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Complement to Perspectives
on Poverty

Goal, perspectives and central component elements



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Goal, perspectives and central component elements of development cooperation via Sida

The Department for Policy and Methodology has been given the assignment of presenting a conceptual paper on goal, perspectives and central component elements in development cooperation. The assignment is part of Sida's action plan for the implementation of the new policy for global development.

With the political positions adopted by the Government and Parliament as its points of departure, the aim is to create a picture of the relationships between goals, perspectives and central component elements for the entire agency. This can then serve as a frame of reference for policies and methods and, in extension, for Sida's operations. This paper has been the subject of consultations in Sida's Management Group in September 2004. It should according to Sida's regulation on policies and methods in development cooperation be regarded as a complement to Perspectives on Poverty.

The objective of Swedish development cooperation is to contribute to an environment supportive of poor people's own efforts to improve their quality of life. This new goal is to constitute the focus and basis of assessments of all Swedish international development cooperation.

Development cooperation is an integral part of Sweden's policy for global development. A focus on the development cooperation objective also contributes to the fulfilment of the goal of this overall policy: *to contribute to equitable and sustainable global development.*

The new objective with its two perspectives and eight central component elements involves several changes to the framework of Swedish development cooperation.

Firstly, it means a *stronger focus* on poverty since the former cluster of objectives has been abolished. Development cooperation, based on a holistic and multi-dimensional view of poverty, now has one specific goal. It has a clear-cut focus on poverty reduction.

Moreover, the wording of the objective puts *individuals in focus*, both in their role as individuals and as members of the collective, which is further reinforced by the rights perspective and perspectives of the poor. The objective and the perspectives underline the view of poor women and men as stakeholders rather than passive bystanders. It is individual people who, given preconditions and opportunities, liberate themselves from poverty and play a major role in the creation of development in which the well-being, freedom and dignity of people can increase within the framework of an equal and secure society. Our partner countries bear the overall responsibility for creating the appropriate conditions for this.

The role of development cooperation is to contribute, as effectively and efficiently as possible, to creating these conditions. A third change implied by the wording of the objective is that this role is clearly pronounced.

Sida's approach to poverty "Perspectives on Poverty" is well in line with the objectives and basic vision of the new development policy.

As Sida describes it, the core of poverty is lack of power, choice and material resources, which deprives

people of the freedom of being able to decide over their own lives. The poor live with very few choices. This combination of powerlessness and material shortage can be found at all levels of society. It affects nations, groups and individuals and gives rise to insecurity, which permeates life itself. Development cooperation must contribute to the abolition of poverty and must therefore also contribute to preventing poverty (which can be observed, for example, in the prevention of conflicts, conflict management and in contributions directed towards alleviating HIV/AIDS).

Poverty is context-specific – its causes and the ways in which it is expressed vary over time and place. This makes it necessary to adapt development cooperation to the specific context. The fact that poverty has many dimensions does not mean that all dimensions in all situations have the same importance or relevance. A good understanding of the causes and guises of poverty in the situation in question is essential to enable development cooperation programmes to be formulated and pursued effectively. In this respect, the two perspectives, as well as the countries' own strategies and priorities, are important points of departure.

Both overall development policy and Swedish development cooperation must be based on *two perspectives*: the perspective of the poor and the rights perspective. These perspectives can be said to contribute *approaches and points of departure* – ultimately to change reality in our partner countries. They mean that the needs, interests and conditions of the poor are to be placed in focus and that the rights of people in general will constitute a basis for development cooperation. The two perspectives supplement each other, are partly overlapping, and should be regarded within one context.

Participation in decisions that concern the governing of a country, as well as in decisions that concern the individual person, is a human right and is essential in order to generate respect for other rights. The two perspectives require us to listen to the poor, either directly or indirectly through their elected representatives.

The right of every person to a life in dignity, free from

poverty, is a fundamental point of departure for all development cooperation. The UN's Universal Declaration of Human Rights and the subsequent conventions constitute the foundation on which global values are based. *The rights perspective* is based on these common norms which provide a platform for dialogue, cooperation and follow-up. Non-discrimination is the core of the rights perspective. Consequently, this entails a focus on individuals and groups who are discriminated against, excluded and marginalised as well as on the necessity of analysing power structures. The rights perspective must cover the issues included in the three central component elements of democracy, human rights and gender equality. Also the rights of children and respect for international humanitarian law are part of the rights perspective.

At the same time, this perspective amounts to an approach that is different to, and broader than, the sum total of the three central component elements. Together with the goal of development cooperation and the perspectives of the poor, this is a point of departure for all development cooperation. It also indicates that development cooperation is not a matter of charity but the individual's right to avoid living in poverty.

