

V. Conclusion

Despite rapid economic growth in many countries of the Asia-Pacific region, poverty is still persistent in the region: some 670 million people live on less than a dollar a day. Although poverty is increasingly urbanizing, two-thirds of the region's poor still live in the rural areas despite decades of rural development programmes. It is evident that rural poverty reduction deserves renewed vigour, taking into account its unique dynamics and changing circumstances. Conditions around the world, in the Asia-Pacific region and even in the region's rural areas have changed during the last decades and will continue to change.

As a result, poverty reduction policies and approaches that may have worked before may not be as effective any more. In order to formulate and implement effective poverty reduction policies and programmes, it is necessary for the countries in the region to take a fresh look at rural poverty and at their own and other countries experiences in reducing rural poverty, to identify persistent and emerging issues, to revise, where necessary, conceptual frameworks and to reform institutions to make these more responsive to the specific needs of the poor.

Poverty is a complex condition and the poor are not a homogeneous group. The three dimensions of poverty; poverty of income and assets, poverty of access to essential services and poverty of power and participation are closely interrelated, but how they interact with each other varies from place to place, according to the specific social, economic, political, physical and cultural conditions. It follows that poverty reduction strategies in order to be effective also need to be localized, tailored to the local circumstances and responsive to unique local needs.

Rural poverty is characterized by a lack of productive assets, in particular arable land, by the unavailability of essential services within a reasonable distance, by traditional socio-cultural barriers that prevent certain population groups access to services and by a lack of political power among the rural poor to claim their fair share of the benefits of development. Because the rural population lives scattered over a large area and in remote and isolated parts of a country, they tend to be the last to be provided with essential infrastructure and services. Living scattered over a large area also makes it difficult for the rural population to organize itself and exert pressure on the government to improve rural conditions.

Increased access to services

Because poverty is not just a matter of money, the rural poor need to develop their capabilities to lift themselves out of poverty. To do so, they need to be able to access

essential services, whether these are education and health care or credit and market information. In many rural areas, education and health services, if at all available, are located at such a distance that women, children, the elderly, people with disabilities, in brief the most vulnerable groups, do not have access to them. For the rural population, gaining direct access to economic services and to centres of power is extremely important, because traditionally the rural population deals with middleman for the buying and selling of products and for the presentation of their interests.

The public sector alone will not be able to meet the enormous demand for services in rural areas. Thus, the range of service providers needs to be broadened to include other than just the government. Public-private partnerships can be an effective way of delivering basic services and public infrastructure, but they often do not address the needs of the poor. New modalities of public-private partnerships designed to specifically service the poor need to be developed and tried, in particular as it becomes clear that there is indeed a market for the private sector “at the bottom of the income pyramid”. In order to respond to the specific demand at the bottom of the pyramid and still make a profit, the private sector has to adjust its marketing strategies.

Broadening the range of providers and allowing providers to adjust service delivery to local circumstances is easier if decision-making is decentralized. Then, users and providers can adjust the form of service delivery and the type of service to be delivered to local needs and conditions. However, decentralization is not without problems, because there is no guarantee that the benefits of a decentralized service delivery will reach the poor rather than be captured by the elite. Moreover, local governments often lack the capacity to ensure that services are actually delivered by the public or the private sector. Finally, decentralization does not prevent corruption at the local level; it may even increase corruption and without the empowerment of local communities it will be difficult to hold the government accountable.

Inclusiveness

The ESCAP Expert Group Meeting on Rural Development and Rural Poverty Reduction (see annex) agreed that one of the key reasons why earlier rural poverty reduction efforts have failed lies in the fact that policy makers only recently recognized the importance of good governance and inclusiveness in policies and programmes. The meeting highlighted the importance of a rights-based approach and noted that the core of such an approach to poverty reduction is its emphasis on the right of all to a fair share of the development benefits,

particularly by individuals and groups who are vulnerable, marginal, disadvantaged or currently socially excluded.

Greater attention in programme formulation is required to examine the net impact of economic growth on poverty as well as take into account the issues of who benefits, who loses and who is not affected at all. In the rural areas, the lack of inclusiveness tends to affect women and ethnic minorities in particular. Inclusiveness encompasses both the political processes (participatory democracy in particular) and policy objectives (improving the living conditions of all groups, focusing on marginalized and minority communities).

