

NPRS-PRF

Helping Accelerate Poverty Reduction in Asia and the Pacific

STRENGTHENING POVERTY ANALYSIS AND STRATEGIES IN THE PACIFIC

A technical assistance was initiated in the Pacific with the goal to assist Asian Development Bank's developing member countries in reducing poverty by enhancing their capacity to formulate pro-poor strategies and budget in a participatory manner.

A recent report on global poverty levels shows that the Pacific is off track for nearly every United Nations Millennium Development Goal (MDG). These include goals such as reducing child mortality, halting the spread of HIV/AIDS¹, and increasing access to safe drinking water.² After decades of failed economic development, stagnant private investment, and declining public service delivery, poverty is now of increasing concern in the Pacific.

However, only a few in the Pacific island countries (PICs) acknowledge poverty as a pressing issue. Hunger, destitution, and deprivation—typical hallmarks of poverty elsewhere—do not perfectly describe the situation of the PIC communities.

"Subsistence affluence"³ in the agrarian-based village economy, together with strong community affiliations, has ensured that absolute poverty and deprivation—as found in other parts of the world—are almost unknown. Substantial remittance flows from those members who have left for employment in nearby urban areas or overseas demonstrate and maintain the commitment to the extended family.⁴ While Pacific island people might not be well-off financially or materially, their strong family and community ties have traditionally provided social safety nets for the most disadvantaged and vulnerable.

Poverty and Hardship in the Pacific

People perceive, experience, and cope with poverty in diverse ways. In the Pacific, much is made of the strong traditional community-based caring and sharing nature of society. This adds another dimension to the understanding of poverty in the Pacific context. Taking these various elements into account, a Pacific definition of poverty and hardship has, therefore, been proposed. The importance of family, kinship, and customary obligations was chosen as a central feature of this definition.⁵

In the Pacific, poverty is generally viewed as hardship because of lack of or poor services like transport, water, primary health care, and education. It means not having a job or source of steady

income to meet the costs of school fees or other important family commitments. Poverty and hardship are, therefore, issues of sustainable human development as well as of income.⁶

Poverty = Hardship

An inadequate level of sustainable human development manifested by a:

- lack of access to basic services such as primary health care, education, and potable water;
- lack of opportunities to participate fully in the socioeconomic life of the community; and
- lack of adequate resources (including cash) to meet the basic needs of the household or the customary obligations to the extended family, village community, and/or the church.

Source: Abbott, David, and Steve Pollard. 2006. *Hardship and Poverty in the Pacific: A Summary*. Manila.

Addressing the Need for Statistical Information for Poverty Reduction

It is important to understand the nature of poverty in the local context to devise appropriate strategies to combat it and to determine the institutional setup required to translate policies into actions.⁷

Regional technical assistance (RETA) 6157 (Strengthening Poverty Analysis and Strategies in the Pacific⁸) aimed to support Asian Development Bank's (ADB) developing member countries

(DMCs) in reducing poverty and in achieving the MDGs by enhancing their capacity to formulate pro-poor strategies and budgets in a participatory manner.

The short- and medium-term objectives of the RETA were to enhance the capacity and demand—within both government and civil society—for the collection, analysis, and effective use of consistent and quality data related to poverty and hardship.

The RETA established the Regional Poverty Program (RPP) to address the need of Pacific DMCs for statistical information to determine the level and extent of poverty or hardship and develop policies to address these issues. The short- to medium-term objective of RPP has been to enhance the capacity and demand within the Government and civil society for the collection, analysis, and effective use of consistent and high-quality data related to poverty and hardship. RPP has been jointly managed by ADB and the Secretariat of the Pacific Community (SPC) Statistics and Demography Program. The RETA likewise sought to encourage the contribution of other development partners in the region to the program.

Household income and expenditure surveys (HIES) were conducted in the Cook Islands, Fiji Islands, Kiribati, Federated States of Micronesia (FSM), Palau, Solomon Islands, Tuvalu, and Vanuatu. The demographic health surveys were completed in the Republic of the Marshall Islands (RMI), Nauru, Solomon Islands, and Tuvalu.

