seff Help Groups in Holalkere Taluk, Chitradurga District, Karnataka, India.

11.40 – 11.50 Comments by Mr.Susil Siriwardena (Poverty Alleviation Specialist) and Mr.Ben Quinones (Micro Finance Specialist)

11.50 – 12.30 Open discussion

12.30 – 13.30 Lunch

PLENARY SESSION – 6
13.30 – 15.00
Chair: Ms Roshan Dhunijibhoy (Representative for Asia, Heinrich Boll Foundation, Germany)

13.30 – 14.10 Presentation of Papers

- Paper presented by: Mr. M. G. Sattar, Manager, Research and Evaluation, BRAC, Bangladesh, on behalf of Mr F. H. Abed , Founder and Executive Director, BRAC (Emphasis: Transcending the project level and placing emphasis on the dynamics of the interrelationship between macro – policy – level issues and micro – local – level processes and programmes, within the coherence of a rich field experience); Title of the paper : Micro Credit NGOs in Bangladesh- Growth, Impact and Challenges.

- Paper presented by: Dr Qazi Faruque Ahmed, President, PROSHIKA, Bangladesh (Emphasis: Transcending the project level and placing emphasis on the dynamics of the interrelationship between macro – policy – level issues and micro – local – level processes and programmes, within the coherence of a rich field experience); Title of the paper : Proshika's Experience of Credit and Savings Service to the Poor.

- Paper presented by: Mr. Khandker Zakir Hossain, Executive Director, CDF, Bangladesh (Emphasis: Transcending the project level and placing emphasis on the dynamics of the interrelationship between macro – policy – level issues and micro – local – level processes and programmes, within the context of a complexity of technocratic issues); Title of the paper : Growth and Dimension of the Microfinance Sector in Bangladesh.

14.10 – 14.20 Comments by Mr.Susil Siriwardena (Poverty Alleviation Specialist) and Mr.Ben Quinones (Micro Finance Specialist)

14.20 – 15.00 Open discussion

15.00 – 15.20 Tea / Coffee

PLENARY SESSION – 7
15.20 – 17.00
Chair: Ms. Roshan Dhunijibhoy (Representative for Asia, Heinrich Boll Foundation, Germany)

15.20 – 16.10 Presentation of Papers

- Paper presented by: Mr. Md. Shafiqual Haque Choudhury, Managing Director, ASA, Bangladesh. (Emphasis: Transcending the project level and placing emphasis on the dynamics of the interrelationship between macro – policy – level issues and micro – local – level processes and programmes, within the context of a complex of technocratic issues); Title of the paper: Emerging Issues in Micro-finance.

- Paper presented by: Dr. M. A. Hakim, Economist, PKSF, Bangladesh (Emphasis: Transcending the project level and placing emphasis on the dynamics of the interrelationship between macro – policy – level issues and micro – local – level processes and programmes, within the context of a complex of technocratic issues); Title of the paper: Micro Credit Program of Palli Karma Sahayak Foundation (PKSF): A Case Study

- Paper presented by: Dr. Salehudddin Ahmed, Managing Director, PKSF, Bangladesh. (Emphasis: Transcending the project level and placing emphasis on the dynamics of the interrelationship between macro – policy – level issues and micro – local – level processes and programmes, within the context of a complex of technocratic issues); Title of the paper: Coping with Disaster in Bangladesh: PKSF Experience of Flood 1998 and Microcredit.

- Paper presented by: Mr. S M Rahman, Director, CDF, Bangladesh. (Emphasis: Transcending the project level and placing emphasis on the dynamics of the interrelationship between macro – policy – level issues and micro – local – level processes and programmes, within the coherence of a rich field experience); Title of the paper: Microfinance Status in Bangladesh and the Forthcoming Challenges.

16.10 – 16.20 Comments by Mr. Susil Siriwardena (Poverty Alleviation Specialist) and Mr. Ben Quinones (Micro Finance Specialist)
16.20 – 17.00 Open discussion

Day 3 (29th November)

PLENARY SESSION – 8
9.00 – 10.15
Chair: Mr. Sunimal Fernando (Founder and Honorary Vice Chairman, INASIA, Sri Lanka)

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9.00 – 9.20 Presentation of Issues relating to Economic Initiatives in Grassroots Development identified by Participants at the end of Day 2 and classified by the Special Steering Committee of the Conference
Discussants: Mr Philippe Amouroux, Representative, FPH/Paris
Ms. Ruth S. Callanta, President, CCT, Philippines
Mr. Paiboon Wattanasiritham, Chairman, CODI, Thailand
Mr Benjamin R Quinones, Microfinance Specialist, APDC, Malaysia.

