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OWN-POVERTY EVALUATION NETWORK AN OPEN APPROACH TO POVERTY ASSESSMENT AND MONITORING FOR SUSTAINABLE PRO-POOR DEVELOPMENT

Joe Remenyi and Max Kelly

Introduction

The contemporary rhetoric of development is dominated by the view that development has to be pro-poor. But, to be pro-poor it is first necessary to have a consensus on (i) how the poor are to be identified, (ii) how the incidence of poverty is to be measured, and (iii) how the impact of poverty-reduction interventions is to be monitored. In this paper, we argue that pro-poor development, as it is currently managed, does not give priority to the interests, the voice, and lived experiences of the people for whom poverty is a day-to-day reality. To ensure that development really is pro-poor we argue for the use of management strategies, to fulfil these three aspects of pro-poor, development, that are more inclusive of targeted poor individuals and households than is the case using most extant approaches to poverty mapping and impact assessment.

We argue that the OPEN approach to pro-poor development, using self evaluation of 'own-poverty', assessed by one's peers, provides a more robust and responsive approach to measurement of the incidence of poverty than the alternatives. The intensive involvement of poor people in the OPEN approach leads to more effective poverty targeting and greater accuracy and timeliness of intervention impact evaluation. OPEN is, therefore, more pro-poor, more culturally, socially and institutionally consistent with the requirements of sustainable development, and more cost-effective than less inclusive, externally managed top-down strategies of poverty mapping, consultant dominated design and administration of pro-poor poverty interventions, and independent project impact assessment.

About OPEN

OPEN involves the engagement of poor people, using participatory, group-based methods of data collection and analysis, in the consensual measurement
of the most important ways in which they experience poverty and changes in the incidence of their poverty over time. The focus of OPEN is 'own poverty' 'evaluation' by a 'network' of poor people who are known to one another. OPEN results in self-assessed measures of poverty, with data collected in a comparative context relative to the 'own poverty' of one's neighbours and fellow villagers or slum dwellers. Hence, OPEN produces an assessment of the incidence of poverty that is 'evaluated' personally, but vetted by a network of peers and local leaders.

OPEN engages communities not only in the participatory assessment of poverty, but also through capacity building within the community to enable ongoing ownership over the development process—relevant to local priorities and conditions and allowing much more focused targeting of development interventions, under a policy framework informed by the needs and priorities of individuals and communities. OPEN combines the consensual or democratic approach to poverty analysis with participatory processes, giving rise to improved opportunities for locally managed pro-poor development and locally managed poverty reduction project monitoring and impact assessment.

OPEN is founded on beneficiary-led consensual self-assessment, with the key purpose being to develop locally relevant 'levels' of poverty (poor, poorer, poorest), locally determined indicators of poverty, and community wisdom on how the impact of poverty reduction interventions can be monitored and evaluated. The measurement of poverty is a complex and contested area. Econometric measurements of a unitary model of the household, depending on an indicator identified as a proxy of poverty, placing people above or below an arbitrarily devised poverty line has little meaning to those outside the circle of development policy-makers, academic institutions and professional development consultants. The 'objective' poverty-line approach has, therefore, attracted a wide spectrum of criticism from a number of quarters, yet it remains an important part of poverty analysis in development planning and impact assessment. The pro-poor approach, in contrast, has been associated more with concepts of poverty that are "multidimensional phenomenon, with a strong locally specific character", yet even the typical pro-poor approach is tied to the limitations of an externally defined income-based proxy for poverty.

The OPEN approach to poverty mapping and poverty monitoring, shares with pro-poor development planning a commitment to poverty as a multidimensional phenomenon, with strong situation-specific characteristics. OPEN does not, however, suffer the limitations that come from slavish dependence on a unitary, externally imposed proxy for the incidence of poverty.

