

# **GOVERNANCE, DEVELOPMENT AND POVERTY ERADICATION**

**UNPACKING A COMPLEX AND EVER-  
CHANGING SET OF RELATIONS**

# THE PREMISE

- Development is more than poverty eradication
- Poverty eradication is a contested concept and practice
- Governance is the critical process variable that determines results

# SHIFTS IN UNDERSTANDING: Governance

- Prerequisite of development or not?
- Political rather than managerial
- Country-led rather than externally driven
- Institutional reforms or structural changes
- Political economy analysis rather than just policy analysis

# SHIFTS IN UNDERSTANDING: Development

- From technocratic policy design to understanding local contexts
- From comparison between countries to comparison over time
- From external agenda-setting to national ownership
- From model-driven to problem-driven approach

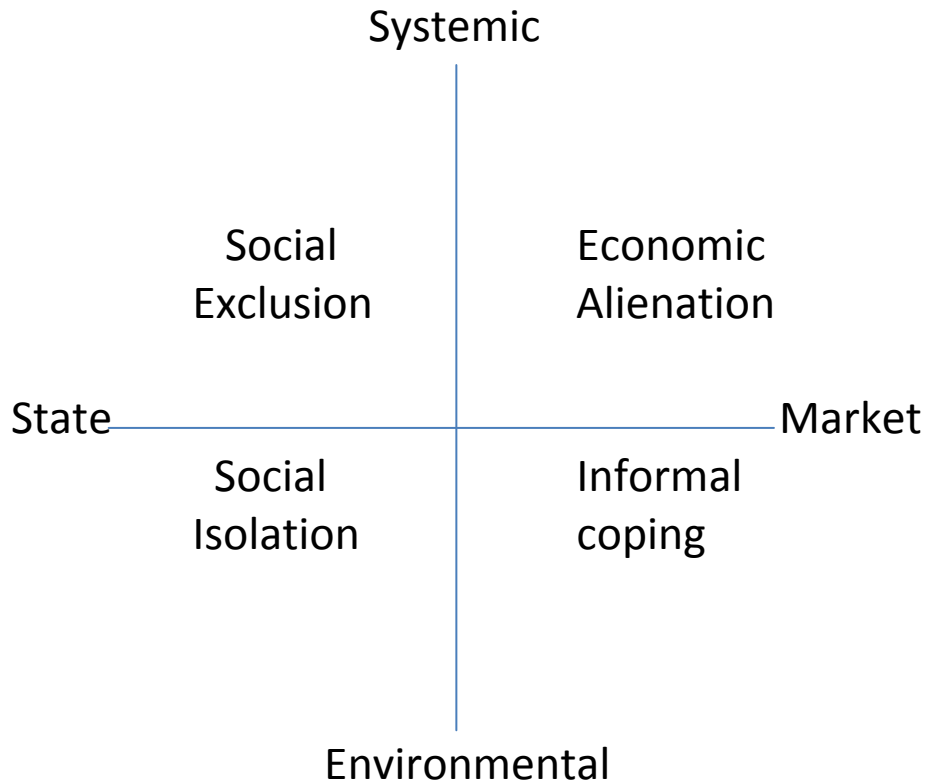
# SHIFTS IN UNDERSTANDING:

## Poverty eradication

- From bureaucracy to market intervention
- From North-South to South-South exchanges
- From supply-driven to demand-driven approaches

# DETERMINANTS OF POVERTY

- Centres on two dimensions:



# SYSTEMIC RATIONALITY

- A prerequisite for sustainable poverty eradication
- A disembodied approach based on objective rather than subjective factors
- Actors obey rules and let office obligations take precedence over personal ones
- Citizens and officials alike share a universalist ethic

# DIFFERENT MANIFESTATIONS OF POVERTY

- Social exclusion where system is in place and is dominated by state bureaucracy
- Economic alienation where system is in place and is dominated by the market
- Social isolation where non-systemic factors prevail and state is dominant but not functional
- Informal coping where non-systemic factors prevail and market is dominant but not functional



# LESSONS LEARNT

- Policy works where systemic rationality is in place but falters where it is not
- Universal policy prescriptions do not get traction
- Externally driven policy goals easily lead to overcommitments that cannot be sustained
- Must build systems from within rather than through external institutional transfers

# POLICY RECOMMENDATIONS

- To complete a new development narrative, the following principles need to be adopted:
  - Build on demand
  - Cater for local not central government bodies
  - Avoid encouraging patronage politics
  - Encourage professional management
- Move away from the "easy" poverty eradication in the rural areas to the more complex and sensitive poverty eradication in the cities