



**THE ROLE OF CIVIL SOCIETY ORGANIZATIONS IN THE POVERTY
REDUCTION PROCESS OF ETHIOPIA: THE CASE OF PRO PRIDE AND
CONCERN ETHIOPIA**

BY

ASFAW GIDAY

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**ADDIS ABABA UNIVERSITY
SCHOOL OF BUSINESS AND PUBLIC ADMINISTRATION
DEPARTMENT OF PUBLIC MANAGEMENT AND POLICY**

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Approved by Board of Examiners

Chair person of the committee

Signature

Advisor

Signature

Examiner

Signature

Statement of Declaration

I, the undersigned, declare that this thesis is my original work and has not been presented for a Masters degree in any other university, and that all source of materials used for the thesis have been accordingly acknowledged.

Declared by:

Name _____

Signature _____

Date: _____

Confirmed by Advisor:

Name _____

Signature _____

Date _____

Place and date of submission: _____

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Abstract

The purpose of this study is to investigate the impact of the different programs and projects planned and executed by both Pro Pride and Concern Ethiopia in the wellbeing of the beneficiaries in particular and the contribution they made to the poverty reduction efforts of the country. In light of this, secondary data collected from different documents with data collected through questionnaire administered and interview conducted were used to make the paper sound. Simple random sampling design was employed to select the sample respondents from the total population. The collected data has been analyzed qualitatively and quantitatively using statements, tables, figures and percentage. The study result shows that the poverty reduction programs executed by both organizations have brought significant change in the poverty status of the program beneficiaries. The researcher concludes that there is immense contribution made by Pro Pride and Concern Ethiopia in the poverty reduction efforts of the country. Moreover, this paper highlights the major problems both organizations have faced in their program implementation period.

List of acronyms

| | |
|-------|---|
| AAI-E | Action Aid Ethiopia |
| AOED | Agriculture and Environment Cooperation Division |
| BoFED | Bureau of Finance and Economic Development |
| CDF | Comprehensive Development Framework |
| CRDA | Christian Relief and Development Association |
| CSOs | Civil Society Organizations |
| DPPC | Disaster Prevention and Preparedness Commission |
| EPRDF | Ethiopian Peoples' Revolutionary Democratic Front |
| ERC | Ethiopian Resident Charity |
| FC | Foreign Charity |
| GDI | Gender-related Development Index |
| GBV | Gender Based Violence |
| GBVMG | Gender Based Violence Monitoring Group |
| GO | Governmental Organization |
| GOE | Government of Ethiopia |
| HDI | Human Development Index |
| HPI | Human Poverty Index |
| MDGs | Millennium Development Goals |
| MoFED | Ministry of Finance and Economic Development |

| | |
|-----------|---|
| NBE | National Bank of Ethiopia |
| NGO | Non-governmental Organizations |
| OLF | Oromo Liberation Front |
| OVC | Other Vulnerable Children's |
| PANE | Poverty Action Network in Ethiopia |
| PASDEP | Plan for Accelerated and Sustained Development to End Poverty |
| PRSP | Poverty Reduction Strategy Papers |
| SACCs (A) | Saving and Credit Cooperatives (Associations) |
| SAP | Structural Adjustment Program |
| SDPRP | Sustainable Development and Poverty Reduction Program |
| SNNPR | South Nations Nationalities and Peoples' Region |
| TLH | Timret Le Hiwot |
| TPLF | Tigrayan People's Liberation Front |
| UN | United Nations |
| WDR | World Development Report |

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Chapter One

1 Introduction

1.1 Background

The notion of Civil Society (CS) varies depending on the context and the understanding of different fields. However, there is a consensus that Civil Society takes different organizational and institutional forms. Some of them are: all forms of Voluntary Organizations, Relief development, Advocacy and training NGOs; Professional associations, Business associations, Trade unions, Women groups and organizations; Self-help economic empowerment groups and cooperatives; Cultural sports and leisure groups; Tribal or Ethnic associations and so on (ADB,2006). Therefore, it is possible to say that Civil Society is in general an arena outside of the sphere of the state. But, this doesn't mean that it is completely detached from the state.

In many countries, the (re)discovery of civil society coincided with renewed emphasis on the role of non-profit organizations. Prompted, in part, by growing doubts about the capacity of the state to cope with its own welfare, developmental and environmental problems analysts across the political spectrum have come to see non-profit and community-based organizations as strategic components of a middle way between policies that put primacy on 'the market' and those that advocate greater reliance on the state (Edwards, 2001, as quoted by Asmamaw, 2004). Likewise, institutions such as the World Bank, the United Nations or the European Union (UNDP, 2002), together with bilateral donors and many developing countries, are searching for a balance between state-led and market-led approaches to development, and are allocating more responsibility to NGOs .

The Ethiopian NGO/CSO community is not that developed in terms of assortment, dimension and competence as compared to other African nations. During the last two decades the community has had, in relative terms, some opportune moment for growth in size, diversification in make-up and self-organization for active participation in the

national socio-economic process. At the same time, the community was also engaged with the government for the enactment of a legal framework that would further facilitate and legitimize the sectors' position in society. However, with all those specific limitations, non-governmental and civil society actors are able to be seen on the overall institutional scene of the Ethiopian communities (Desalegn, Akalewold and Yoseph, 2008).

At the turn of the new millennium, a set of eight goals known as the Millennium Development Goals (MDGs) were established as monitorable benchmarks for tracking the ever-pervasive poverty. 189 heads of state and government, involving the world's rich and poor countries alike made a commitment to eradicate extreme poverty and hunger, achieve universal primary education, promote gender equality and empower women, reduce child mortality and improve maternal health. They also committed to combat HIV/AIDS, malaria, tuberculosis and other diseases, ensure environmental sustainability and develop global partnerships for development (UN millennium Declaration, 2000).

Poverty is described in different ways. Historically, poverty has been related to income, which still remains the core of the concept today. It has evolved from the 19th century idea about 'subsistence needs' – what a person needs to survive, to the mid-20th century conceptualization of lacking 'basic needs', extending the subsistence idea by also including basic facilities and services such as healthcare, sanitation and education, to the late 20th century understanding of poverty as 'relative deprivation', including of income and other resources, as well as social conditions. To the question 'What is poverty?' the World Bank might answer that the poor are those living below US\$1 per person per day. UNDP might respond that the poor are those who live in an environment that does not allow them to develop their full potential. A person is considered poor if his or her consumption or income level falls below some minimum level necessary to meet basic needs ("poverty line") (World Bank Poverty Net).

The multi-dimensional character of poverty in Ethiopia is reflected in many respects, such as destitution of assets, vulnerability and human development. The World Bank's

definition of poverty indicates that poverty is —a pronounced deprivation of well-being related to lack of material income or consumption, low levels of education and health, vulnerability and exposure to risk and voicelessness and powerlessness (World Bank, 2001a). This definition fairly describes the nature of poverty in the Ethiopian context. As the concept of poverty reflects —socially perceived deprivation” of basic human needs, its understanding also considers the minimum living standards of the people. Poverty alleviation and reduction of economic inequality is the major socio-economic and political issue in the country. As experience has shown, the existence of large number of poor people and the prevalence of economic inequality may bring about social tensions which would induce various criminal acts if situations go beyond the limits of social tolerance. Poverty alleviation would, therefore, enhance economic development and result in improved incomes and better well-being of the people which is a pre-requisite for peace and further development. However, attempts to eradicate poverty would require strong commitment on the part of concerned authorities in favor of economic development to induce the sustainable livelihood of millions in urban and rural areas of Ethiopia (Asmamaw, 2004).

This study is about assessing the contribution of Civil Society Organizations case of Pro Pride and Concern Ethiopia towards reducing poverty in Ethiopia. The poverty reduction process is challenging and demand consistent and sustained financial, technical and human resource inputs, supported by concerted and coordinated efforts by all stakeholders. It is only through working together that the public, private sector and the NGO community can increase the effectiveness of the collective drive towards reducing poverty. There is compelling evidence that shows that without stakeholder commitment, co-ordination across the board and local leadership of the process, significant progress in poverty reduction cannot be achieved (Desalegn, Akalewold and Yoseph, 2008). Thus, the study is specially made to look in to the roles played by the case organizations.

1.2 Statement of the problem

Ethiopia is one of the poorest countries in the world. Poverty remains widespread in Ethiopia. Using a consumption-based measure of poverty, 38.7 percent of Ethiopians were poor in 2004/05, implying that 27.5 million people were living below the poverty line. Poverty is slightly higher in rural areas (39.3 percent) than it is in urban areas (35.1 percent). The region with the largest number of poor people was Oromiya (9.3 million), accounting for one-third of all Ethiopians living in poverty in 2004/05. Large numbers of poor people were also found in Amhara (7.3 million) and the Southern Nations, Nationalities, and Peoples (SNNP) region (5.3 million) (MoFED, 2008). Thus, there is a need to address the issue of poverty and to incorporate poverty alleviation programs in to the development strategy of the country. The urgent need of poverty alleviation programs is clearly stated on the report made by the World Bank study team (1992).

__Addressing poverty should be at the heart of any development strategy for Ethiopia. Unless poverty is addressed urgently, and on sustained basis, there is the danger there will be far fewer physical and human resources available in Ethiopia in the future than required to generate and sustain positive economic development and social progress.“

It is not enough to state that the country is poor and poverty alleviation programs should be given due emphasis. Rather, the formulation of effective policies and programs to attack poverty requires knowledge about the nature and extent of the poverty and cooperation between the different stake holders.

Poverty reduction and its ultimate eradication in all its dimensions have been and still are the overriding development agenda of the Government of Ethiopia. In broader terms, two dimensions of poverty have been identified: income and non-income dimensions of poverty. Addressing both dimensions of poverty has been important components of the MDGs as declared by the heads of states at the Millennium Summit in September 2000 that set out goals and targets that needs to be met by the year 2015 (PASDEP, 2006).

The contribution of Civil Society Organizations (CSOs) in Ethiopia has never been undermined after the downfall of the Derg regime in 1991(SDPRP, 2002). But, considering the need of the society at large, the country's situation where the country has been and the comparatively better opportunity for their operation, the overall performances of CSOs has not been satisfactory since they are not playing the role they are supposed to play (SDPRP, 2002). The possible reasons could be absence of trust between the CSOs and the Government of Ethiopia (GOE). Other possible reason is the lack of organizational capacity, financial constraints, government interference and absence of commitment at all levels of the government. Besides, the government of Ethiopia has designed goals for reducing poverty. One of the main implementation strategies for achieving these goals includes the transformation of the development process from one monopolized by government towards one involving a sharing of responsibility between government and other actors (SDPRP, 2002, p. 85).

1.3 Research questions

The conceptual shift from the idea of a 'minimal' to an 'effective' state and a focus on citizen participation through an active civil society is embedded in the World Development Report (WDR) 1997. This report laid the foundation for the World Bank's 'Comprehensive Development Framework' (CDF) in 1998, which replaced structural adjustment programs. The Poverty Reduction Strategy Papers (PRSP), which were to be a state led process, were developed as the vehicle for implementing the CDF and were intended to provide a framework for domestic policies and programs on poverty reduction, as well as a context for improved coordination of international development assistance. The inclusion of civil society, it was believed, would strengthen the process in two ways; by increasing equity through its assumed pro-poor orientation, and by building consensus around development policies and outcomes (Jeffery, 2000).

This research has tried to find clear and precise answer to the following basic research questions from the different sources of data.

1. What are the strategies planned and implemented by Pro Pride and Concern Ethiopia to support the poverty reduction efforts of Ethiopia?
2. What are the impacts of the projects implemented by Pro Pride and Concern Ethiopia in beneficiaries' lives?
3. How have Pro Pride and Concern Ethiopia been able to integrate their development programs into the poverty reduction process of Ethiopia?
4. To what extent have Pro Pride and Concern Ethiopia been able to engage in designing development agendas?
5. What is the relationship between the government and CSOs meant for the work and roles of Pro Pride and Concern Ethiopia in reducing poverty?
6. Were the development programs executed by Pro Pride and Concern Ethiopia supporting the poverty reduction activities of the country?

1.4 Scope (Delimitation) of the study

According to the registry of charities and societies agency (2010) a total of 2,116 organizations have acquired legal registration at federal level according to the newly enacted charities and societies proclamation of Ethiopia. Amongst, the researcher primarily focuses on CSOs participating in service delivery and poverty reduction. This study focuses on looking and/or assessing the roles Pro Pride and Concern Ethiopia are playing and contribution that can be provided by these case organizations to support the poverty reduction efforts of the government. Pro Pride and Concern Ethiopia are the case organizations for the case study.

1.5 Significance of the study

This research will provide a brief picture about the contributions made and roles played by Pro Pride and Concern Ethiopia in igniting the poverty reduction activities of the country.