In this chapter we examine ways in which OPEN is different from received practices and the reasons why OPEN ought to be a mainstream approach for poverty analysis, progress monitoring and impact evaluation.
OPEN in Practice

Examples of the OPEN approach to pro-poor development are not commonplace, but in the development literature there is a concentration of examples dealing with community based natural resource management, capacity building for more effective Water User Associations and Participatory Irrigation Management, and the multi-sector approach to locally managed Pro-Poor Development Planning.1

In 2000, the ADB (Asian Development Bank), at the request and in partnership with Chinese authorities, funded a technical assistance pilot project (TA3610) to identify a more effective strategy for village development planning and poverty reduction. The results of that exercise were reported in ADB 2002. I was the so called ‘methodology and poverty expert’ on the team of eight, led by Professor Li from the China Agriculture University, that undertook the assignment and which resulted in OPEN as the recommended framework.

The essential elements of the TA361 project were a series of field-based participatory action research and poverty assessments with poor villagers to explore (i) what poverty meant to them; (ii) how they believed poverty needs to be measured; (iii) their views on the key causes of their poverty that need to be overcome if escape from poverty is to be possible; and (iv) their views on the sorts of poverty reduction interventions that they believe would be effective and practicable. The results of these participatory explorations with villagers across several northern provinces in China has lead to significant reforms in the way in which village poverty reduction is planned and implemented across almost the whole of China.

In addressing what poverty meant to them, villagers consistently stressed the fact that even though there are several types of poverty, overwhelmingly poverty means ‘having no money’, especially when you need it most. Access to money, whether borrowed or otherwise, provides the means by which one can do something to relieve the immediate and the long-term effects and causes of poverty, be this livelihood poverty, infrastructure and environmental poverty or human resource poverty.

The importance given to cash-flow, (i.e., access to money) is not surprising, but it is crucial to know because of what it says to the policy maker and the pro-poor development planner. It highlights that it is cash flow not income that is critical. The difference is important and all too often ignored in income-based poverty line assessment of the incidence of poverty. Cash flow and income overlap, but as far as the poor are concerned, for example, ‘cash-for-work is preferred over food for work’. For similar reasons, TA3610 found that poor communities hunger for public assistance projects, whether in the form of infrastructure upgrades, welfare payments or paid employment, that inject additional liquidity into their liquidity starved local economies.
The priority that poor villagers involved in TA3610 gave to cash flow does not mean that they were unaware of the importance of factors that contribute to the productivity of their farms, their households, their village economies or the access they have to the broader economy. Quite the opposite is the case. After a lengthy period of consultation and replication across literally hundreds of villages, TA3610 was able to report that in assessing their own poverty, a pattern of consistent responses could be identified. This pattern consisted of three primary types of poverty, the incidence of which could be mapped or measured using eight simple and well understood indicators. These three types of poverty and eight indicators are summarized in Table 1.

Table 1
Types of Poverty and Associated Indicators Identified by Poor Villagers in China

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<td>Indicators:</td>
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<tr>
<td>(1.1) Average cash income per person per year</td>
<td>(2.1) % With easy access to portable water</td>
<td>(3.1) % drop-out from primary education</td>
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<tr>
<td>(1.2) Average grain production per person per year</td>
<td>(2.2) % Households with reliable electricity</td>
<td>(3.2) % women with a significant health problem during the year</td>
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<tr>
<td>(1.3) % of households with poor quality housing</td>
<td>(2.3) % Villages with all-weather access road</td>
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A close examination of Table 1 soon reveals the valuable insights that these indicators provide development planners into the root causes of poverty. For example, indicator 3.2 highlights the importance that villagers place on women’s health issues as a factor determining the incidence of household poverty. The result also confirms the view that poverty is not gender neutral. Similarly, access to a reliable electricity supply not only influences the income generation opportunities open to poor villagers, but it also has an important bearing on the quality of their daily lives. Further comments on these results can be found in Remenyi and Li (2004).

Poverty mapping is, of course, only one part of pro-poor development planning. Another part is the identification of the poverty reduction interventions that might be incorporated into public assistance. Here too, TA3610 revealed some important outcome of the OPEN approach. Field work in China for TA3610 included the construction of an ‘opportunity matrix’. This involved a set of general community based brainstorming sessions that asked three key questions: (i) what can the village do to reduce household poverty, through their own efforts, if they had permission to do so?; (ii) what activities or investments would the village like to make if modest levels of external assistance and expertise were to be available?; and (iii) what do the villagers dream about as sources of village and household
Prosperity, but which do they not think possible without substantial external inputs? The animated and excited responses that villagers gave to their discussion of these three questions were as a joy to behold.

