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Reflections on the e-forum and *Prajateerpu* report by the UK Department for International Development, India

by ROBERT GRAHAM-HARRISON

Tackling rural poverty

The e-forum debate has been interesting, and we are grateful to the moderators for running it. The discussion was perhaps a bit academic and learned for some practitioners in Andhra Pradesh to engage with, especially when English is not one of their strengths. But it has been helpful for us at the India Office of the UK Department for International Development (DFID) to think about these themes and issues again, and benefit from the experiences of others who have long worked in this area.

We are looking at ways in which a debate around the future of agriculture and tackling rural poverty can be generated and moved forward in Andhra Pradesh (AP). We and many others have long recognised that this is critical, and the jury event and the fallout has made us focus on this and give it more priority. We have had some preliminary meetings, in Hyderabad and in a few villages in various parts of the State of Andhra Pradesh. The Government has committed itself to looking at how the poverty impact of its policies and programmes can be improved, and there is more analysis coming out that helps to inform the discussion. We hope that civil society can be encouraged and enabled to participate positively.

DFID comment on the *Prajateerpu* report

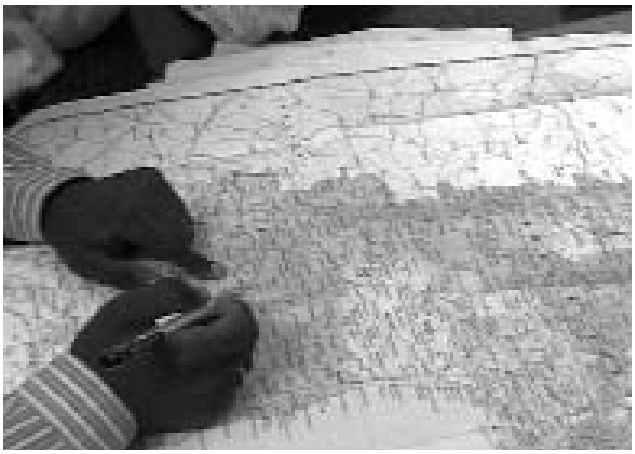
We wish to comment on the statements and implications about the actions and programmes of DFID contained in the *Prajateerpu* report, published by IIED and IDS. This note describes DFID's approach to tackling rural poverty and agricultural development and reviews the UK Government's broad programme in Andhra Pradesh. In setting out these points, we seek to dispel the misplaced notion that DFID has actively and callously sought to displace large numbers of poor farmers from their lands or to impose policies and programmes on them that would adversely affect their livelihoods.

DFID fully endorses efforts to develop and employ participative approaches to foster citizen engagement, such as citizens' juries. For this reason, we welcome experiments such as the one documented in the *Prajateerpu* report, which can lead to new methodological insights and innovations. However, we take strong exception to the text in the report relating to DFID's motives and actions in India. For this reason, we have decided to set out our points in writing and ask that they be taken into consideration when reviewing the *Prajateerpu* document.

DFID's approach to tackling rural poverty and agricultural development

Readers of the report may gain the impression that DFID believes that agricultural development in Andhra Pradesh is

Seventy percent of Andhra Pradesh's 70 million citizens work in agriculture



'DFID makes a judgement whether a government is committed to poverty reduction, and whether we can effectively contribute to their programmes and dialogue on policy options. In the case of Andhra Pradesh, we have taken the view that they are and we can'

best pursued by adopting a highly industrialised approach, with large farms, contract farming, wide-scale mechanisation, and the latest technologies, including genetically modified (GM) crops. Recent press reports and newspaper headlines, such as 'UK funds scheme to throw 20 million farmers off the land', reinforce this impression. DFID does not hold these views.

DFID recognises that tackling deep rural poverty is complex and difficult, and will require actions and programmes in a number of areas. In broad terms, agriculture needs to be more productive and yield better returns, especially for small and marginal farmers. In parallel, more opportunities need to be created for poor people to earn income, and, as *Vision 2020* notes, these are likely to be in services and manufacturing, leading to a reduction in the proportion of people gaining their livelihood primarily from agriculture. DFID does not find any references in *Vision 2020* that suggest that this shift in employment will be coerced, as implied by some.

The Andhra Pradesh Rural Livelihoods Project (APRLP), which DFID is supporting, aims to address both objectives – improving agriculture and creating other income-earning opportunities. It works in five of the poorest districts in Andhra Pradesh – Mahbubnagar, Anantapur, Nalgonda, Prakasam, and Kurnool – and is based on an extremely thorough analysis of the problems and priorities of the rural poor, not just in Andhra Pradesh, but across India. This analysis draws on work done by many agencies, research institutes, and NGOs and includes a great deal of participatory research. Its implementation follows a highly consultative process that includes all stakeholders. It started in October 2000, and its first 18 months of operation have been almost entirely taken up with understanding people's perceptions and priorities for tackling poverty. It works with both NGOs and government departments, and through self-help groups and other community-based organisations. A key objective of the project is to enable government to become more responsive to the needs of poor communities.[1]

A recent report, entitled *Breaking New Ground*, published by the APRLP, presents details of this consultative exercise. That document describes the main aims, activities, and progress to date of the AP Rural Livelihoods Programme. It also outlines the plans and priorities that have emerged out of this intensive stakeholder dialogue process.[2]

On a more general point, we wish to make clear that providing assistance to the Andhra Pradesh government – or any other organisation with whom DFID is working – should not be seen as a signal that DFID agrees with that government or organisation on every detail of every point, as implied by some. Applying such stringent criteria would be counterproductive and unnecessarily hinder us from helping governments and others address poverty. DFID makes a judgement whether a government is committed to poverty reduction, and whether we can effectively contribute to their programmes and dialogue on policy options. In the case of Andhra Pradesh, we have taken the view that they are and we can. Dialogue and discussion are central to our approach, but ownership is critical and must be respected. DFID cannot dictate the policies of another government, nor do we seek to do so.