- This paper will be helpful in understanding the effectiveness of the programs and projects executed by Pro Pride and Concern Ethiopia in meeting the needs of the program beneficiaries, particularly the poor members of the society.
- The findings and recommendations can be used by the concerned bodies as a base to take corrective actions to reduce the pitfalls faced by the CSOs.
- It may serve as base for further research for any interested researcher especially Public administration students.
- Provide information on the current status of civil society organizations in Ethiopia

1.6 Methodology

1.6.1 Research design

This thesis paper has been conducted using qualitative research method. The study is case study that assesses and describes the contribution of Pro Pride and Concern Ethiopia in the poverty reduction activities of the country. Case study was helpful in assessing and understanding the performance of the contributions made by the case organizations in poverty reduction.

1.6.2 Data collection techniques

The inquirer uses both primary and secondary sources of data in this study. To collect the necessary raw data questionnaire and interview data collection methods have been employed. Likewise, available Documents have been thoroughly reviewed from both organizations. The questionnaire which consists of both open-ended and close-ended questions were prepared and dispatched to the various sample respondents. In addition, purposively selected CS leaders have been interviewed. Written reports, research documents and other relevant documents regarding the contribution of CSOs in poverty reduction have been reviewed.

1.6.3 Sampling Design

The data for this study has been drawn from Two (2) CSOs allied to the PANE specifically working on poverty related issues. These sample organizations are both local and international. The total population of this case study is 257 employees from both case organizations. Simple random sampling technique has been used to select 80 sample respondents from the total population. Purposive sampling has been used to select the sample size from both organizations to be interviewed. The CSOs are classified in to two clusters. First, those CSOs directly working on poverty related issues and the second cluster consists‘ those CSOs which are working on poverty reduction issues indirectly. Thus, the research uses 2 CSOs as case organizations for the study. Namely: Pro Pride (ERC) and Concern Ethiopia (FC).

1.6.4 Analysis techniques

After collecting all the necessary raw data from the sample respondents, both qualitative and quantitative techniques have been applied using manual computation. Tables, percentage, statements and figures have been used to present and interpret the data.

1.7 Organization of the study

This research paper constitutes 4 chapters: Introduction, literature review, data analysis (findings) and conclusion and recommendations. Chapter one is the introduction, which discusses background, statement of the problem, basic research questions, significance, and scope of the study, methodology and organization. The Second chapter, the literature review, touches upon definitions of some concepts. This chapter also presents review of related research works on poverty, CSOs, dimensions of poverty and role of CSOs on poverty reduction. The Third chapter is the finding part where in results from data analysis and interpretations are presented. It provides what the researcher finally arrived at regarding the contribution in the poverty reduction process of Ethiopia by both Pro Pride and Concern Ethiopia. The last chapter deals with summaries of the research process. The conclusion part based on the analysis and findings part are presented. The recommendations part of this chapter, on the other hand, looks upon certain corrective measures regarding the role of both organizations in poverty reduction activities.

Chapter Two

2. Conceptual Frame work and Review of Literature

2.1 An Analytical Background to Civil Society as a Concept

Discussions of civil society are not new. The issues have been contested within political philosophy, sociology and social theory for hundreds of years. Classical debates around civil society had the issue of evidence and knowledge at their heart. For leading thinkers, from Aristotle, Hobbes and Locke through to Rousseau, Tocqueville and Gellner, civil society has been a core of social theory for centuries. What is new is the increasing emphasis on the concept over the last decade: ‘civil society’ has become a buzzword within international development. This is not surprising, since the sector has seen unprecedented growth. CSOs in Ghana, Zimbabwe and Kenya provide 40% of all health care and education; networks such as Sarvodaya in Sri Lanka provide services to 7,000 villages (Edwards, 2004).

The concept of civil society in its earliest forms can be traced back to the age of enlightenment in the 16th century, and in particular the ideas and thoughts of a Scottish philosopher/historian, Adam Ferguson. Ferguson linked the notion of civil society to the development of the economic state, and tied its emergence to the decline of despotism and the corrupt feudal order. Whilst Ferguson did not make a distinction between the state and civil society, relating his concept far more closely to the market, other theorists sought to refine his theories to understand the emerging phenomenon of civic activism which began to emerge in Europe at the time of French and Industrial Revolutions. Georg Hegel, a German philosopher saw civil society as the dividing stage between the macro community (the state) and the micro-community (the family). This definition of civil society saw the entire gambit of activities that occurred outside of either the family unit or the state sphere as part of the activities of civil society. Hegel’s definition was adapted by Karl Marx to form part of his “petty bourgeoisie” description, whilst other theorists adopted Hegel’s definition to include the emerging societal structures brought about by a modernizing Europe (Evert, 1996).

One of the most prominent of these theorists was a young French aristocrat, Alexis de Tocqueville, who wrote his seminal work *Democracy in America* in 1832. His analysis of the American democratic model, its strengths and flaws, and in particular, the relationship between the state and civic organizations, is considered to be one of the most significant works in advancing the liberal democratic perspective. Both Marx and de Tocqueville separated civil society as a concept from both the family unit and the state. However, the two theorists disagreed on the extent to which civil society relates to the economic or business sector of a nation-state. Whereas Marx saw the bourgeoisie as an extension and collaborative partner of the corporation, de Tocqueville distinguished between the two, seeing civil society acting in some instances as a restraining influence and conscience to the economic or business sphere (NEPAD, 2007).

These early definitions of civil society conceptualized it in relation to the position of civil society with the state, placing the emphasis of this relationship in either collaborative or competitive terms. Some philosophers, most notably John Locke and Thomas Hobbes, asserted that the state is in some sense accountable to and therefore should be identified with civil society, although the two should not be seen as identical. Marxists like Antonio Gramsci argue that civil society should be understood outside of the power of the state, whilst de Tocqueville's liberal philosophy argued that civil society should be understood in at least partial if not significant opposition to the state. These definitions of civil society allow for significant scope in interpreting the extent of civil society, providing a broadly encompassing yet often unworkable definition of civil society as any non-state, non-corporate, non-family organization, grouping or interaction (Diamond, 1994).

As the complexities and diversities of modern societies' expanded, new methods of conceptualizing civil society attempted to better capture the distinctions between civil society and other non-state actors which could/should be excluded from its definition. These types of definitions sought to exclude various groupings from association with the term civil society, by placing restrictions on the types of groups which can be considered part of the life of civil society. Charles Taylor describes civil society as:

A web of autonomous associations independent of the state, which binds citizens together in matters of common concern, and by their existence or actions, could have an effect on public policy (Kligman 1990 p179).

Alternately, Tester (1995), states that civil society can be understood as “the milieu of all individual contractual relationships” outside of the state. Whilst these definitions of who to include in the conceptualization of civil society bring us close to a working definition, they still do not satisfactorily resolve the issue of the function and purpose of civil society in the broader structures of the nation-state and primarily democratic governance. As Gang notes:

...even in this restricted form, problems remain. First, should political organizations be included as civil society? ...Second should we include business organizations in our discussion? (Gang, 1998, p16).

Gabriel Almond and Sidney Verba (1963), argue that the inclusion of a political component in the definition of civil society is a vital component in 20th century democracies (Almond & Verba 1963 p147-179). Almond and Verba reached this conclusion after seeking to understand why some democratic societies survived the Great Depression whilst others moved away from democratic governance towards various forms of nationalist and fascist government. They concluded that the engagement and vitality of civic organizations and groupings and their active and deliberate involvement in the political decision making processes of government contributed to a democratic state’s likelihood of survival. However, this viewpoint of civil society as a political entity clashes with de Tocqueville’s view, which saw civil society and the narrower civic engagement with political structures as two separate entities (NEPAD, 2007).

As to Gang’s (1998) second problem, whether or not to include business organizations within civil society’s ambit, there are again divergent opinions. Marx and Gramsci view

the relationship between civil society and business as the primary cause of and reason for the existence of civil society. According to this viewpoint, the market facilitates greater access by the middle class or “bourgeoisie” to the levers of power, in particular through the economy, and this in turn causes numerous self-interests to coalesce into organized social movement. According to socialist ideology therefore, it is largely meaningless to analyze civil society separate from the market system. However, others have sought to separate the market, state and civil society, arguing that civic interests can mitigate against the exploitation of societies by state-business collaborations (Diamond, 1994 p33).

The views of state and non-state actors in defining the composition, scope and role of civil society in political and state interactions is another contentious area of debate. As civic organizations are once again becoming increasingly recognized by the state as effective and essential agents in implementing and monitoring policy, state and government institutions have begun to define their own (divergent) concepts of civil society. At the same time, greater civil society autonomy has given rise to a greater sense of self-reflection, and civil society organizations have begun to reflect on their own role within the political arena, in particular in light of the declining relevance of the nation-state in an increasingly globalised world. This has led to vigorous debate at a multitude of levels regarding the relevance and composition of civil society at the nation-state level and beyond (Diamond, 1994).

Thus, within the social sciences there are a number of methods of conceptualizing and defining civil society. One of the most detailed of these as such is provided by the London School of Economics (2006):

Civil society refers to the arena of uncoerced collective action around shared interests, purposes and values. In theory, its institutional forms are distinct from those of the state, family and market, though in practice, the boundaries between state, civil society, family and market are often complex, blurred and negotiated. Civil society commonly embraces a diversity of spaces, actors and institutional

forms, varying in their degree of formality, autonomy and power. Civil societies are often populated by organizations such as registered charities, development non-governmental organizations, community groups, women's organizations, faith-based organizations, professional associations, trades unions, self-help groups, social movements, business associations, coalitions and advocacy groups (London School of Economics 2006).

In summary, it is clear that there are a number of divergent and almost diametrically opposed viewpoints regarding its exact composition, make-up, purpose and origins. It is also clear that the term civil society remains to a large extent ambiguous and fluid as a concept, referring to a multiplicity of interests, groups and motivations equally and synonymously. In this context, the challenges in identifying civil society and ensuring its active engagement in the political governance sphere should be immediately apparent.

2.1.1 A historical perspective on civil society in Ethiopia

Ethiopia was a pre-modern empire with at least nominal control over a territory much larger than any other kingdom in Africa. As the country modernized in the mid-20th century, the imperial legacy was increasingly becoming a burden to more educated and urbanized groups in Ethiopia. Although the last emperor, Haile Selassie, embarked upon a cautious modernization of his country, his efforts could not keep pace with the social changes going on in society. Ethiopian society became increasingly polarized. The regime was threatened by an attempted coup already in 1960, but lasted until 1974 when a severe drought and ensuing famine became an international embarrassment to Ethiopia and both civil and military forces in opposition to the imperial government decided to take action to remove it (Harbeson, 1988).

While voluntary associations played an important role in the last few years of the imperial regime, the military government that replaced it - the Derg- was dead set against any autonomous political activity. Drawing eventually on a strict Marxist-Leninist

interpretation of history, the new military rulers under Mengistu HaileMariam's chairmanship centralized power to the state and created its own set of mass organizations to which people had to belong. For example, in the country side every male adult had to belong to a local peasant association. In the urban areas, the equivalence was the kebele, a quasi-civic entity used both for political mobilization and civil administration. Voluntarism was abandoned and civil society lost its meaning (Harbeson, 1988).

The three regime periods discussed briefly above form a convenient way of also dividing up the history of civil society in Ethiopia. They all produced very different outcomes, yet they shared much in common. The last couple of decades of imperial rule produced a number of associations that reflected the growing importance of professional and commercial interests in society. Students and lawyers were among the first to organize, but as international donor interest in agricultural development was incorporated into the Emperor's national development strategy, farmers' cooperatives and local development associations also became increasingly important. A good case in point is the Gurage People's Self-Help Development Organization. The important thing about these years is that they were characterized by optimism. Associations grew in response to an accelerating dynamic in society (Hyden and Mahlet, 2003).

With few exceptions like the Iddirs' and other types of local self-help associations, the years of Marxist-Leninist rule under Mengistu forced any voluntary activity outside the borders of the country. A good number of relief and development associations, connected to the political groups in exile, were established. They were all voluntary in the sense of relying on contributions from individual Ethiopians in exile, but they were quasi-political and so closely tied to the political agenda of specific groups in the diaspora that their autonomy was rather limited. Most were simply 'fronts' for the political organizations. The latter could not receive development aid directly from American and European donors because they were engaged in a military-political struggle to topple the regime in Addis Ababa. The best example is the Relief Society of Tigray, which was linked very closely to the Tigrayan People's Liberation Front (TPLF). Another case in point is the

Oromo Relief Association, the relief arm of the Oromo Liberation Front (OLF). Rather than becoming involved in strengthening civil society, these associations tied their destiny to the political organizations to which they had been linked since the days in exile (Hyden and Mahlet, 2003).