Needless to say, the opportunity matrices arising out of these village consultations also gave rise to a pattern. This pattern has given rise to a reasonably stable menu of village development options that local officials in China now use as a short-cut to village development planning. The typical village development menu is replete with proposals for infrastructure upgrades, farmer-skills development, village health centre improvements, improved school facilities, and non-farm enterprise development support activities. Moreover, the methods used to upgrade local roads, schools, drinking water facilities, etc., favour cash-for-work methods, while other components of the development menu are concentrated on increasing village productivity and paid employment opportunities.

**Reluctance to be OPEN**

Despite the strong demonstration effect of projects like TA3610 and other OPEN based approaches to pro-poor development interventions, the consensual methods underlying OPEN are not as commonly applied in community development as they deserve to be. This is in part because the received wisdom is that poverty is not about how people 'feel' about their socio-economic, cultural and political situation, but about how people live. The increasing popularity of Participatory Poverty Assessment (PPA) to describe and quantify how people live notwithstanding, there remains a significant degree of skepticism among development researchers and practitioners of the ability of poor people to understand, accurately describe and correctly analyze the reasons for their plight based on self-assessment. Subjective poverty ranking by poor respondents excpected, best practice in well-planned PPA exercises is to firmly and clearly guide participating poor households, if not to simply tell them, which indicators will be used to measure the incidence of poverty in their community. Consequently, most studies of poverty and analysis of the root causes of poverty are heavily influenced by researchers who are not poor, have never been poor and have little to loose if their investigation is flawed or the results erroneous.

Traditional impact assessment incorporating monitoring and evaluation also tend to be top down, externally implemented, primarily meeting the needs of donors. The OPEN philosophy of placing poor people squarely at the centre of the process of defining, understanding, measuring poverty and in identifying priorities to tackle poverty reduction also requires a strong commitment to ongoing, and in depth analysis of the impact of development interventions, both intended and unintended. This holistic assessment of the diverse consequences of development interventions builds on the consensual self-assessment principles of OPEN. Participatory Impact Assessment and Participatory Monitoring and
Evaluation can provide a platform for this kind of self-assessment, however can also be much more strongly oriented to instrumentalist, extractive approaches. The key is the linking of the three aspects of pro poor development (i) how the poor are to be identified, (ii) how the incidence of poverty is to be measured, and (iii) how the impact of poverty reduction interventions is to be monitored) utilizing the consensual self-assessment approach of OPEN. This provides robust and responsive characteristics for pro poor development, as identified through the example of TA3610 above. OPEN does this by integrating poor people into the research process, facilitating the ability of poor people to contribute their expert knowledge of poverty into the data collection, data analysis and project management processes. OPEN enables poor people to participate in the design, implementation and monitoring activities associated with pro-poor project interventions, thus strengthening the probability that the primary beneficiaries will be the poor communities targeted.

The Importance of Participation in Poverty Assessment

The principal causes of poverty can be debated without end. However, the weight of evidence, from innumerable participatory poverty assessments, social investigations of what it means to be poor, and a long list of situation specific research reports on poverty, points consistently to the view that the primary cause of poverty is the powerlessness of vulnerable people in the face of natural and systemic socio-economic, institutional and political forces.7