The importance attached to the *perspectives of the poor* as a guiding principle involves a considerable challenge in order to ensure that these perspectives have a genuine and unbiased impact on development cooperation. It is a matter of promoting opportunities for the poor to articulate and pursue their needs and interests – to give them a voice – and of actively ensuring that knowledge of these perspectives is safeguarded and has a full impact within development cooperation. One challenge is naturally that the poor do not constitute a homogenous group but that their needs, conditions and interests vary over time and place and are dependent on gender, age and other factors. Effective democratic processes and structures constitute a solid foundation for affording the perspectives of the poor an impact on development. At the same time it is important to be aware of the processes and institutions that the poor participate in and consider important, and to take

these seriously and to provide them with support.

In addition to goals and perspectives, the new policy identifies eight central component elements. The central component elements refer to both the global policy as a whole and to development cooperation. All in all, they illustrate the many dimensions of poverty and thus the need for a holistic approach. They are mutually reinforcing and interdependent. They should be regarded in the same context and not constitute separate factors to be considered individually.

According to the Government bill, *the central component elements* state what the policy and development cooperation is to promote and focus on. Parliament has taken a decision to break down the main features into three groups:

- Basic values: democracy and good governance, respect for human rights and equality between women and men.
- Sustainable development: sustainable use of natural resources and protection of the environment, economic growth and social development and social security.
- Others: conflict management and human security and global public goods.

Apart from this classification, there are no internal priorities or weighting.

The central component elements are *not be regarded as new sub-goals but as necessary building blocks* in the development of a society that intends to abolish poverty. They are important elements in the policy and are essential to pursue if the objective is to be achieved.

Even if one or more of the central component elements are in focus in most activities within development cooperation, it is always the case that cooperation programmes must be formulated and assessed on the basis of the development cooperation objective and with the two perspectives as point of departure. The fact that all the central component elements are necessary and important does not mean that they are to be given the same importance in all situations. The necessity for adapting development

cooperation to the situation in question means that priority must be awarded to the central component element(s) that deserve special attention in any given situation. Also other exceptional factors such as HIV/AIDS can be given prominence here. A priority ranking of this type also means in practice that less priority is given to other elements, naturally after thorough analyses – or assessments of analyses made by others – have been made of the specifics in the situation and context. Strategic choices of this character are made, as a rule, in country strategies.

Development cooperation is pursued at different levels and with different types of activities. Both DAC's Poverty Guidelines and Sida's PoP specify three different levels: overall structural change, indirect contributions and contributions that are targeted directly at poorer groups. The new development cooperation objective in itself does not imply any priority in this respect. It is the requirements and potential of the situation and an assessment of how, against this background, Sweden's contributions can best contribute to poverty reduction and sustainable development that determine the design and focus of cooperation. On the other hand, the new objective does imply stricter requirements in respect of poverty focus at all levels.

A multi-dimensional poverty analysis must be made at an early stage in the assessment process. Alternative approaches should be assessed. The links between identified poverty problems and proposed activities must be specific. In the final analysis it must also be guaranteed that the programmes supported do not damage the important values represented by any of the central component elements (on the contrary – whenever possible – they should take advantage of positive potential and synergy effects).

This manner of regarding the central component elements means a change to Sida's administration of cross-sector and mainstreaming issues. In brief it can be stated that *the various dimensions of poverty must be analysed at an early rather than late stage, and they must be processed in an integrated manner, rather than stacked on top of each other.*

The concept of mainstreaming initially meant that important themes which stretch over all sectors, for example

gender equality, should be processed at an early stage in the main focus of the analyses. In this sense the method is still relevant. At the same time it can be stated that the number of cross-sector issues requiring justified attention have gradually increased. This has partly been due to the fact that previously, poverty was primarily defined in economic terms. It was therefore necessary to add other important aspects as their importance for development was recognised and given prominence.

But this has also involved difficulties. The cross-sector issues have been perceived as separate issues to be screened – placed on top of each other rather than integrated with each other into a holistic poverty analysis. The ever-increasing number of issues to be screened has exerted a negative effect on the actual impact of individual cross-sector issues. It can also be stated that several issues that Sida previously dealt with on a sector basis (for example health) have been allocated more of a cross-sector character in current policies. The borderline between “cross-sector issues” and “sector issues” has thus become increasingly artificial.

The new policy involves a different approach in which the many dimensions of poverty are taken into consideration at an early stage – both in country strategy processes and in the contribution cycle – and in which the combination of goals, perspectives and central component elements provides guidance for analyses and choices. There should therefore not be any separate mainstreaming issues or other issues that have been disengaged from the poverty issue. A holistic view of poverty, which is multi-dimensional and context-specific, makes it possible to give prominence to, and focus more specifically on, the aspects which in any given situation are assessed as being of special importance.

To transform this into reality, specific guidelines are required for poverty analyses which are now underway. Close cooperation is also necessary between those responsible for policies at Sida to ensure that the holistic approach is multifaceted and promotes integration and does not become one-sided and bland.

Halving poverty by 2015 is one of the greatest challenges of our time, requiring cooperation and sustainability. The partner countries are responsible for their own development. Sida provides resources and develops knowledge and expertise, making the world a richer place.



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