Review of regional poverty data, analysis, and strategy activities was completed and used as inputs for the conduct of the regional training workshops on poverty analysis for policy development. Likewise, a paper advising Pacific DMCs in addressing prioritization of development strategies was developed.

Under the RETA, publications on poverty and hardship included:

- *Hardship and Poverty in the Pacific:*⁹ A Summary, by D. Abbot and S. Pollard;
- *Priorities of the People Series:*
 - *Hardship in FSM,*
 - *Hardship in Vanuatu,*
 - *Hardship in RMI,*
 - *Hardship in Tonga,*
 - *Hardship in Tuvalu,*
 - *Hardship in Samoa,*
 - *Hardship in Fiji,* and
 - *Hardship in Kiribati.*

The *Priorities of the People Series* are perceptions on poverty and hardship of local people, especially the poor, and the suggested important priority actions to improve their lives.

The priorities expressed by the people for alleviating hardship and poverty addressed the three principal causes:¹⁰

- lack of employment and economic opportunities;
- lack of access to basic services especially health care and education; and
- lack of response of governments to the needs of the people.

These priorities suggest a set of clear and simple directions for future development strategies:¹¹

- develop competitive, commercial, private markets for pro-poor growth;

- performance-oriented and essential public service delivery in support of inclusive social development;
- improved and broadly defined governance that includes well-operated and honest private and public institutions.

The studies and analyses made under RETA 6157 are expected to provide inputs to the national planning process and inform the progress reporting of the national strategies and the achievement of the PICs' MDGs. An assessment of RPP, to date, is that success has been mixed: data collection activities for poverty analysis have significantly improved, but poverty analysis capacity within PICs remains limited.¹²

There is strong ownership of the RETA processes and outputs by key stakeholders, particular by civil society participants. Both governments and civil society in the PICs have been better informed of critical poverty issues.

Endnotes

- ¹ AIDS – acquired immune deficiency
HIV – human immunodeficiency syndrome
- ² Available: www.scoop.co.nz/stories/PO0506/S00021.htm
- ³ “Subsistence affluence” has been used to describe their societies, in which strong support for the extended family or community is said to have contributed to alleviating extreme poverty.
- ⁴ Available: www.unescap.org/pdd/publications/bulletin03-04/bulletin03-04_ch3.pdf
- ⁵ Available: www.spc.int/AC/art_stats_poverty.htm
- ⁶ Available: www.adb.org/Documents/Reports/Hardship-Poverty-Pacific/chap1.pdf
- ⁷ Asian Development Bank (ADB). 2003. *Millennium Development Goals in the Pacific Relevance and Progress*. Manila.
- ⁸ RETA 6157 (Strengthening Poverty Analysis and Strategies in the Pacific); TA amount – \$400,000 from the Poverty Reduction Fund (contributed by the United Kingdom Department for International Development Fund and administered by ADB) and \$400,000 from the Cooperation Fund In Support of the Formulation and Implementation of the National Poverty Reduction Strategies (contributed by the Government of the Netherlands and also administered by ADB), \$200,000 from the ADB TA Funding Program, and \$150,000 from the Secretariat of the Pacific Community; approval date – December 2003; completion date – March 2007; and executing agency – Secretariat of the Pacific Community (SPC).
- ⁹ The publication summarizes the finding and conclusions of ADB's regional assessments over the period 2001–2004.
- ¹⁰ Abbot, D., and S. Pollard. 2006. *Hardship and Poverty in the Pacific: A Summary*. Manila.
- ¹¹ Endnote 9.
- ¹² Available: www.spc.int/sdp/index.php?option=com_docman&task=doc_download&gid=33

This case study was written by Social Development Direct (RETA Consultant) under the Regional TA 6270: Facilitating Knowledge Management for Pro-Poor Policies and Projects with inputs from Anthony Gill and Kiyoshi Taniguchi, Project Officers of TA 6157, and Sonomi Tanaka, Senior Social Development Specialist, ADB. The views and assessments contained herein do not necessarily reflect the views of ADB or its Board of Directors or the governments they represent. ADB does not guarantee the accuracy of the data and accepts no responsibility for any consequences of their use.

For any queries, contact:

NPRS-PRF Secretariat
nprs-prf@adb.org