The past few years have witnessed the growth of a third generation of associations that are cautiously addressing the country's development needs without necessarily challenging the political establishment. Rather than providing hand outs and emergency relief, these organizations are developmental organizations working to bring development in continuous and sustainable manner. The latter has demonstrated a strong commitment to national development, but it has preferred to retain control of the public agenda at the expense of other actors. Nonetheless, there has been a growing space for voluntary initiatives by Ethiopians, in some instances working together with international NGOs. The impetus for action has often been the economic difficulties that people face both in rural and urban areas as well as health problems, notably HIV/AIDS and malaria. Compared to the 1960s, the challenges are much greater today. Although there is some optimism, many of the initiatives come more out of despair than out of the optimism that characterized voluntary action some four decades ago (Hyden and Mahlet, 2003). The main features of each period are summarized below:

Table2.1. the emergence of associational life in Ethiopia

| | 1950-74 (Haile Selassie) | 1974-91 (Mengistu) | Post 1991 (EPRDF) |
|----------------------------|---|---|--|
| Main types of organization | Professional, Academic, Farmers', Self-help | Relief and development associations formed in exile | Economic and social development associations |
| Organizational climate | Optimistic | Militant | Cautious |

| Continued table 2.1 | | | |
|------------------------------------|----------------------------|-----------------------------|--------------------------|
| Nature of organizational structure | Democratic and functioning | Autocratic and disciplinary | Democratic and tentative |

Source: Hayden and Mahlet, 2003

2.1.2 Civil Societies' Overall Contribution in Ethiopia

2.1.2.1 Resource Mobilization

Resources have been mobilized by the sector and invested and distributed across projects and Regions. It is widely accepted that the voluntary sector mobilizes immense resources though there are no precise and accurate figures available. The EC mapping study produced in mid-2008 estimates that between 2004 and 2007 NGOs' budget for over 2000 projects throughout the country came to 10 billion Birr. Other evidence suggest, as we shall see further down, that the organizations' annual resource investment is equivalent to 25 percent of the government's annual budget (Desalagn, Akalewold, Yoseph, 2008). A reliable source of information on the subject is the annual reports issued by the National Bank of Ethiopia (NBE). These reports are based on resources transferred in hard currency to the voluntary sector through the country's banking system. While resources generated domestically in a variety of forms are not included, it is believed that the evidence is a much better measure of resource mobilization by the sector than those obtained through other means. The table below gives a comparative picture of resources acquired through exports earnings, transfers to NGOs and remittances sent by Ethiopians abroad (Desalagn, Akalewold, Yoseph, 2008).

Table 2.2 Earnings from Selected Exports, NGO and Private Transfers (In Million USD)

| Items | 2004/05 | 2005/06 | 2006/07 | 2007/08* |
|------------------|---------|---------|---------|----------|
| Coffee Export | 335.2 | 354.3 | 424.2 | 145.0 |
| Oil seeds Export | 125.0 | 211.4 | 187.4 | 66.9 |

| Continued table 2.2 | | | | |
|---------------------------------------|-------|-------|-------|-------|
| Chat | 100.2 | 89.1 | 92.8 | 55.4 |
| Leather & Products | 67.6 | 75.0 | 89.6 | 49.4 |
| NGO Transfers (Cash) | 444.0 | 497.8 | 537.4 | 305.3 |
| Private Individual Transfers (Cash)** | 350.8 | 354.9 | 632.6 | 415.4 |

Source: Desalagn, Akalewold, Yoseph, 2008

Note: Both NGO and individual transfers (called “unrequited transfers”) are also made in kind. For purposes of comparison, we have left out in-kind transfers. * For the first two quarters of the year only. ** These are remittances sent by the Ethiopian Diaspora.

A comparison between export earnings and earnings through NGO transfers reveals the importance of the latter to the country’s economy and development effort. Coffee export remains the largest hard currency earner for the country followed by exports of other agricultural goods shown in items 2 to 4 in the table. Oil seeds are the second most important commodity export of the country and earnings from this export have been high in the last three to four years. Overall, prices of agricultural commodities have dramatically increased since 2005 due to the global food crisis; however such high prices may not be sustained over the long term. Earnings flowing into the country through transfers to NGOs have been far higher than earnings from coffee exports for all the years for which we have evidence. In 2006/07, for example, transfers to NGOs were 537.4 million USD while coffee earnings were 424.2 million. Earnings through NGOs as well as those from remittances are described by NBE as “unrequited” transfers, meaning they are freely acquired and no resources are exchanged in return. The important point that emerges from the evidence compiled by NBE is that the global resources mobilized by

the voluntary sector are immense and this has benefited the country's economy significantly (Desalagn, Akalewold, Yoseph, 2008).

2.1.2.2 Resource Use and Distribution

How have these resources been used and what does the distribution of resources look like? In what follows we shall look at the pattern of resource distribution across Regions and across program activities. The data for both of these are given in the two tables below.

Table2.3 Actual and Planned NGO Project Expenditures (2004 - 2008)

| Region | N° of Projects | Total Expenditures in Birr |
|-------------------|-----------------------|---------------------------------------|
| Addis Ababa | 281 | 1,114,223,785 |
| Oromia | 844 | 4,434,215,156 |
| Dire Dawa | 24 | 36.721.184 |
| Harari | 18 | 54.603.118 |
| Afar | 57 | 637,085,008 |
| Tigray | 66 | 492,069,831 |
| Amhara | 317 | 1,881,878,827 |
| Benishangul Gumuz | 51 | 153.889.665 |
| Gambella | 19 | 31,350,656 |
| SNNPR | 312 | 1,004,498,134 |
| Somali | 76 | 135,875,029 |
| TOTAL | 2065 | 9,976,410,395 |

Source: Desalagn, Akalewold, Yoseph, 2008

Oromia has the largest number of on-going projects and nearly 45 percent of CSO/NGO resources have been invested in the Region between 2004 and 2008. It is followed by Amhara, Addis Ababa and SNNPR. Interestingly enough, pastoral Afar has attracted considerable investment, over 637 million Birr in the same period. The distribution of

resources across program activities shows that the selection of priorities by the voluntary sector is in line with and complements that of the government. The table below provides information on how much has been invested and where in the period 2004 to 2007 (Desalagn, Akalewold, Yoseph, 2008).

Table2.4 NGO projects in the country and resource flows by sector

| Sector | No of Projects | Budget (Mn Birr 2004/07) |
|--|-----------------------|-------------------------------------|
| Child Development | 394 | 2,139.50 |
| Education | 206 | 621.01 |
| Health | 235 | 1,084.52 |
| HIV/AIDS | 175 | 710.96 |
| Integrated urban/rural development & Food Security | 336 | 2,977.75 |
| Water & sanitation | 141 | 573.62 |
| Women and girls empowerment | 96 | 217.73 |
| Environment & Natural Resources | 74 | 154.01 |
| Advocacy & peace building | 34 | 44.03 |
| Disability & elders support | 35 | 82.50 |
| Agriculture & agro-pastoral | 117 | 467.95 |
| Youth | 23 | 142.05 |
| Social welfare | 15 | 53.83 |
| Capacity Bldg & Others | 139 | 268.33 |
| Total | 2046 | 9,537.79 |

Source: Desalagn, Akalewold, Yoseph, 2008

The bulk of NGO resources has going into human development (health, education, child welfare) and agriculture and food security. These are the same priority areas emphasized by the government's poverty reduction program as set out in PASDEP. Moreover, while the information is not provided in the table, it is clear that at present relief activities attract only a small amount of the resources of the voluntary sector. This is in sharp contrast to the period during the Derg and Imperial regimes. According to evidence provided by a report prepared by CRDA and DPPC (2004), NGOs invested about ten percent of their resources in emergency relief activities in the period 1997 to 2001 (Desalagn, Akalewold, Yoseph, 2008).

Each Region has established consultative forums involving government and NGOs known as GO – NGO Forums. While some Forums are more active than others, all involve periodic meetings between the two groups to discuss development priorities, collaboration between government and the voluntary sector, and NGO intervention areas and sectors. In a number of cases, Regional governments have invited NGOs to provide inputs during the preparation of Regional development plans and the modalities of their implementation. Almost all NGOs submit their planned project activities to and often enter into agreements with concerned government bodies before and during their program operations. In most cases, the concerned authority at the Regional level is BOFED, but even at the woreda level, NGOs have to secure the approval of the concerned public office for their activities. Thus, for example, health or education projects are undertaken in consultation with and the approval of the health and education offices of the woreda. Similarly, other sector project activities are undertaken through the same process (Desalagn, Akalewold, Yoseph, 2008).

2.1.3 The Charities and Societies Proclamation of Ethiopia

The Charities and Societies Proclamation have profound and far-reaching implications on the growth and effectiveness of the CSO/NGO sector as well as on the democratization and development process and the realization of human rights in the country. There are some aspects of the proclamation that could be considered as positive developments for

the formation and engagement of CSOs/NGOs. However, there are several aspects of the draft proclamation that would potentially have serious negative impacts on the development and engagement of CSOs/NGOs as well as on their significant contributions in promoting good governance and development in the country. Some of the major positive aspects include the following. The new proclamation recognizes several types CSOs and provides different formation and regulatory frameworks for each. This will contribute to the development of CSOs, as it gives different alternatives/choices to the public in what modality to organize or associate. The recognition of the establishment of consortium of charities or societies in the new proclamation will have a positive impact on the development and effectiveness of CSOs/NGOs. The establishment of an autonomous Agency to undertake the registration and supervision of charities and societies and a corresponding Board for facilitating implementation of the Proclamation, shows the attention and recognition given to the sector and may help CSOs/NGOs to get efficient services during registration and operation (Desalagn, Akalewold, Yoseph, 2008).

2.1.3.1 Potential Adverse Implications of the Proclamation

Direct Effects on the Engagement and Growth of CSOs/NGOs

Some of the major direct adverse impacts of the draft proclamation on the engagement and growth of CSOs/NGOs include the following:

i. **Narrowing down the scope of CSOs/NGOs engagement:** The new law defines as “foreign” any Ethiopian CSO that receives more than 10 percent of its funding from foreign sources, and then bars all “foreign” CSOs from working on human rights and governance issues. Nearly all of the existing formal local CSOs in Ethiopia secure their full or substantial part of budget from foreign sources and would fall under “foreign” CSOs as per the definition of the proclamation. Considering the financial capacity of the Ethiopian citizens and the lack culture of voluntarism and practice of funding formal CSOs among the public, it would be very difficult for local CSOs to raise more than 90% of their funding locally (Desalagn, Akalewold, Yoseph, 2008).

ii. **Reducing the effectiveness of CSOs/NGOs interventions in development:** contrary to other policy documents, the proclamation attempts to make a separation between

development and governance/human rights interventions. Concerning CSOs defined as "foreign", the draft proclamation allows them to engage in poverty reduction and other development interventions, but prohibits them from engaging in governance/human rights issues. Apart from the obvious difficulty to separate development and governance interventions, this will prevent CSOs/NGOs from making effective and sustainable development interventions by addressing the root causes of poverty, which are usually related to problems in governance (Desalagn, Akalewold, Yoseph, 2008).

iii. Hampering the growth and development of the civil society sector: The new proclamation gives much expanded regulatory power for the Agency and allows it to interfere with the operation of CSOs/NGOs beyond the acceptable standards. This lack of acceptable degree of operational freedom will affect both the development of the sector and the effectiveness of its interventions. Other effects of the proclamation that will hamper the growth and development of the civil society sector include:

- It will make CSOs/NGOs highly insecure and unsure of their role and future prospects.
- The exclusion of most CSOs/NGOs from engaging in governance and human rights issues under the proclamation will discourage donors from supporting them.
- It will discourage citizens to organize and establish new CSOs/NGOs
- It will reduce the size of the sector, since almost the entire advocacy CSOs/NGOs will be forced to completely cease their operation and most of the development CSOs/NGOs will be forced to terminate the advocacy/governance component of their intervention (Desalagn, Akalewold, Yoseph, 2008).

Effects on the Development and Democratization Process and Realization of HR in the Country

Most CSOs/NGOs will not be able to continue their interventions in mobilizing and empowering different sections of society to engage in governance and human rights issues and this will result in reduced participation of citizens. This diminished citizen's participation in governance will, in turn, lead to less pluralism, democracy and respect for human rights in the country. Most of the CSOs/NGOs working on justice issues will be forced to discontinue their services of promoting access to justice and this will decrease

the ability of citizens, especially the poor, women, children and other marginalized sections of the society to access the justice and administrative process. Most CSOs/NGOs will be prohibited from participating in the formulation of policies, laws and programs related to governance and human rights and this will minimize policy dialogue among the public, which will, in turn, affect the formulation of appropriate and responsive policies. Most CSOs/NGOs that have been engaged in promoting development or poverty alleviation could not continue their successful contributions in addressing causes of poverty related to governance or policy frameworks. This will deter CSOs/NGOs from making effective and sustainable contribution in the development process of the country. As a result, many of the poor and disadvantaged, which benefited from the development programs undertaken by the CSOs, will be deprived of the support and services that was provided to them (Desalagn, Akalewold, Yoseph, 2008).