Understanding what poverty can mean to different actors is crucial to the study of poverty and poverty alleviation strategies. It is also important to our argument in support of the OPEN approach to pro-poor development. Central to this understanding is the notion of poverty as an absolute and a relative concept. The poor are very aware of this distinction, as any person who has conducted a village wealth ranking will attest. OPEN also assists in our understanding of the distinction between indicators and causes of poverty, how people become poor, and why they stay poor. It is only relatively recently that poverty researchers have discovered the importance of coming to understand the unique problems of the ‘near-poor’, who so easily slide back into poverty if their climb out of poverty has not generated for them a sufficiently substantial asset base, in contrast to the chronic poor. OPEN is also an heuristically powerful means by which to investigate the importance of material deprivation as an indicator of poverty versus broader (and deeper) notions of poverty encompassing concepts such as inequality, insecurity, or deprivation of other non material factors.8 The experience of development practitioners working to strengthen WUAs, for example, also appears to show that OPEN enables poor farmers and their households to acknowledge in a meaningful way that the meaning, measurement and abolition of poverty are as much political decisions as they are technical decisions influencing both policy and practice.10
The study of poverty can be divided into studies that identify how people become poor and studies that explore why people stay poor. The distinction is fundamental, if too often ignored. Participatory approaches to poverty have shown that the more important of the two approaches to the study of poverty is the latter; i.e., why do poor people stay poor.\footnote{Though there is always a migration of individuals above the poverty line and a flow of back-sliders, the vast majority of poor people are not newly poor or even among the `near' poor. The poverty pyramid is dominated by people who have been poor for some time, possibly the whole of their lives.} The challenge for policy makers and development professionals committed to poverty reduction is to identify ways in which these chronic poor can be assisted in their efforts to escape from the mire of poverty that holds them trapped.

Poverty reduction planning and programming invariably begins by an attempt to identify poor individuals/households/communities to be targeted. The criteria used to do this targeting are typically based on the selection of objective measures commonly held to reflect the incidence of poverty. For simplicity, let us call this the \textit{objective approach} to poverty mapping. The most common of these measures is income; usually income per person or income per household. The income measure may be supplemented by a range of social development indicators, each of which is, in effect, a proxy for income. Nutritional intake per person, months of food stress endured, participation in education, quality of housing available, and spending on health or other basic needs are each a function of income available. Often these income measures are set beside environmental indicators of poverty, reflecting the view that isolation, distance from a reliable source of potable water, or local vulnerability to natural disasters are also the source of factors that impoverish individuals, households or even entire regions.

While a great deal of constructive insight into poverty has been derived from the \textit{objective approach} to poverty mapping, and recognizing that even objective poverty measures include some level of subjectivity there is every reason to believe that the results will not lead policy-makers and poverty-reduction project staff to choose optimal strategies for poverty reduction, unless by serendipity. This is so because the \textit{objective approach} may or may not lead to poverty-reduction interventions that address the constraints and problems that are really important to poor people. The \textit{OPEN} approach to poverty-reduction planning overcomes this defect by adopting a \textit{subjective approach}, allowing poor people to identify the key indicators of poverty that best describes and measures their experience of poverty. \textit{OPEN} begins, therefore, with a set of participatory exercises that allow poor communities to select the indicators most relevant to their poverty. Subsequent steps allow these same communities to explore what it is that they feel is needed to realize improvements in the quality of their lives. Adopting this approach incorporates notions of democratic legitimacy that measures of poverty identified by independent experts can not attain.\footnote{Differences in objective and subjective
approaches to poverty measures are amply demonstrated by current literature. Aligning policy for pro-poor growth with the measures of poverty intervention generated using OPEN will produce pro-poor development plans that are locally relevant and situationally appropriate.

Participatory studies of poverty have shown that there is no justification for approaches to poverty reduction that are based on the view that 'the poor are poor because it is their own fault': i.e. because they are lazy, irrationally resistant to change, lacking in marketable skills or motivation, itinerant and not worthy of trust. The rare individual who voluntarily takes on a vow of poverty excepted, participatory analysis of poverty has unequivocally revealed that poor people are highly motivated to escape from poverty. These same PPA (participatory poverty analysis) studies show that the chronic poor are frustrated by the obstacles to escape from poverty that causes their poverty to persist, motivation and hard work notwithstanding. Poor people lack money and the opportunity to benefit from the productivity that their ability to work ought to generate. The overwhelmingly positive response of poor householders to the relief that microfinance providers bring to the liquidity and financial intermediation constraints that are the bane of the poor is clear evidence of this.

Participatory poverty analysis has also taught us that poverty can be understood more broadly to cover non-material issues, in particular issues of powerlessness, and marginalization. Although we are firmly in the area of subjective and relative measures of poverty it is important to make explicit the issue of non-homogeneity of the poor. As a prime example, poverty is not gender neutral. Not only do women and children dominate the ranks of the poor, but female-headed households dominate the ranks of the hard-core poor, the frail, disabled and the ill excepted. Acknowledging the complexities introduced by the bounded realities of the very poor and marginalized, in particular women, Noble et al. (2004) argue solidly that “careful and methodologically sound qualitative work should help remove some of the difficulties associated with bounded realities.”