DFID's programme strategy and approach

The *Prajateerpu* document states that '…there is little or no evidence that ... DFID have used appropriate methodologies to bring the "voices of the poor" into the planning and design of their aid programmes in Andhra Pradesh.' DFID

[1] More information on the Andhra Pradesh Rural Livelihoods Project can be obtained from: DFID India - Andhra Pradesh, Sarovar Centre, Secretariat Road, Hyderabad, 500 004, India. Tel: (+91) (40) 3242519/ 3210943; Fax: (+91) (40) 323 0421; Website: www.aplivelihoods.org

[2] Copies of this report can be obtained from: Andhra Pradesh Rural Livelihoods Project, A. Madhavareddy Academy of Rural Development (AMARD), Rajendranagar, Hyderabad - 500 030, Andhra Pradesh, India. Tel: (+91) (40) 400 1953/400 1954; Email : info@aplivelihoods.org

'DFID does not claim to be contributing to the design or implementation of a flawless process of people-centred development in Andhra Pradesh. We do believe, however, that the Government and its many public and private partners are genuinely working to find ways to reduce poverty and improve the livelihoods of poor people across the state'

disputes this claim.

The overall shape of DFID's programme in Andhra Pradesh was reviewed and discussed in the formulation of our strategy, which was started in 2000 and finalised in 2001. The strategy drew on a number of sources of information available, and included discussions and consultations with a wide range of stakeholders, including civil society groups working in poor communities.

We recognise the value of participation and consultation, especially in projects aiming to benefit poor people directly, and that this is true not just in the design phase but during implementation. The section above outlines the participative approach taken in the Rural Livelihoods Project. In the Urban Services for the Poor project, which is DFID's largest investment in Andhra Pradesh with a budget of £94 million, the approach has been to get all stakeholders in the municipalities together and build consensus that funds should be targeted on slum areas and respond to the priorities of the people living in them. Assistance is being provided to civil society groups to enable the poor to articulate their priorities and to hold the municipalities accountable for the services they provide. In both these cases, DFID does not manage the projects directly nor have we set up separate systems to run in parallel to the existing frameworks. These, and other DFID-supported projects, work through existing government and NGO systems and programmes in order to create a sustainable improvement in the quality of services and programmes provided, and to demonstrate how the approach can be replicated elsewhere.

Other DFID-supported interventions in Andhra Pradesh which poor people benefit from directly include:

- The District Primary Education Project; this is a centrally driven programme, run by Government of India and receiving funds from a number of donors. Andhra Pradesh has established village education committees to involve local communities in the running of schools.
- The ILO-managed child labour elimination project (ILO-IPEC); the project works with parents, employers, and NGOs to raise awareness and build support for children to go to school, rather than earn income.
- CASHE, which is a microcredit project, working in three states. It is run by the international NGO CARE, which works very closely with grassroots NGOs to provide financial services to poor women in self-help groups.
- The National Revised Tuberculosis Control Programme, which is a centrally designed programme, tackling one of the major poverty diseases.

DFID's programme in Andhra Pradesh also focuses on supporting the government in taking forward key policy changes and programmes that will address constraints to poverty reduction and development in the state. Some of the issues on which we provide technical assistance are complex and highly technical; e.g. the introduction of VAT, reform of state owned enterprises, fiscal stabilisation, and power reform. While DFID has not consulted poor people on these issues directly, they are much debated in the State Assembly and the media, and the government has been clear about its objectives. Also, the Government of India supports some policies, e.g. VAT, which is being introduced across India. We note that some progress has been made in developing consultative processes on these issues; for example, on power reform, there are public hearings on the level of tariffs each year, and the draft budgetary allocations for the forthcoming year were published for consultation prior to the presentation to the Assembly.

The £65 million grant that has been mentioned in press reports and elsewhere was provided to support the state government's broad economic and public sector reform programme. It was not provided to implement agricultural reforms. Relevant papers produced by the Government of Andhra Pradesh include the Governance Reform Strategy, the Fiscal Reform Strategy, Budget and Medium-Term Fiscal Framework, papers on e-governance, power sector documents, and Citizens' Charters.[3] As well as the grant, DFID provides technical assistance to support this programme and the World Bank-funded Economic Restructuring Project, including work on anti-corruption, improving the effectiveness of public expenditure, and setting up a poverty monitoring and analysis unit. Governance reforms are supported by a separate project with the newly established Centre for

[3] These documents are available on the official website of the Government of Andhra Pradesh: www.andhrapradesh.com

Good Governance, whose Board includes representatives from the public and private sectors.

DFID does not claim to be contributing to the design or implementation of a flawless process of people-centred development in Andhra Pradesh. We do believe, however, that the Government of Andhra Pradesh and its many public and private partners are genuinely working to find ways to reduce poverty and improve the livelihoods of poor people across the state. For this reason, DFID remains committed to supporting their efforts, including the APRLP, by providing long-term financial, institutional, and technical advice and assistance.

In closing, we would like to state that DFID supports the free and open exchange of ideas on matters of substance, such as the key discussion points to be addressed in this e-forum. We look forward to hearing the views of all interested individuals and groups who wish to contribute their ideas and opinions to this important debate.

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