The limitations imposed on the scope of engagement of CSOs/NGOs may be considered as contravention with the international development cooperation agreements entered by the country such as the Cotonou Agreement. This may reduce the development cooperation of the country with the international community, which will have significant impact on the country's development effort. The adoption of the draft proclamation will lead to a decrease in the size and scope of engagement of the civil society sector. This will have serious implications on the country's development, since it will result in the loss of significant amount of foreign currency flowing to the country as well as in the loss of significant number of jobs (Desalagn, Akalewold, Yoseph, 2008).

2.2 The Concept of Poverty

As quoted by Rajasekhar, poverty is a concept that describes the general condition of people who are badly off and encompasses many aspects of want and disadvantages (Chamber 1988: 3). However, what precisely are these wants and disadvantages is always debated. Very frequently, poverty is related to inadequate incomes. Dreze and Sen (1989:15) as quoted by Rajasekhar, describe poverty as a severe failure of basic capabilities. In their approach, a distinction is made between 'ends' (capabilities) and

‘means’ (low income or other causal antecedents of failure in basic capabilities). Chambers (1988 and 1995) criticizes that the above do not directly consider the perceptions of the ‘actors’ themselves who may have a different understanding of deprivation and their own priorities. Chambers suggests that five clusters of disadvantages (lack of assets, physical weakness, isolation, vulnerability and powerlessness) characterize the poor in rural areas. The poor themselves perceive that there are three priorities, namely, survival, security and self-respect; the last being their highest priority (Chambers 1988).

The conventional approach concentrates on income and/or consumption of the household to describe poverty as the inability of certain sections of the society to obtain income to meet the basic necessities. This conceptualization of poverty suffers from the shortcomings of:

- 1) Viewing market as a neutral institution to which all sections of the population have equal access and within which all sections can negotiate on an equal footing. In reality, markets reflect and perpetuate inequalities in society on the basis of class, caste, gender and other social relations;
- 2) Prioritizing the market as the main institutional mechanism for meeting the basic needs, and ignoring other institutional mechanisms;
- 3) Ignoring the institutional barriers which prevent certain sections of the poor, like women and minority groups, from converting enhanced income into enhanced access to basic needs; and
- 4) Ignoring intra-household inequalities which lead to unequal distribution of household income based on gender, age and physical ability (Rajasekhar, 2008).

Thus, to be poor implies principally:

- An inability to obtain the basic needs (food, shelter, health, etc.) as a consequence of low income and insufficient access to productive resources and assets, for instance, land;

- lack of opportunities to exploit human resources owing to insufficient access to education and health care;
- Isolation owing to physical conditions and/or inadequate education
- Lack of power and status, making it difficult to influence one's own situation and break out of poverty;
- A high degree of vulnerability owing to lack of productive assets, exposure to natural disasters, etc. (Rajasekhar, 2008)

2.2.1 Poverty in the Ethiopian Context

The World Bank's definition of poverty indicates that poverty is —a pronounced deprivation of well-being related to lack of material income or consumption, low levels of education and health, vulnerability and exposure to risk and voicelessness and powerlessness (World Bank, 2001a).

This definition fairly describes the nature of poverty in the Ethiopian context. As the concept of poverty reflects —socially perceived deprivation” of basic human needs, its understanding also considers the minimum living standards of the people. Poverty alleviation and reduction of economic inequality is the major socio-economic and political issue in the country. As experience has shown, the existence of large number of poor people and the prevalence of economic inequality may bring about social tensions which would induce various criminal acts if situations go beyond the limits of social tolerance. Poverty alleviation would, therefore, enhance economic development and result in improved incomes and better well-being of the people which is a pre-requisite for peace and further development. However, attempts to eradicate poverty would require strong commitment on the part of concerned authorities in favor of economic development to induce the sustainable livelihood of millions in urban and rural areas of Ethiopia. Understanding poverty in the Ethiopian context also needs to consider its multidimensional characteristics which go beyond mere income and food provision. Such characteristics include aspects of human capabilities, assets and activities necessary for sustainable livelihoods. A sustainable livelihood is one that can —cope with and recover

from stresses and shocks and maintain or enhance its capabilities and assets both now and in the future, without undermining the natural resource base” (Carney, 1998).

The fundamental bases of livelihood comprise natural (land, forests, water, pastures and wild life), physical (farm animals, tools/machinery, economic and social infrastructure), financial capital (income and savings), social relations and human capital (health, education etc). The Ethiopian situation clearly reflects the degree to which the bases for sustainable livelihood are adversely affected by natural and man-made calamities. The underprivileged poor have limited access to most of the livelihood capital assets which has widened income disparity and undermined their bargaining power to establish sustainable livelihoods. This socio-economic condition emphasizes the need for “political capital” as a means of ensuring better participation in deciding on matters that affect the well-being of the poor and enhance improved security of subsistence needs (Dubois 2002). Thus, the issue of governance in addressing poverty in Ethiopia is considered a vital element in the poverty alleviation process. Good governance can facilitate participatory approaches to poverty issues, ensuring power sharing and empowerment of the poor. In addition, understanding the role of formal and informal processes and structures is realized to be an important aspect of the coping strategies of the poor, particularly with respect to employment generation (Edmunds, et al. 2002, as quoted by Asmamaw, 2004).

Poverty alleviation programs in Ethiopia, as in other developing countries, need to protect the poor from destitution, sharp fluctuations in income and social insecurity. Involving the poor in rural works, provision of food-subsidy and encouraging self-employment can be the basic components of poverty alleviation efforts. Self employment of the poor can be induced through provision of productive assets and appropriate skills, subsidy and bank credit, supply of improved tools and other support services and provision of durable social and economic assets for sustained employment and development. Such efforts would require adequate funds, appropriate policy framework and effective delivery mechanism to make use of resources in cost-effective manner which, apparently, requires

high degree of commitment, motivation, competence, integrity and adequate monitoring systems (Asmamaw, 2004).

The prevalence of poverty in Ethiopia, as reflected in the number of poverty stricken population, is determined on the basis of a poverty line that separates the per capita income or consumption below which an individual is considered to be poor. The proportion of people in Ethiopia who are absolutely poor (those whose total consumption expenditure was less than US\$124.28 per year) during the year 1999/00 was 44% (MOFED, SDPRP, 2002). Moreover, the proportion of people who are categorized as poor are estimated to be 37% in urban areas and 45% in rural areas. The most vulnerable segments of the Ethiopian population include: (1) the rural land-less, (2) small holders with a limited size of land, (3) drought victims as a result of shortage of rainfall, (4) female-headed households, (5) the urban unemployed in particular, and the urban poor in general and (6) street children (MoFED, SDPRP, 2002).

2.2.2 Poverty line

There are several definitions of a poverty line. This illustrates that poverty is not a natural condition which is objectively identifiable. Unlike most authors on the subject (e.g., Rowntree (1901), Orshansky (1968)) as quoted by Rajasekhar, who take objective criteria for poverty as their point of departure, it is better to assume that individuals themselves are the best judge of their own situation. We call a family poor when its after-tax income y restricts consumption so severely that its members feel they cannot make ends meet for their family. We call the income level which is the family's borderline between feeling poor and non-poor the minimum-income, Y_{\min} , needed for that family. It follows that the minimum income needed to make ends meet varies over families. Assume that Y_{\min} can be explained by characteristics like current net income y , family size fs , and possibly by other variables like age, housing, health, working conditions, etc (Bernard, Theo and Arie, 1980).

As to Stefan (1997), the poverty line is mainly the core for a welfare entrance, i.e. those people whose resource do not allow them to cross the poverty line are considered to be poor. The threshold is usually arranged to be a bundle of commodities that would satisfy the minimum basic needs regarding nutrition, housing, clothing, education and health of an individual. The value of this basket is then the poverty line, and the poor are those whose income or consumption is below that minimum. The most common approach is to build the poverty line definition around nutritional requirements. A first step is to estimate the monetary value of a basic food basket, which reflects the daily minimum nutritional requirements of an individual. The cost of the food basket is subsequently multiplied by the inverse of the share of food consumption in total consumption or income to obtain the minimum income or poverty line (World Development Report, 2000).

2.2.3 Defining a Monetary Poverty Line for Ethiopia

Income poverty measurement assumes that there is a well-defined level of standard of living, called the “poverty line,” below which a person is deemed to be poor. A welfarist approach sets this in terms of a reference utility level that can be thought of as a poverty line in utility space. In consumption space, the poverty line is the point on the consumer’s cost function corresponding to that reference utility that is the minimum expenditure needed to attain that utility. More common is a non-welfarist approach based around the idea of basic needs. A core basic need is having an adequate diet and so the starting point for this type of poverty line is often minimum caloric requirements. There are three methods of setting poverty lines that use caloric requirement: direct caloric intake, food energy intake, and cost of basic need methods. In the direct caloric intake method, the poverty line is defined as the minimum calorie requirement for survival. Individuals who consume below a predetermined minimum calorie intake are deemed to be poor. However, this approach does not account for the cost of obtaining these calories and ignores nonfood needs (Stefan, 1997).

The second non-welfare method of setting a poverty line is the food energy intake method. The basic idea in this method is to find the per capita consumption at which a household is expected to fulfill its caloric requirement. The poverty line then defined is the level of per capita consumption at which people are expected to meet their predetermined minimum caloric requirement. It is estimated by regressing per capita consumption expenditure on caloric intake. Then the predicted value of the per-capita consumption expenditure at the predetermined caloric intake is taken as the poverty line. This method improves over the direct caloric intake method because it provides a monetary value. However, if applied to different regions and periods within the same country, this method does not yield a consistent threshold (poverty line) across groups, regions, and periods because food consumption patterns differ across each one of them (Stefan, 1997).

The third method of setting a poverty line is the cost of basic needs method. First the food poverty line is defined by choosing a bundle of food typically consumed by the poor. The quantity of the bundle of food is determined in such a way as to supply the predetermined level of minimum caloric requirement (2,200 kcal). This bundle is valued at local prices (or it is valued at national prices if the desire is to get a consistent poverty line across regions and groups). Then a specific allowance for the non-food goods consistent with the spending pattern of the poor is added to the food poverty line. To account for the non-food expenditure, the food poverty line is divided by the food share of the poorest quartile or quintile (Stefan, 1997).

As per the Ethiopia: Sustainable Development and Poverty Reduction Program (SDPRP, 2002) document, to determine the incidence of poverty and the number of poor people, one has to establish a poverty line, a threshold of per capita income or consumption below which an individual is considered to be poor. Establishing the poverty line starts with defining and selecting a basket of food items typically consumed by the poor. The quality of the basket is determined in such a way that the given food basket meets a predetermined level of minimum calorie requirements. This basket is valued at nationally

representative average prices to reach at a consistent poverty line across regions and groups. Once this is done, an allowance is made for the non-food component consistent with the spending patterns of the poor. This method yields a representative poverty line as it provides a monetary value of a poverty line that accounts for the food and non-food components (SDPRP, 2002).

2.2.4 Poverty and Human Development

Human development is a process of enlarging people's choices; achieved by expanding human capabilities and functioning's. At all levels of development, the three essential capabilities for human development are for people to lead long and healthy lives, to be knowledgeable and to have access to the resources needed for a decent standard of living. If these basic capabilities are not achieved, many choices are simply not available and many opportunities remain inaccessible. However, the realm of human development goes further: essential areas of choice, highly valued by people, range from political, economic and social opportunities for being creative and productive to enjoying self-respect, empowerment and a sense of belonging to a community. Income is certainly one of the main means of expanding choices and well-being. Nevertheless, it is not the sum total of people's lives. Human development relates to current global concerns through human rights, collective wellbeing and individual rights, equity, and sustainability. There are two instruments for the measurement of human development (Costantinos, 2010).

2.2.4.1 The Human Development Index (HDI): while a simple composite measure of human development can draw attention to the issues quite effectively, the HDI is not a substitute for the fuller treatment of the richness of the concerns of the human development perspective. The HDI measures the overall achievements in a country in three basic dimensions of human development— longevity, knowledge and a decent standard of living. It is measured by life expectancy, educational attainment (adult literacy and combined primary, secondary, and tertiary enrolment) and adjusted income (Costantinos, 2010).