Welfare is an appropriate response to the needs of the old, the disabled and the ill. Welfare is not, however, an appropriate response to the needs of the able-bodied poor, whether from female-headed households or otherwise, who seek a sustainable and personally managed solution to their poverty. It is this group of poor people, the able bodied but vulnerable poor, who find it most difficult to participate effectively in modern markets for labour, finance, know-how and the sale of final products to consumers. Modern factors of production and product markets have evolved to meet the needs of those with the financial strength to participate in commercial transactions. Typically this means that the poor are excluded because they do not have the means that entitles them to be a player. Even in simple barter-based labour markets, the structures that have evolved to facilitate labour contracting are structures that are suited to the employment of
individuals who are adult and able to respond at a moment's notice to casual work opportunities. The burdens of child care and home duties, often in cultural contexts that discriminate against open participation by females in the commercial sector, create constraints to the realization of higher levels of income generation by those who are not adult or unable to abandon all at short notice. In the poorest households, it is not uncommon to find that a key cause of chronic poverty is the shortage of able-bodied labour, capable of participating in productive subsistence or wage labour. It is these very complexities that need to be addressed.

**OPEN Processes in Poverty Reduction Planning and Implementation**

It is not our purpose here to go into great detail about the OPEN methodology. This has been described elsewhere. Suffice it to say here that a substantial body of practical experience is accumulating on community managed poverty reduction interventions, including the important role that locally managed natural resource (typically water) user associations are playing in the revitalization of economic activity in poor communities. The volume of published literature on these projects is thin, but it cannot be doubted that they are demonstrating the practicality and effectiveness of self-managed and monitored pro-poor development.

OPEN is a process. It must be a process because in consulting with local poor communities one is inexorably drawn to deal with the consequences of limited local capacity for modern forms of project management. OPEN does, therefore, lead to the incorporation of community based human resource development investments, if only to facilitate the ability of local community representatives to fulfill the on-going reporting requirements of the typical project cycle. Similarly, local management of the flow of funds needed to ensure that planned activities are implemented may require training of local people in simple book-keeping, budgeting and financial reporting. In the case of natural resource user associations, the level of training in strategic goal setting, demand management, pricing policy formulation and impact monitoring can be quite demanding and time consuming.

OPEN is a process that draws veracity and viability from its reliance on the role that networking plays in harnessing the discipline of peer review. As one goes from household to household or village to village, the own-poverty assessments and views on appropriate indicators to measure poverty are subject to the scrutiny of neighbours and local community leaders. This review process gives rise to three important outcomes. First, the own-poverty assessments will produce results that can be examined for patterns that reveal key constraints and obstacles to self-help based escape paths from poverty. These patterns can form an important basis on which to conduct further discussion with local people about the reasons why, for example, the productivity of cropping or animal husbandry is so low; children do not attend school; the incidence of health problems is seasonal. Second, the indicators of poverty chosen by poor households provide
development planners with a unique insight into what local people believe are core causes of their poverty. By addressing these causes, be they the prevalence of water or soil based health problems, the lack of markets at which to sell local produce, or the absence of financial institutions willing to provide the poor with the financial services they need to take up economic opportunities, pro-poor development planning can be relevant, timely and effectively targeted at the intended beneficiaries. Third, the local community is given the basis and the ability to monitor movements in the poverty indicators that they have chosen. The experience of Water User Associations the world over has illustrated the importance of this factor as a source of motivation and local pride.

NOTES

1. Noble et al. 2004
8. Moore et al. 1998
9. Moore et al. 1998
10. Noble et al., 2004
13. Noble et al. 2004
14. See for example Carletto and Zezza 2006
16. See Chant 1997, plus other gender studies of poverty
18. There are a number of surveys of poor households that illustrate the problem. See in particular Bittman and Goodin 1998, Pyatt and Ward 1999, Grosh and Glewwe 2000, World Bank 'voices of the poor', Cornia, Jolly and Stewart 1988, Lipton and Ravallion 1995, etc.


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