Inclusiveness is not just a matter of providing a space for involvement, but also for empowerment; the acquisition of new capacities, establishment of new institutions, promotion of new ways of working within existing organizations, and provision of new rules for inter-organizational relationships. Thus, policies and institutions that, directly or indirectly, foster discrimination against specific individuals and groups must be eliminated and more resources must be devoted to activities with the greatest potential to benefit the poor. This requires changes in values and norms regarding the notion of respect and the distribution of power between social groups, so that no group is marginalized and thus, loses the right to speak and be heard because of discrimination.

Rural-urban linkages

Rural development deserves renewed attention, not so much in order to curb rural-to-urban migration, but rather to reduce the widening gap between rural and urban areas. In combination with effective population distribution programmes that focus on secondary towns, rural-urban migration can, in fact, be an effective way to reduce poverty. Small cities and towns can play a critical role in addressing rural-urban disparities, such as, access to services and markets for labour or goods. Local governments and civil society must facilitate the integration of rural migrants into urban society by supporting low-income housing development and upgrading slums, by ensuring access to services such as education and health care and by empowering them by creating awareness of their rights.

Rural areas have traditionally been seen as isolated, relatively static and based on agricultural production. However, rural and urban areas and their economies are increasingly becoming interconnected. With improvements in transport and communication in recent years, there has been an increased flow of information, people and goods between rural and urban areas that has affected the dynamics of rural society. Some of these movements may benefit both urban and rural areas, but more often than not, only urban areas benefit. Taking this into account,

rural poverty reduction policies and programmes need to focus on issues of livelihood, not only on agricultural productivity.

Poverty reduction in rural and urban areas requires an integrated approach which, on the one hand, provides the rural population with access to urban opportunities such as urban markets for rural products and urban services and urban employment for rural population. On the other hand, it is necessary to modify urban features such as labour and goods markets and service provision to accommodate the specific needs of the rural population. The starting point has to be the development of an integrated planning approach that is based on rural-urban linkages and an approach that focuses on secondary towns and their surrounding rural areas.

Knowledge management

Over the years, the Asia-Pacific region has gained considerable experience in rural development and rural poverty reduction, and a profound understanding of what works and what does not work. The systematic transformation, transfer and consumption of this knowledge and these experiences, in other words, “knowledge management”, have become a core component of many poverty reduction strategies for regional and international development organizations as they replicate good practices.

The same cannot be said of government institutions. Few governments in the region use the lessons and experiences gained in poverty reduction to generate better knowledge and understanding of the nature and dynamics of poverty and poverty reduction in their own countries. Moreover, poverty is not static and the conditions of the poor are constantly changing. Thus, the process of policy formulation and implementation needs to use information from the changing situation on the ground. Government institutions dealing with poverty need to transform themselves into learning institutions and make knowledge management a central part of the way they conduct their day-to-day operations.

However, the transfer of knowledge and experience is not simple, because poverty is first and foremost a local phenomenon and the starting point for the management of this knowledge must be local, indigenous knowledge. As knowledge is tailored to the specific local circumstances where it emerged, this knowledge needs to be transformed to become relevant to a different setting. Consequently, effective knowledge management requires mechanisms that turn experience gained in one location into new knowledge and new solutions that can respond to specific circumstances in another location. Thus, any strategy for the identification

of good practices and their dissemination and replication must focus on transferable tools, skills and procedures.

Transfer of the practice as such does not suffice, however. Key aspects in the institutional environment in which the practice emerged also need to be covered, because understanding these conditions will be needed for possible replications. In addition, it is vital that the analysis of a good practice covers not only the results, but also the critical processes whereby those results were achieved. People are likely to learn more from “how it was done” than from “what was done”. The objective of transferring a practice is to produce a solution to a problem in a new location under different conditions. This can be better achieved by adapting the processes to new conditions rather than by trying to produce exactly the same result.

Knowledge generation needs to be accompanied by developing the capacity of different stakeholders, in particular the poor themselves, to take advantage of the tools, skills, experiences and processes that are being transferred and transformed. In this respect, it must be recognized that the replication of good practices in rural areas presents unique challenges, given that the population in rural areas often lack even the most basic services which can assist in capacity building.

In summary, there is an urgent need to share the wealth of successful innovative initiatives in Asia and the Pacific that target the various dimensions of poverty under different conditions. These initiatives provide a valuable source of knowledge that must be utilized in support of regional, national and local poverty reduction efforts. To make poverty reduction efforts more effective, public and private organizations dealing with rural development and rural poverty reduction need to become learning institutions with mechanisms that generate new knowledge from past lessons and experiences.