2.2.4.2 Human Poverty Index (HPI): While the HDI measures overall progress in a country in achieving human development, the HPI reflects the distribution of progress and measures the backlog of deprivations that still exists. The HPI measures deprivation in the same dimensions of basic human development as the HDI. The 1998 HDR introduces HPI-2 as a measure human poverty in industrial countries. HPI-1 measures poverty in developing countries. The variables used are;

- the percentage of people expected to die before age 40,
- the percentage of adults who are illiterate, and
- deprivation in overall economic provisioning—public and private— reflected by the percentage of people without access to health services and safe water and the percentage of underweight children under five, (Costantinos, 2010)

HPI-2: It focuses on deprivation in the same three dimensions as HPI-1 and one additional one, social exclusion. The variables are the percentage of people likely to die before age 60, the percentage of people whose ability to read and write is far from adequate, the proportion of people with disposable incomes of less than 50% of the median and the proportion of long-term unemployed (12 months or more). The gender-related development index (GDI) measures achievements in the same dimensions and variables as the HDI, but captures inequalities in achievement between women and men. It is simply the HDI adjusted downward for gender inequality. The greater the gender disparity in basic human development, the lower a country's GDI compared with its HDI (Costantinos, 2010).

2.3 Poverty approaches

Understanding rural vulnerability – a cursory review of the conception of poverty for the benefit of the analysis and synthesis underscores the fact that poverty reduction rests on answers to two types of questions: what is poverty and how is poverty reduced? In the African context, answers to the first question are based on two different models of deprivation: physiological deprivation model and social deprivation models.

2.3.1 Physiological deprivations: The model represents two approaches to poverty: income/consumption approach and basic human need approach. Viewed from these conceptions of poverty strategies of the elimination of absolute poverty are based on underlying conceptions of poverty-relevant social change. Different strategies tend to focus on different processes of social change and the underlying forces, which impel them. Here we distinguish between conceptions of social change based on the underlying forces, or forms of 'capital', which inform them. We identify eight poverty-relevant forms of capital: human, economic, cultural and spiritual, social, political, coercive, and environmental capital. Changes in anyone of the above forms of capital interact in complex ways with other forms of capital to constitute poverty-relevant social change and can be mutually supportive to promote the same social objective (Costantinos, 2010).

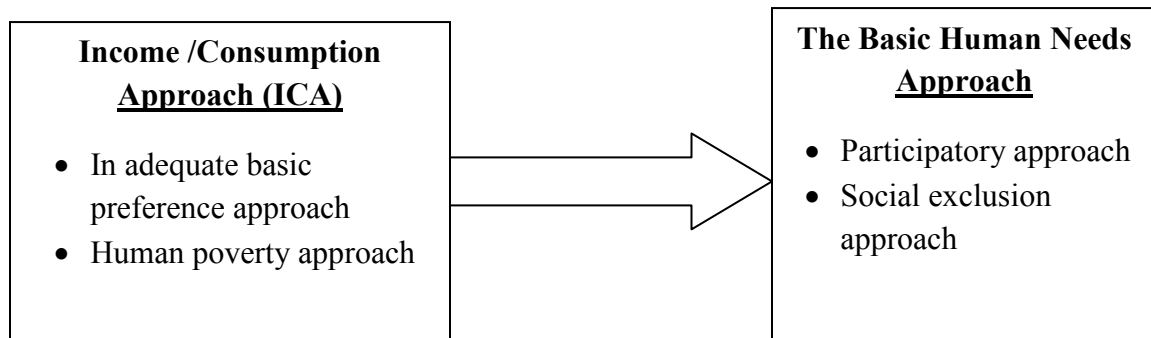


Fig.1 Approaches to poverty

One further distinguishes between five approaches to poverty reduction based on the underlying conception of deprivation and the forms of capital on which they draw -- a range of poverty interventions corresponding to conceptions of deprivation, forces of social change, approaches, and poverty interventions (Costantinos, 2010).

- Direct transfer (safety net) approaches
- The human capital approach
- The production function approach
- The governance approach
- The sustainable livelihood approach (SL Construct)

Chapter Three

Data Analysis and Presentation

3.1 Introduction

As discussed earlier this study is mainly concentrated on looking into the roles Pro Pride and Concern Ethiopia are playing on the poverty reduction process of Ethiopia. To finish this study and accomplish this task mainly documents have been reviewed, interviews with program managers have taken place and a total of 80 questionnaires were dispatched. However, only 65 questionnaires are collected because of different reasons, most probably, reluctance of respondents to fill and return the administered questionnaires. This chapter of the study is classified into two parts, the first part discusses about the case organizations. Under this part, the establishment, activities and programs of the case organizations are discussed. The second part presents the empirical evidence collected from documents reviewed, interviews conducted and questionnaires and views of the sample respondents concerning the research title.

3.2 Back ground of Organizations

A) Pro Pride

Pro Pride is a local NGO undertaking integrated development programs focusing on increasing access of the poor and disadvantaged members of the communities in its intervention area to vital social services, institutionalizing these services and assisting community organization to build their capacities and also to address the very important societal concerns such as gender, HIV/AIDS and governance. Pro Pride's Integrated Development Programs, which it has been undertaking since the beginning of its operation in Addis Ababa in 1995, comprise livelihoods promotion, basic education, preventive, promotive and curative health services, cultural promotion and HIV/AIDS prevention and control components (consolidated annual report, 2009).

Beginning its operation in Merkato area of Addis Ababa City where it started its intervention with one program component; namely savings and credit, it expanded the

four program areas to undertake multiple poverty alleviation initiatives. Since its establishment, Pro Pride has grown in its number of programs executed, intervention areas, annual budget and number of employees hired. In 2008 fiscal year, Pro Pride has allocated budget amounting to Birr 6,990,147 for the implementation of the different programs. It has, however, obtained Birr 6,126,165 constituting 87.64% of the budget allocated for the year. Out of the total budget received, the organization has been able to utilize Birr 5,515,421 constituting 90% of the total budget received during the year. Likewise, in 2009, a budget amounting to a total of Birr 13,708,660 has been allocated for the implementation of different programs. Nevertheless, it was only Birr 9,309,474 constituting about 68% of the total budget that was obtained during the year. Out of the total budget received, the organization has been able to utilize Birr 7,220,653 constituting 77% of the total budget received. Currently, Pro pride has increased its staff members to 111 employees who hold different qualifications. Out of these staff, 66 of them which constitute 73% are female staff members. Also Pro Pride currently employs 45 male staff members (Personnel Administration Department, 2010).

Table 3.1 Man Power and Qualification of the Organization (Pro Pride)

| Qualification | Staff Number | | Total |
|-----------------|--------------|-----------|------------|
| | Male | Female | |
| MA/MSc | 4 | 1 | 5 |
| BA/BSc | 15 | 10 | 25 |
| Diploma | 5 | 15 | 20 |
| Counselor | 1 | - | 1 |
| 12 ⁺ | 6 | 9 | 15 |
| 12 completed | 8 | 21 | 29 |
| Below 12 | 5 | 8 | 13 |
| 10 ⁺ | 1 | 2 | 3 |
| Total | 45 | 66 | 111 |

Source: Pro Pride, Personnel Administration Department (2010)

B) Concern Ethiopia

Concern Ethiopia, one of the largest country programs of Concern Worldwide is founded in 1984 to provide emergency aids. After its establishment concern Ethiopia has

expanded its programs from providing emergency response to developmental activities. Currently, Concern Ethiopia is implementing four programs; namely Livelihood promotion program, Health, education and HIV/AIDS prevention and control programs. Concern Ethiopia concentrate its resources on three geographic areas; namely, South Wollo Zone of Amhara Region, Wolayita Zone of SNNP Region and Addis Ababa City Administration. In addition, concern supports regional Ministry of Health in four regions (Tigray, Amhara, Oromiya and SNNP) to provide nutritional treatment and care and responds to emergencies both within and outside of the above areas (Concern Ethiopia, mid-term review, 2010).

Concern Ethiopia is a non-governmental, international, humanitarian organization dedicated to the reduction of suffering and working towards the ultimate elimination of extreme poverty in the country. The Irish based NGO receive its annual budgets from different developmental organizations. However, the main source of finance to execute programs is Concern Worldwide. In 2008, Concern Worldwide has received budget amounting to Birr39, 521,369 to implement programs. In 2009 a budget amounting to a total of Birr41, 428,951 has been allocated by Concern Ethiopia for the implementation of programs. Apart, there are a total of 147 staff members in Concern Ethiopia. Based on the data available, unlike to Pro Pride, the gender composition of the staff is highly dominated by male staff members. Male staff members constitute 73% of the total employees. Female staff members account for 27%. As per the data in the Personnel Administration Department regarding man power and qualification of the organization, all the staff members are at least diploma graduates. There is no staff member whose educational qualification is below diploma (Personnel Administration Department, 2010).

Table 3.2 Man Power and Qualification of the Organization (Concern Ethiopia)

| Qualification | Staff Number | | Total |
|---------------|--------------|--------|-------|
| | Male | Female | |
| MA/Msc | 6 | 3 | 9 |
| BA/BSc | 29 | 10 | 39 |

| Cont'd table 3.2 | | | |
|------------------|------------|-----------|------------|
| Diploma | 72 | 27 | 99 |
| Total | 107 | 40 | 147 |

Source: Concern Ethiopia Personnel Administration Department (2010)

3.3 Data Analysis from Documents and Interview

1. What are the programs you are undertaking to reduce poverty?

According to the in-depth interview with program managers from both organizations and different documents reviewed, Pro Pride and Concern Ethiopia have been planning and implementing various programs and projects. Economic and social development is necessary for achieving poverty reduction. Sustained high rates of economic growth are a prerequisite to this end. The creation of an institutional environment that is conducive to economic and social development is an indispensable part of any strategy for poverty alleviation. This requires a framework in tune with economic and social realities and needs whilst flexible enough to change and adapt to new circumstances. Crucial elements are sound macroeconomic policies; an institutional and legal framework that meets the needs and interests of all segments of the economy and society; and transparent governance with effective safeguards against corruption. Ensuring secure property rights, not least for the poor, and removing barriers to graduation from the informal to the formal sectors of the economy deserve particular attention (Else, 2002).

A) Pro Pride

Poverty is generally considered as a situation in which the underprivileged do not have adequate food and shelter, lack access to education and health services, are exposed to violence, and find themselves in a state of unemployment, vulnerability and powerlessness. Poverty is multi-dimensional and has to be looked at through a variety of indicators such as levels of income and consumption, social indicators and indicators of vulnerability to risks and socio-political access and participation. The most common approach to the measurement of poverty is based on incomes or consumption levels. It is

widely understood that an individual is considered poor if consumption or income level falls below some minimum level necessary to meet basic needs i.e. poverty line. The nature and level of basic need satisfaction varies along with time and societies and the poverty line to be established should be appropriate to the level of development, societal norms and values (World Bank Poverty Net).

Pro Pride has been planning and implementing various integrated development programs tailored towards addressing poverty. As to the documents reviewed, the program executed by Pro Pride encompasses:

- Livelihoods promotion program: as one of Pro Pride's components, this program facilitates access of the poor members of the community to micro-enterprise development and other services. Hence, more than 10,000 poor household members most of them women have been able to access saving and credit services through Pro Pride. It has been able to establish Gasha micro finance institute where 950 poor micro-business operators are able to be shareholders.
- Non-formal Basic Education: In order to promote basic education and assist poor children who are deprived of their right to basic primary education, Pro Pride has been undertaking a range of activities under its education program. These activities include, providing access for pre-school and basic education for children between 4-14 years of age; organizing tutorial classes to those formal school students, particularly girls who are unable to perform well in their education.
- Community based primary health care: under this program the focus has been on prevention, promotion and curative activities. Accordingly, Pro Pride has been assisting the poor to have access to immunization of children under one year and women in the reproductive age group, family planning services, maternal and child health services and delivery services.
- Cultural Promotion: Pro Pride has been organizing rallies, stage shows, exhibitions and publishing magazines, news papers and producing films that deal with important crosscutting issues to promote positive culture.

- HIV and AIDS Prevention and Control: the focus of this program is to organize community sensitization shows and conversations, distributing condoms, capacitated and supporting anti-AIDS clubs and providing home care kits for patients.
- OVC care and support: to improve the wellbeing of orphans and other vulnerable children and families affected by HIV/AIDS, Pro Pride has been implementing a program focusing on care and support to OVC and families affected by HIV/AIDS.
- Girls' education: the program is mainly designed to assist female student to get school materials, mentoring and life skill trainings that would better guide them on how to cope with the socio-economic problems they often come across in their education and in their life as well.
- Self-Help Group project: Pro Pride has also started undertaking a project aiming at promoting Self-Help Group approach as a strategy to facilitate economic empowerment and self-reliance of poor and disadvantaged women.