Mr. Paul Sinnappan, General Secretary, KPKK, Malaysia
Mr. S M Rahman, Director, CDF, Bangladesh

9.20 – 10.00 Plenary: Open discussion

10.00 – 10.15 Setting up of 3 Working Groups to discuss 4 clusters of issues and report back to the plenary on how the experience of the first generation of economic initiatives in grassroots development could be used for planning, designing and implementing the second generation of economic initiatives in grassroots development, and thereby strengthening the transition from the first to the second generation of economic initiatives design and practice.
Issue Cluster No 4: Vision and Micro – Macro Relations
Issue Cluster No 3: Long tern Sustainability
Issue Cluster No 2: Design and Management
Issue Cluster No 1: Methods, Tools and Techniques

10.15 – 10.45 Tea / Coffee

10.45 – 12.30 Participants meet in Working Groups

12.30 – 13.30 Lunch

13.30 – 15.00 Participants continue to meet in Working Groups

15.00 – 15.30 Tea / Coffee

PLENARY SESSION – 9
15.50 – 17.00
Chair: Mr Sunimal Fernando (Founder and Honorary Vice Chairman, INASIA, Sri Lanka)
15.30 – 16.00 Reporting by Working Group Rapporteurs:
Mr. Om Sirivastava, Director, ASTHA, India – issue Cluster 4
Mr. M. G. Sattar, Manager, BRAC, Bangladesh – Issue Cluster 3
Ms. Shamsun Nahar, Executive Director, SAPTADINGA, Bangladesh Issue Clusters 2 and 1

16.00 – 17.00 Open Discussion

DAY 4 (November 30th)

PLENARY SESSION – 10
9.00 – 10.45
Chair: Ms Ruth Callanta (President, CCT, Philippines)

9.00 – 9.45 Open discussion on Written Report (distributed) of Working Group No 3 (Issue Cluster 4)

09.45 – 10.15 Open discussion on Written Report (distributed) of Working Group No 2 (Issue Cluster 3)

10.15 – 10.45 Open Discussion of Written Report (distributed) of Working Group No 1 (Issue Clusters 2 and 1)

10:45-11:00 Tea / coffee

11:00-12:30 Participants meet in 3 Working Groups (same groups as on Day 3) to reflect on the following and report back to the plenary:

1. What has the conference accomplished
2. Learning and insights
3. How the learning and insights can be used in the different milieus of the Asian region
4. Follow-up action to strengthen the transition from the first to the second generation of economic Initiatives design and practice

12:30-13:30 Lunch

PLENARY SESSION – 11

13.30 – 15.00
Chair: Mr. Bashu Dev Neupane (President, Samuhik Abhiyan, Nepal)

13.30 – 14.00 Presentation of Working Group Reports on Conference Accomplishments, Learnings and Insights by
Working Group Rappoteurs
Mr Gunendu K. Roy, Program Coordinator, BRAC, Bangladesh
Mr. M. Anwar Rashid, Director, ORANGI pilot Project, Pakistan
Ms. Ruth S. Callanta, President, CCT, Philippines.

14.00 – 14.20 Open discussion

14.20 – 14.35 Presentation of Participants Ideas for Follow-up Action based on the consolidation of the ideas submitted by participants on cards prior to the lunch break.
Consolidation and Presentation by: Ms Ruth Callanta, President, CCT, Philippines

14.35 – 15.00 Open discussion

CLOSING OF THE CONFERENCE

15.00 – 15.45
Chair: Professor H.I.Latifee, Managing Director, Grameen Trust, Bangladesh

15.30-15.30: Reflections on the Conference by:
Mr. S M Rahman, Director, CDF, Bangladesh
Mr. Susil Siriwardana, Associate Coordinator, SAPNA, Sri Lanka
Mr. Benjamin R. Quinones, Programme Coordinator, APDC, Malaysia
Mr. Stefano Comazzi, CIPSI and CESVITEM, Italy
Mr. Philippe Amouroux, FPH, France
Mr. Khandker Zakir Hossain, CDF, Bangladesh
Mr. Sunimal Farnando, Founder and Honorary Vice Chairman, INASIA, Sri Lanka

15.30 – 15.45 Formal Closure of the Conference
Professor, H.I.Latifee, Managing Director, Grameen Trust, Bangladesh