Education and health are central to a meaningful life. They are also part of the social and economic rights that should be guaranteed to all people. In addition, few things yield higher returns for poverty reduction than investments in and equitable access to education and health. Education has repeatedly been identified as a highly significant factor in reducing poverty. Furthermore, the single most important asset for the majority of poor households and individuals is their labor. This is, moreover, the asset most easily lending itself to improvement. Ill health and poverty are closely linked, and feed on each other. Illness causes poverty while poverty makes people susceptible to disease and disability. Poor people have an impressive ability to generate savings if given the opportunity. Even though solid evidence shows that many poor people are creditworthy, they are often denied access to credit and financial services and thus face a strong disadvantage in terms of capital. The challenge we face is not how to achieve poverty reduction but most definitely how to eradicate it. It is important to realize that poverty is certainly not a natural situation that cannot be eradicated. But the impoverishment of people is by and

large an imposed condition resulting from inappropriate or mismanaged policies, programs, priorities, and politics (Besinati, 2000).

B) Concern Ethiopia

A typical poverty scenario is reflected in the socioeconomic condition of Ethiopia. In that respect, Ethiopia has carried out several economic reform programs in order to achieve economic stability and renewed growth in the fight against poverty. Though the programs have resulted in improved macro-economic performance, they have had a limited impact on the poverty situation at household level. In fact the poverty situation in Ethiopia over the past decade has been exasperated by the Structural Adjustment Program (SAP) and other reform measures as well as by the irregularity of natural conditions, war and other human and environmental factors. As a result almost half of the Ethiopian population is believed to be below the poverty line (Asmamaw, 2004).

In Concern Ethiopia, which is country program for Concern Worldwide, there are four major programs planned and executed in partnership with other local NGOs. These programs are livelihood promotion program, education, and health and HIV/AIDS programs. According to the documents reviewed, Concern Ethiopia has been implementing these four programs in Addis Ababa, South Wallo Zone and Wolayita Zone in SNNPR. The livelihood program of Concern Ethiopia encompasses promoting the right to food, work, promoting standard of living and social protection for the poor and the poorest section of the community. Apart from these, the urban livelihood activity was designed to reduce extreme poverty by supporting poor people in urban areas to have more and diversified livelihood options. On the other hand, the HIV/AIDS program aims to reduce risk and vulnerability of the community to HIV/AIDS through mainstreaming of HIV and AIDS. Based on the data reviewed, Concern Ethiopia has been involved in HIV and AIDS to contribute towards the reduction of HIV transmission and its impact in Ethiopia through providing funding and capacity building support for local NGOs. Through supporting implementing partners Concern Ethiopia has provided primary Education for beneficiaries. The Primary health component aims to provide improved

access to quality health care and include provision of clean water, sanitation and improved child nutrition.

2. Were the programs effective in meeting the needs of the beneficiaries?

A) Pro Pride

As per the responses from the interviewees and data from documents, the objectives of the programs are met and its programs were effective in addressing the problems of the target beneficiaries in such a way that the organization has been able to address poverty through diverse means. 17 CBOs Pro Pride has been working with have been able to mobilize their own resources to address the problems of vulnerable children's through the capacity building support provided. More than 720 poor micro-enterprise operators have been able to be shareholders of Gasha micro-finance institution which has been established by Pro Pride and which has been provided starting capital to access poor members of the community for saving and credit services as well as building the asset for the poor. As to the program managers interviewed, through its self help group approach, Pro Pride has been able to not only economically empower women but has also been able to support them address other social problems such as HIV/AIDS, gender inequality and other related issues.

Under its basic education program, Pro Pride has been able not only to enroll children from poor families but has also been able to transfer them to formal schools and build the capacity of their families through micro-enterprise development services so as they are able to support the education of their children joining formal schools after successfully completing alternative basic education provided by Pro Pride. To sum up, based on the above data collected, Pro Pride has empowered tens of thousands of individuals to alleviate poverty. In its education Program, the organization has enabled thousands of boys and girls from poor families to attain basic education. By establishing Gasha micro-finance institution, it assisted many individuals and families, especially female headed households. Through its radio programs, Pro Pride has reached millions of Ethiopians by

teaching them how to prevent, control and live a positive life and contribute to the development process of the country.

B) Concern Ethiopia

According to the documents available, the goal, purposes and respective activities were found relevant to and in line with the desires and aspirations of the target communities. The components are highly linked to national policy; PASDEP and helped for the realization of MDGs in those localities. From the documents reviewed and interview session, Concern Ethiopia, under its livelihood program, has been providing training to the targeted beneficiaries in areas affecting their lives and training to bring about change in attitude and overcome cultural barriers. The trainings provided to beneficiaries include; skill training (up to one year), entrepreneurship/business development, leadership and management, health education and rights related topics (including civic education, family law, gender and literacy). Furthermore, advisory and counseling services have been provided to beneficiaries in the area of business development skill, health and legal matters. As to the documents reviewed, the training component provided in agronomy, NRM, WATSAN, Gender and HIV/AIDS mainstreaming are found to be quite important in Damot Woyeda and Duguna Fango Woredas in Wolaita Zone. The livelihood promotion program has been successful in improving a range of community assets, particularly the natural and physical assets (catchment rehabilitation, water supply schemes, bridges, irrigation, and vet clinic).

The document review result shows that 12 idir based income generating activities, 8 saving and credit associations (SACAs), 3 consumer cooperatives, one food processing cooperative and one recreation centre were established and registered at the appropriate government office. Cooperatives are getting technical assistance in the area of organization and management of cooperatives and financial management training. As part of capacity buildings, staff trainings have been conducted in the year 2008/2009. Moreover, based on the data collected, gender and HIV/AIDS have been mainstreamed with the livelihood promotion projects. The beneficiaries are getting counselling services on HIV/AIDS, reproductive health and gender equality.

The analysis results from different documents also revealed that the interventions are relevant to address the beneficiaries' holistic needs to enhance their awareness of social issues, technical skill to generate income for their own and their families, and access to community owned services (financial, peer experiences, social insurance and counselling). Therefore, based on the documents and interview conducted, the combination and intensity of interventions proposed by Concern Ethiopia were adequate enough for the beneficiary group to overcome the life challenges of their own and their families.

Based on the documents available on gender based violence (GBV) in Concern Ethiopia, there has been enhanced local capacity to prevent and respond to GBV incidences in its intervention area. Gender based violence monitoring group (GBVMG) has been formed in all 11 kebeles around Dessie Zuria Woreda. The GBVMG serves an important role in terms of awareness raising and mobilizing GBV prevention efforts through their respective and respected community. In its HIV/AIDS program Concern Ethiopia has been working to improve the livelihood status of people infected and affected by HIV/AIDS through strengthening the income generating capacity of beneficiaries and formalizing home and community based care referral networks.

3. What are the main financial sources for your organization?

According to the documents reviewed and interview sessions, both Pro Pride and Concern Ethiopia have received financial aids from different local, international, bilateral and multilateral development organizations to run their poverty reduction strategies.

A) Pro Pride

In its 16 years of journey, Pro Pride has been able to establish important relationships with local, national, bilateral and multilateral organizations which are the major sources of its funding for the implementation of its various integrated development programs. As to the documents reviewed, Action Aid has been the major and long time donor and partner of Pro Pride. The donor organizations include: Concern Worldwide, UNFPA, Save the Children USA, and Academy for Educational Development (AED),

International Committee for the Development of People, Canadian International Development Agency (CIDA), European Union (EU), Pact Ethiopia and PATH.

B) Concern Ethiopia

Concern Ethiopia an Irish based foreign charity is part and parcel of Concern Worldwide. Based on the data available, Concern Worldwide is the main financial source for the implementation of the integrated development programs. Though, Concern Worldwide is the main financial source for Concern Ethiopia, some of its programs was funded by different development organizations. For instance, the Damot Woyde and Duguna Fango livelihoods promotion program was funded by MAPS; though, the program was planned and implemented by Concern Ethiopia.

4. What are the impacts of your organizations programs and projects in the beneficiaries' well-being?

The program implemented in both Pro Pride and Concern has brought significant change for the poor beneficiaries of the programs. The detailed impacts have dealt below separately for both organizations.

A) Pro Pride

The reviewed documents revealed that, self help groups which constituted 721 members have been able to save a total of birr 54,182 out of which birr 42,496 is given as a loan for members. This has enabled them to engage in business activities. The formation of these self help groups helped members to improve their income, health and education of their children. In one of its program areas, namely in messalemia program area, 308 children were able to transfer to formal schools from alternative basic education centers. The tutorial class that has been organized to support formal school students who record weak academic performances in their respective schools has benefited total of 1,142 (568 girls and 543 boys) grade 5, 6, 7 and 8 students. Accordingly, out of 366 (190 girls and 176 boys) grade 8 tutorial attendants who took national examinations between 2002/2003 and 2007/2008 academic calendar, only 2 students could not be able to pass t he next

class, while out of those who promoted total of 112 (43 girls and 69 boys) students scored 85% and above. Apart from this, through the radio program of the organization, 2,000 people living with HIV have been assisted to build their own families and lead a new aspiring and thriving life.

Towards this end, Pro Pride, through its non-formal basic education program, has established 15 basic education centers in 3 woredas of Addis Ababa and enrolled 13,000 out of school children who are unable to join formal school system due to poverty. In order to enhance the reading habits of the youth, Pro Pride established reading centers and accordingly accessed by 700 youth from school and out of school youth daily on average who otherwise would have involved in harmful practices that affect their life and the community at large. As to the responses and documents, medical examination and treatment services to 13,000 poor community members in Merkato and Entato areas have been provided by the organization. Drugs worth 1.1 million birr have been dispensed to community members in these areas and voluntary counselling and testing services to 15,557 volunteers has been provided by Pro Pride

The result from the documents reviewed and interview conducted depicts that, the involvement and contribution of community based organizations in addressing the care and support needs of OVC and their families has increased from time to time. This indicates the growing recognition of the problems of these children and their families by the community and acknowledgment of their obligation to respond to these problems. Accordingly, 17 community based organizations in Dire Dawa administrative council have been able to reach 20,000 OVC and provide various cares and support services while three iddirs in Addis Ketema sub-city have been able to provide scholastic materials, nutritional and psychosocial supports to 2272 OVC in year 2008 and 2010.

B) Concern Ethiopia

According the documents reviewed, the urban livelihood program of Concern Ethiopia has brought opportunity to the beneficiaries on jobs such as hand crafts, wood work, charcoal marketing and petty trade. This indicates the change observed in employment

opportunities for the beneficiaries is positive. The table below compares the beneficiaries' ability to meet their basic expenditures before and after the implementation of the urban livelihood program of Concern Ethiopia in Addis Ababa city administration.

Table 3.3 Percentage Changes and the Contribution of Project Intervention with Regard to Meeting Basic Expenditure

| Indicators | Before | After | %change |
|--|--------|-------|---------|
| Afford to cover daily food costs | 53.0 | 65.2 | 12.2 |
| Afford to cover minimum clothing requirements | 50.4 | 60.6 | 10.2 |
| Afford to pay for educational costs | 52.3 | 57.3 | 5.0 |
| Afford to cover health expenses | 58.7 | 69.2 | 10.5 |
| Afford to cover transport costs | 45.1 | 54.4 | 9.2 |
| Afford to purchase new assets | 31.6 | 37.9 | 6.3 |
| Afford to pay for social costs | 38.8 | 47.9 | 9.1 |
| Contribute to voluntary & involuntary contribution | 55.8 | 64.5 | 8.8 |
| Afford to pay for electricity and water expenses | 75.1 | 79.9 | 4.8 |

Source: CONCERN Household Sample Baseline Survey May 2010.

Based on the data presented on the above table 3.1, with the intervention of the project, the proportion of households who able to purchase minimum daily food requirement has shown a percentage change of 12.2%, and those who can afford to pay for clothing, health and education have shown a percentage change of 10, 11 and 5 respectively. Change in the proportion of income source is another viable indicator of the contribution of the projects. As to the review result, changes in the proportion of the amount of

income for the beneficiary households for most sources is positive, i.e., the percentage growth of income of beneficiary households as compared to the base year (pre project period) was increasing particularly for salaried employment, petty trade, and daily wage labor. As a result, the net change attributed to the project is positive and therefore the contribution of the project to increased income and changes in income shares was positive for most of the income sources of the beneficiaries. All in all, Concern Ethiopia has been able to increase income and diversify the income sources of the beneficiaries under its urban livelihood program.

Damot Woyeda and Duguna Fango woredas are other livelihood promotion intervention areas of Concern Ethiopia. The reviewed documents revealed that Concern Ethiopia has been able to provide cash payments to those who were too weak to work. This enabled the beneficiaries to survive through periods of food shortages without having to sell their assets. Accordingly, program beneficiaries have the opportunity to access rural credit to diversify their livelihoods. 25 women headed HHs have received goat/sheep. Most women were able to build up their herds and owned on average six animals after paying back their credit in cash or kind. The marketing cooperatives established have provided grain with cheaper price to their members during the 2008 drought in the intervention areas. Apart, Concern Ethiopia has provided new and improved variety which could make a major contribution to reducing food deficit months. Pro poor, environmentally sound and sustainable development necessitates a broad outlook and definition. It must focus on the use and management of natural resources for production and consumption, pollution control, and maintenance of ecosystems and their functions. This will safeguard poor people's health and create livelihood capabilities and opportunities (e.g. in small scale agriculture, forestry and fishing, and in the management of water and coastal/marine areas). Poor people are especially vulnerable to degradation of the local, regional and global environmental commons. Climate change is projected to cause a significant increase in the scope and severity of famine. Declining biodiversity, unless halted, poses a serious threat for the poorest since their livelihoods depend on a variety of resources rather than on monocultures. Genetic diversity among animal and plant varieties and species is critical in food production; in development of new crops,

commodities and medicine; in pollination and soil formation. Food security for the poor depends on a functioning basic ecosystem (David E, 1999).

The veterinary clinic built by Concern Ethiopia has been equipped to a high standard with microscope, deep freezer, vaccine refrigerator and AI equipment. As a result, the travel time spent to get the service is shortened and less livestock health problem is reported. The livelihood promotion program has rehabilitated 583ha of badly degraded land in the intervention woredas. Accordingly, this has halted the spread of the degradation and groundwater holding capacity has improved. Also there is increased awareness created and message internalized by the farmers cutting tree is equal to killing human being. Based on the result from the documents reviewed, reduced role of money lender with high interest rate and increase in saving culture has been observed in the beneficiaries. This is due to the establishment of saving and credit cooperatives in the intervention areas.

As far as the water and sanitation activities are considered, as per the data available, a large reduction in the time spent fetching water has been reported by women beneficiaries. Travel time has reduced (from 1-4 hrs to 5-30mins) not only because the water sources are nearer but because they had to spend less time waiting at the water points. Apart from this, it has reduced risks and accident faced by women, girls have more time to studies, women can able to invest more of their time in productive ventures and it also has improved personal hygiene. There were increase in milk yields and fewer leaches on livestock due to the availability of clean water for the animals. Patients at the health posts could access potable water for taking tablets.

From the documents reviewed there is clear evidence that there is change in GBV practices. Rape and abduction involving kidnapping are rare, likewise polygamy and wife inheritance. FGM and early marriage seems to be substantially reduced amongst community members involved in the Dessie zuria GBV protection and response project. Definite increases in knowledge around HIV across the beneficiaries have been observed. Based on the studies and documents available on GBV, the project has delay early marriage, stop circumcision of girls, stop domestic violence and result in greater gender

equality in the households involved. In addition, Concern Ethiopia has been able to enhance the income generating capacity of peoples living with HIV/AIDS, especially HIV infected women beneficiaries. Thus, 455 women living with HIV are trained in different vocational trainings and acquire new skills and knowledge that would be very instrumental in sustaining their lives. Likewise, the review result revealed that the HIV/AIDS program executed by Concern Ethiopia has increased the social support and solidarity, improve self-esteem and confidence, and improve the livelihoods status of the beneficiaries.

Gender based inequalities deprive women of their basic rights (including sexual and reproductive rights), disempowered them and constrain their access to resources, opportunities and security. It also impairs overall development. Constraints on women's productive potential reduce individual and household incomes as well as economic growth at national levels. Investments in female education and health care pay particularly high dividends in terms of sustainable poverty alleviation for present and future generations. The HIV/AIDS pandemic poses a serious threat in many parts of the world. In Southern Africa it has reached such proportions that it endangers not only the lives of those infected but also the livelihoods of everybody and indeed the very fabric of society. Its demographic, economic and social consequences are particularly severe as it primarily affects those at the early stage of their economic and reproductive life. This leads to a contraction of the labor force and shortages of critical skills, severely impairing the economic capacity not just of households but indeed of nations as well. A generation of elderly becomes deprived of the material support of their children yet with no other source of material security in their old age. Large numbers of children are turned into orphans who, deprived of parental care, are destined for a bleak future. The additional demands on health care and social security brought about by the epidemic stand in stark contrast to delivery capacity, even at a very basic level, of the governments of already impoverished countries. Unequal gender relations are a key factor in the spread of HIV/AIDS, including women's lack of power to negotiate about protected sex (Jean-Yves, David and Stephen, 2005).

5. What are the long lasting effects of your programs and projects?

The socio-economic impact of poverty is not to last in short period of time. It is expected that the impact will continue well beyond the project period. Accordingly, the impact mitigation effort requires the long term commitment of NGOs like Pro Pride and Concern Ethiopia to ensure the continuity of the project result beyond the project period. The sustainability approaches maintained by both organizations are discussed below separately.

A) Pro Pride

With a clear intent to make poverty reduction activities of the organization rooted in the community, Pro Pride has been facilitating and supporting the establishment of various community based institutions in all its intervention areas to ensure the sustainability of its programs. According the documents reviewed, these are the institutions which took over some program activities of Pro Pride in the phase out period, and which now run and manage the programs in a sustainable manner. By providing trainings, financial assistance and other capacity building support, Pro Pride assisted the community to establish its own institutions and to continue battling against poverty. Some of these institutions have now become community based associations registered with the charities and societies agency.

Gasha Micro-Finance Share Company is one of these institutions established to ensure access of the community to micro-finance services. Established as user owned micro-finance institution gash has 950 clients as shareholders. Wogen Aden Association is one of the community institutions established to facilitate the involvement of the community in the provision of care and support for people living with HIV and their affected families. Education association and elders association are the other community based institutions established by Pro Pride to look after the program activities. The later one has been assisted not only to have the necessary capacity building training and material support but has also been supported to have its own bakery and flour mill to generate income and support its members.

B) Concern Ethiopia

The review result revealed that, Concern Ethiopia has been working to help the beneficiaries to become strong and able to live and grow without handouts. Based on the documents and studies available, the strategies for sustainability used by Concern Ethiopia and its implementing partners are presented as follows:

- Capacity building of beneficiaries: technical and institutional capacity of beneficiaries has been built by providing the necessary capacity building trainings and technical assistances.
- Restructuring cooperatives: 15 cooperatives are merged in to 2 cooperatives hoping to contribute towards the institutional strengthening. Moreover, Concern Ethiopia has been providing leadership training to leaders/committee of cooperatives to ensure self reliance in the management of the cooperatives. Exposure visit had been organized by Concern Ethiopia to leaders of cooperatives to learn from the best practices of other similar groups.
- Strong cooperation with government: involving and forging strong cooperation with concerned government offices at all level and the community has been planned by Concern Ethiopia to ensure sustainability of projects. And this is found to be instrumental in the sustainability of some project activities by Concern Ethiopia.
- Capacity building of local actors: Concern Ethiopia has been working to develop implementation capacity of local actors like CBOs, local NGOs and woreda and/or kebele administration officials by transferring all the necessary knowledge and work disciplines.
- Strong ownership by the community: to ensure strong sense of ownership in the community Concern Ethiopia has been working and participating in the project activities.
- Linking cooperatives with kebele SME office: established cooperatives are handed over to and linked with Kebele Small and Micro Enterprise development office for technical support.

The review result shows that likewise providing start-up capital to the youth micro entrepreneurs to enable them begin their own business and be self-sufficient, Concern Ethiopia has provided various training packages to equip the youth with primary HIV/AIDS prevention methods, gender and counseling to bring sustainable behavioral change on the beneficiary youth.

6. How does your organization's program link with the government's poverty reduction program?

Based on the data available in both organizations, the strategic objectives of the organizations are very much linked to the poverty reduction programs of the government. Thus, the poverty reduction programs and projects of the organization have influenced the government's policy and it is likely the government will use the funds from such NGOs to rehabilitate and sustain the lives of the poor. Likewise, both Pro Pride and Concern Ethiopia have exerted a continual effort in acquainting the staff of local government with the tenets and theories underscoring the design and implementation of different projects. The other means to compliment organizational programs with that of the government is to held discussion with the concerned government officials on the detailed components of the organizational programs before decisions are actually made.

These strategic objectives among others include:

- To strengthen the asset base of the poor pertaining to productive resources for expanding sustainable livelihood options
- To strengthen the social capital of the poor to support sustainable livelihoods, realize effective participation

7. What problems so far have your organization faced regarding your poverty reduction activities?

According the interview conducted and documents reviewed, Pro Pride has faced with different challenges in its operations. Some of these challenges are discussed below.

A) Pro Pride

The difficulty to get a plot of land requested for use to upgrade the clinic to a higher level (the clinic, as the review result revealed, has been addressing the health problems of poor members of the community whose services are very much appreciated by clients) and construction of education and reading centers was one of the challenges the organization faced. As a result, it was forced to close the service and hand over its facilities to concerned government institution. Likewise, due to the problem related to secure a piece of plot land for construction education and reading centers in Addis Ababa for accessing out of school children and reading services to the youths, the organization was unable to realize it.

Based on the available data, lack of clear guide line on the procurement and other finance procedures of donor organizations has been one of the major challenges which the organization has come across during its operation. The other major challenge relates to the delay of budget release by donor organizations. All the necessary efforts and requests were made to all concerned bodies, although, it was not possible to get the budget and carry out the activities as planned.

In order to consolidate the efforts that it has been making and sustain its program activities, Pro Pride gives high value and due attention to community participation and strengthen their institutions. It does not focus in providing handouts to community members. As its mission is to empower disadvantaged individuals, families and communities to eradicate poverty by assisting them actualize their latent potential through integrated development programs, its aim is assisting community members and providing them capacity building supports and use their own potential to get out of poverty. According the review result, however, this aspect of its strategies has met some difficulties since many NGOs, if not all, focus on providing handouts and do not pay attention for long term development that could bring a meaningful change in the life of the poor. This in return creates dependency among poor members of the community.

B) Concern Ethiopia

Despite the fact that Concern Ethiopia has implemented its programs and achieved its objectives at reasonable efficiency and effectiveness, it has faced a number of challenges and problems that have negatively affected program implementation. Based on the documents available and interview conducted, the prominent challenges are discussed below.

- The use of cash for work, though important for protecting the assets of the poor, may have undermined sustainability as communities may be unwilling to carry out further work without payment.
- The high turnover rate of Kebele technical staff threatens the sustainability of the work, and there is no means to transfer skills to new staff.
- Scarcity of seedlings has threatened the sustained impact of the afforestation work.
- High dropout rate among IGA Participants: TLH (one of the implementing partners for Concern Ethiopia) record indicates that dropout rate among Income Generating Activities (IGA) participant both during the vocational training and the early days of the cooperatives is very high. The rate of dropout during the vocational training in some instances goes as high as 50% according to TLH (Timret Le Hiwot) management. This is a serious challenge for project performances.
- Limited training in motivation issues for those who live with HIV.
- Limited capacity of implementing partners makes things difficult to meet the target. The institutional capacity of implementing partners is believed to be very limited to mobilize and train the number of beneficiaries targeted by Concern Ethiopia and the implementing partners.
- Inflation: the rise in the prices of different inputs subjected to high cost of project implementation. This in turn has entailed and necessitated the downsizing of activities and project implementations.
- Likewise Pro Pride, lack of access to land/working place is found to be the curtail factor for income generating activities.

- Perhaps the HIV/AIDS program’s greatest challenge relates to the sustainability of the work, given limited resources and high levels of need, particularly for social (material) support.

3.4 Data Analysis from Questionnaire

The other data collection technique used in this case study was questionnaires. A total of 80 Questionnaires were dispatched to the sample respondents. However, the researcher has only able to collect 65 questionnaires. The following questions from the questionnaire are analyzes and presented using tables, percentages, figures and statement. Mainly, the response collected by the administered questionnaire represents the views of the sample respondents.

8. Does the government interfere in your poverty reduction activities?

The government has the responsibility to follow and assess NGOs project activities and its impact on the lives of the beneficiaries. As to the table below, 33.8% of the respondents replied that the government’s interference on different aspects of the organizations is moderate. On the other hand, 24.6% of the respondents said the interference of the government is very high, which can limit the participation of CSOs on the poverty reduction effort of the country. In addition, when the government expands its intervention on the activities of NGOs, organizations may loss their autonomy and power. About 23.1% of the total collected response implies that the interference is minimal and do not have effect on the activities and autonomy of their respective organizations. The remaining 18.5% respondents replied that the government is interfering on the works of NGOs at a very high level and this by its self is becoming a pitfall to the attainment of organizational strategies and objectives.

Table 3.4 Government Interference

| Response | No of respondents | Percentage |
|-----------------|--------------------------|-------------------|
| High | 16 | 24.6 |
| Very high | 12 | 18.5 |

| Cont'd table 3.4 | | |
|------------------|-----------|------------|
| Low | 15 | 23.1 |
| Moderate | 22 | 33.8 |
| Total | 65 | 100 |

Source: Compiled from Questionnaire, 2010

9. What do you think the participation of the society in your activities should be?

The review result revealed that both Pro Pride and Concern Ethiopia believe that mobilizing the publicity at large towards poverty reduction efforts is the main resource and mechanism to reduce and alleviate poverty. Thus, working together with the society will end up with positive results/reduced poverty. As to the figure below, 81.5% of the respondents said their organizations recognize the importance of working with the public and have developed participatory strategies to the beneficiaries. A discussion with the beneficiaries and government representatives has taken place before decisions are made. According the data collected from respondents', beneficiary's opinion is used as resource for decision making and a base for organizational plans and activities. Further, performance evaluation is made by the beneficiaries together with professionals from the organizations. The remaining 18.5% respondents replied that, though their organizations work with the beneficiaries they highlight that the difficulty to mobilize the public at large due to the limited capacity of their organization.

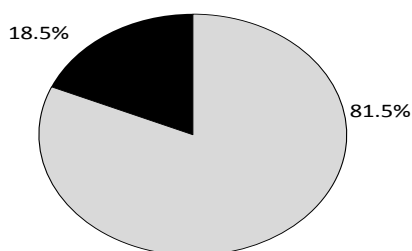


Figure 2, Participation of the society

10. Do you believe the institutional strength of your organization is strong enough to implement project activities?

From the total number of respondents three fourth (75.3%) of the respondents replied that the institutional strength of their organizations is strong. This number indicates the organizations are capable of performing their poverty reduction activities in well organized manner. This strength will enable the organization to perform well organized and interrelated activities and monitor and evaluate their final performance. Furthermore, information flow is smooth and available at the right time in well structured organizations. About 7.7% of the participants said there is very strong structure in their organization. However, the remaining 17% of the respondents replied that the organizational structure of their organization is weak and lacks transparency. This makes difficult to scrutinize and understand the communication channel, authority and responsibility within the organization.

Table 3.5. Institutional strength of organizations

| | Response | N_o of respondents | % |
|--|-----------------|-------------------------------------|------------|
| How do you evaluate the institutional strength of your organization? | Good | 49 | 73.3 |
| | Very good | 5 | 7.7 |
| | Weak | 11 | 17 |
| | Very weak | - | - |
| | Total | 65 | 100 |

Source: Compiled from Questionnaire, 2010

11. Relationship between government and your organization

Based on the data presented on the table, the relationship that exists between the government and both organizations is based on distrust. Though both parties work together to the development of the wellbeing of the society, the relationship between them remains to be in doubt. Especially, the government does not trust the activities of CSOs working on both advocacy and service delivery. Apart, 21.5% of the response implies the relationship is cooperative. The remaining 12.3% response shows the relation

that exists between the parties is uncooperative. However, the government must not blame CSOs as a whole. The government officials need to filter out who is working in line with the law and who is not. To accomplish this task the government has to follow CSOs activities under continuous and organized manner. And control and follow up mechanism should be developed to watch closely the activities of those organizations and take corrective measures, if needed, for inappropriate moves of the organization.

Table 3.6 relationship between government and organizations

| Question | Response | N_o of respondents | Percentage |
|--|-----------------|-------------------------------------|-------------------|
| The relationship between the state and your organization is? | Cooperative | 14 | 21.5 |
| | Uncooperative | 8 | 12.3 |
| | Suspicion | 43 | 66.2 |
| | Total | 65 | 100 |

Source: Compiled from Questionnaire, 2010

CHAPTER FOUR

4. CONCLUSION AND RECOMMENDATION

4.1 CONCLUSION

This paper has tried to see the role Pro Pride and Concern Ethiopia have been playing in the poverty reduction process of the country. Both organizations are implementing programs which are capable of bringing viable change in the poverty status of target groups in their respective intervention areas. Accordingly, the overall document review shows that the livelihood of the beneficiaries was improved after program intervention. It has been revealed that the capacity of the beneficiaries to cover basic expenditure and need (such as food, clothing, transport, education and housing, etc.) has been improved over the program/project period for both organizations. Likewise, the programs executed by both Pro Pride and Concern Ethiopia have enabled beneficiaries to engage in different income generating activities. As a result, beneficiaries of the programs have their source of income and they become self-reliance. The Programs have brought positive contribution to diversification of income and employment. Strong focus on the social sectors is often an important step towards a pro poor orientation. Increases in employment and labor productivity provide the main link between economic growth and poverty reduction. In order to reduce poverty, it is essential both to enhance the capacity of the economy to generate productive employment and decent working conditions, and to strengthen the ability of the poor to access these opportunities. Democratic and efficient organizations (not least trade unions) are important tools to achieve decent working conditions (Bigsten and Jörgen, 2001).

The programs and projects have significantly achieved the objective of accessing the street vendor, the poor, vulnerable children and HIV infected people. The poor and the street vendor have the opportunity to access financial services. Providing financial services to the street vendor has made significant change in beneficiary ability and capability of improving and expanding their business. There is also improvement in beneficiary business operating capacity which indicates the achievement made in human

capital development by the programs and projects through capacity building, training in business skill and entrepreneurship, financial and business management. The capacity building efforts made by both organizations shows a positive change and there is progress in terms of having well articulated aspirations, strategies, organizational skills and people management in the established cooperatives and organizations.

The HIV/AIDS programs have contributed to positive outcomes, particularly in mitigating the effects of HIV for those that directly benefited from the care and support activities. This included meeting the basic needs of people with HIV and orphans and vulnerable children such as medical care and access to education, as well as addressing and resolving infringements of their rights. The programs are well managed with robust systems for training and managing volunteers, and well rooted and respected in the communities in which they work. They are generally meeting or exceeding their targets, and, overall, the project can be considered cost effective when judged by the number of beneficiaries receiving direct, intensive and ongoing support. The other strength was the involvement of people living with and affected by HIV, not only as recipients of services, but as volunteers and staff members of partners' programs and as active participants in reviews. Their involvement, along with program strategies such as Community Conversations that encouraged interpersonal dialogue and communication, was credited with breaking down stigma. Addressing the social dimensions of poverty reduction requires a good understanding of social relations and institutions, as well as promotion of democracy and human rights. Cultural specificity is an important factor in poverty reduction, both in the broad sense (in terms of how people's lives are understood and organized by themselves) and in a more narrow sense (how their understanding and views are expressed). The recognition of pluralism is an essential element in the creation of conditions for improved and sustainable living conditions. Social inequalities – regardless of if their basis is found along gender, ethnicity, disability, age or other lines – hinder the achievement of a pluralistic society (Irma, 2005).

As far as the projects implemented to support women beneficiaries have considered, a large reduction in the time spent fetching water has been observed. Apart, there have been reduced risks and accidents faced by women, women can engage in productive business activities and girls have more time to deal with their education. The gender related programs were effective in reducing gender based violence and creating awareness of the community concerning GBV. Rape and abduction involving kidnapping are rare, likewise polygamy and wife inheritance. FGM and early marriage seems to be substantially reduced amongst community members. The Programs have stopped circumcision of girls, delay early marriage, stop domestic violence and result in greater gender equality in the households. Likewise, different vocational training packages were provided to HIV infected women beneficiaries. This was very helpful in sustaining the lives of the beneficiaries. The study revealed that the programs has increased the social support and solidarity and improve self-esteem and confidence.

Despite the achievements, Pro Pride and Concern Ethiopia have come across different challenges in their program implementation period. Lack of plot land for income generating activities and expansion of service provision has been the major problem for both organizations. For Pro Pride, delay of budget release by donor organizations has halted its program implementation activities. The global economic crisis and price inflation resulted in high and increased cost of program/project implementation for both organizations. The other greater challenge faced by is the imbalance between the limited resources of the organizations and high levels of need, specifically material need of the poor.

4.2 Recommendation

The work done by both Pro Pride and Concern Ethiopia matches the strategic aims and objectives to contribute towards reducing poverty and its effects. Despite the strengths and achievements observed on the works of both organizations, the following recommendations are provided for their future poverty reduction work plan.

- The involvement of staff in SACAs management must be reduced and both organizations must make SACAs face the reality and join the real world than living under the umbrella of the organizations.
- Staff turnover is found common in some projects of Concern Ethiopia. To this end, review of the material and moral incentives and enhancing staff retention capacity of the organization is highly recommended.
- The capacity building component of the programs has brought positive change which is positive step towards improving organizational performances. Nevertheless, strengthen capacity building endeavor over the area of organizational skill development, people management and developing systems and infrastructure is recommended for both organizations.
- Entitlement for resources and ownership issues are one of the important factors for the sustainability of services. In this regard, the need for having legal certificate for infrastructure (building) whomever the owner is found to be important.
- Building implementing capacity of implementing partner organizations before awarding financial support is highly recommended for Concern Ethiopia to protect project failures.
- Apart from providing business skill trainings to the HIV infected and affected people, both organizations need to provide intensive life skill and psychosocial trainings. These training packages will help the HIV infected beneficiaries' to develop their self-esteem, self-confidence and motivation. Since the target groups are in destitute and hopelessness situation their self-esteem, self-confidence and motivation to work, achieve and think of the long term is very low.

- Technical assistances are crucial for the sustainability of program interventions. To this end, feasibility study of income generating activities by the program offices is required before financing.
- Concern Ethiopia should focus on monitoring and evaluation to better assess the impacts of partners' work. Concern Ethiopia should encourage implementing partners to measure outcomes not simply activities.
- Both organizations must work in institutionalizing, strengthening and linking the community work with that of the government to help the sustainability of projects. To ensure the long lasting positive effects of the projects executed, the ownership and responsibility to handle post project activities must be transformed in to the hands of both the community and the local government.
- The poor also suffer from a lack of access to markets and information and from an inability to enforce their rights and organize themselves. They are often relegated to the margins and outside the formal sector of the economy. The result is high transaction costs, low returns on their productive resources and increased vulnerability. Informal sector activities with low pay and little or no protection under labor laws are a more important source of livelihood for the poorest groups than for the more well off, and for women and children more than for men. Thus, Strengthening the marketing cooperatives and set up in to unions will be needed by both organizations to diversify the services provided to the poor beneficiaries.
- Mainstreaming HIV/AIDS and gender issues in all intervention areas is recommended. Both organizations must provide support to increase the participation of women and people infected by HIV in various committees.
- Pro Pride and Concern Ethiopia should consider strengthening the prevention aspects of their HIV and health programs. Instead of providing vaccines and other health services after a problem happen, there must be mechanism to protect and prevent its development.

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Appendix 1

Questionnaire and interview guides

Introduction

Dear respondents, these questionnaire and interview questions are prepared to collect information and conduct MPA thesis on the role of civil society organizations in the poverty reduction process of Ethiopia case of Pro Pride and Concern Ethiopia. The purpose of the study is to assess and analyze the role of civil societies and their impact on poverty reduction process of Ethiopia. In order to pursue the previously stated objectives, collecting relevant and genuine data is highly significant. In this regard, questionnaire and interview guides are prepared to the respective respondents. Finally, I would like to promise you that all your responses will be kept confidential and used only for the purpose of this study.

Part I Questionnaire guides

1. To what extent does the government interfere in the works of civil society organizations?

A, high B, very high C, minimal D, moderate

If your answer is high or very high, what do you think the reason is for the government

interference _____

_____.

2. Does the public at large participate in the poverty reduction activities of your organization?

A, Yes

B, No

If your answer is 'No', please describe your reason

3. How do you evaluate the institutional strength of your organization?

A, strong B, very strong C, weak D, very weak

Explain your answer for the above question

4. The relationship between the state and civil societies working in poverty reduction is?

A, cooperative B, uncooperative C, in suspicion

Part II Interview guides

Direction: for each of the following questions, you are requested to provide short, precise and true statements. And I thank you in advance for your genuine contribution and willingness to respond to my questions for which it will play a pivotal role in the successful accomplishment of the study.

1. What are the programs/projects you are undertaking to reduce poverty?
2. Is the use of resource efficient by your organization?

3. What are the main financial sources for your organization?
4. How far are the objectives being met?
5. Were the programs effective in meeting the needs of the beneficiaries?
6. What are the impacts of your organization's programs and projects in beneficiaries' wellbeing?
7. What are the indications of changes in peoples' lives? Please discuss with empirical data.
8. What are the likely long lasting effects of your programs? (Sustainability of your programs and projects effects)
9. How organizational programs are linked with the government's poverty reduction program?
10. Is your program relevance to solve the problems of the beneficiaries? Please discuss with empirical data.
11. What problems so far have your organization faced regarding your poverty reduction activities? Please discuss the challenges briefly.

Appendix 2

List of peoples interviewed

1. Mulugeta Beshada

Livelihood Adviser

Concern Ethiopia

P.O.Box: 2434, Addis Ababa, Ethiopia

Phone: 00-251- 1-6611730

Fax: 00-251-1-6611544

Mobile: 00-251-911-314444

2. Gezahegn Petros

Program Manager

Messalemia Program

Pro Pride

Mobile: +251911438747