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## SUCCESS FROM THE BOTTOM UP: MOVING OUT OF POVERTY SERIES

Deepa Narayan, Lant Pritchett and Soumya Kapoor,  
Basingstoke: Palgrave Macmillan and Washington  
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World Bank

*Success from the Bottom Up*, the second volume in the World Bank's *Moving out of Poverty* series, is an innovative and ambitious analysis of the real life dynamics of people living in, and on the margins of, poverty. Deepa Narayan, Lant Pritchett and Soumya Kapoor used a mixture of interviews and focussed discussions with individuals, families and groups covering nearly 10,000 households in 500 communities in 15 developing countries to gather people's own perceptions of the key events in their lives and the factors they identify as determining the success or failure of their own efforts to escape from, and stay out of, poverty. The authors have taken this essentially anecdotal evidence and turned it into a data set.

They have gone out to hear the voices of the poor and through this book, to project them to a global audience of policymakers both directly in their own words and through credible statistical analysis. The combination of anecdotal narrative and number crunching is powerful. It promotes a better understanding of causality than the simplistic associations provided by regression analysis. Listening to a smallholder farmer, it becomes clear that the reason she does not use improved seeds and fertilisers is not because she is ignorant or unaware of their potential but because she is all too aware of the risk of drought or of the certainty that she will be obliged to sell her crop for less than it cost her to produce. Nevertheless some of the findings can be said to fall into the blindingly obvious: for example, local governments that are seen as responsive by their citizens are associated with better quality health and education, more roads and higher numbers of people moving out of poverty.

Throughout the book, the authors demonstrate that the vulnerability of poor people to disease, climate and that the abuse of political, administrative and economic power is the major constraint to escaping poverty - and that handling the associated risks is the central plank of their livelihood strategies. Perhaps most importantly, the book sees poor people as the principal agents of their own development – active, motivated, confident and aware, whose livelihood strategies are characterised by sensible and logical choices and, above all, persistence.

Ultimately, however, the book fails to draw the lessons adequately from the evidence it gathers or from its own analysis. In this it somewhat inevitably follows in the tradition of much worthwhile World Bank micro-level research by bowing to the larger corporate truth. Despite presenting much evidence on how economic inequality and dysfunctional markets keep people in poverty, the authors present aggregate cross country data (not their own, but from Art Kraay and Louise Cord) to show that rising inequality is not really a problem and that 90% of poverty reduction is due to economic growth. They then feel the need to put themselves and their research in its proper place by stating baldly: “Growth is good. A sufficiently large rise in the tide will lift nearly all boats”. They then go on to abdicate from presenting any new information on the role of growth or on policies to promote it.

Perversely, perhaps, the book actually demonstrates the vacuity of the World Bank credo it dutifully cites. Is it really a surprise, or even important, that 90% of poverty reduction might be associated with economic growth? After all, poverty reduction without growth implies that the better-off get poorer while the poor get wealthier – how likely is that? The more important question, which the book does ask is: What percentage of growth actually produces poverty reduction? On the evidence here – not very much. Similarly, showing that inequality can rise at the same time as poverty is reduced is hardly earth-shattering, but is definitely not a basis for implying that inequality is not a concern. The evidence in this book, reinforcing the bulk of previous research on inequality, shows that existing inequality restricts movement out of poverty and is a major determinant of whether growth benefits the poor. To be fair, the authors deal extensively with market failures and inequalities in income and power. They do, however, choose not to see, or address, the problems, that their micro-level analysis and the narratives of the poor, constitute for the cheerful purveyors of rising-tideism at the World Bank.

Another area in which the book does not go all the way is in its recommendations for policy. This may well be due to the very negative perception of the role of the state that is evident throughout. In many developing countries public resources and state action disproportionately or corruptly benefit the better-off. The authors, and the narratives of the poor, document the many ways in which the state fails to govern society and regulate the economy for the benefit of all citizens. This, however, does not imply that the poor will do better in an unregulated market or an ungoverned society. Poor women in a Cambodian fishing village complained that minimum net mesh size regulations were vigorously enforced against them, while their better-off neighbours could pay off the fisheries inspectors, use the illegal nets and get better catches. The solution is clearly not a fisheries free-for-all but accountable regulation and resource management.

Poor people face both market and state failures that prejudice and discriminate against them and that perpetuate and reinforce each other. In the face of this the recommendations for policy are pretty much the same as usual – more roads and market infrastructure, investments in water, electricity and telecoms, credit, land titling and easier licensing of businesses. The big questions still remain: how to ensure that these investments are targeted on the poor, that the roads and markets are built in poor areas or that land titling does not mean more landless poor. Power inequalities in markets and in access to public resources and services are not addressed purely by physical and financial investments. Public action to level the playing field through pro-poor regulation and incentives in key markets and services and to promote political empowerment of poor people are also critical.

In the end, *Moving Out Of Poverty: Success From The Bottom Up* explains, once again, and in a convincing way, why and how people fall into, remain in and sometimes escape poverty. It increases our (the non-poor's) understanding of poverty – but does not really tell us what to do about it? Perhaps another volume?

*Earnán Ó Cléirigh*

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## THE BROKER MAGAZINE

Published by the Foundation for International Development Publications (IDP), Stationsweg 28, 2312 AV Leiden, The Netherlands; further details and subscriptions available from: [www.thebrokeronline.eu/en](http://www.thebrokeronline.eu/en)

With so many online resources already available for people working in the development field, it is worth asking whether *The Broker*, a new bimonthly magazine available online and in hard copy, can offer anything further. Thankfully, however, the answer appears to be fairly positive in that *The Broker* provides a valuable vehicle for individuals with differing opinions and perspectives working in that field to voice their arguments. While its staff are primarily based in institutions in the Netherlands and it is part funded by that country's Ministry of Foreign Affairs, its contributors have a variety of backgrounds globally, including NGOs, various programmes in the UN and EU and universities, and both the public and the private sector. The majority of the contributors are attached to European institutions although not all are European.

The online version clearly states the magazine's aims: "*The Broker* aims to contribute to evidence-based policy making and better formulated research questions in the field of poverty reduction and international development. *The Broker* helps policymakers, practitioners and scientists to make a better use of the results and conclusions of recent and ongoing research and evaluations, in the fields of economics, governance, security and science and technology."

As the magazine strives to connect worlds of knowledge, it is easily accessible for anyone, whether a student or someone working for an organisation. The website and online version of the magazine are free to access and readers can subscribe to a free yearly trial of both the print version and the online newsletter. Both allow the reader clear access to all referred to material and websites.

Each edition includes special reports, articles, subjects in brief, blogs and blog analysis, online debates and discussions, notifications of upcoming debates and events as well as analysis and reviews of events past, book reviews, and present research topics of those working in the field. Genuine efforts are made to link and involve readers in the discussions by providing opportunities for their own comments. There are also plenty of opportunities for people from all aspects of the development field to engage and to find out what is relevant to them and their specialty.

The magazine is a great resource for anyone hoping to investigate further or begin researching a topic in development. Through the online discussions, debates and blogs *The Broker* has to offer, as well as its written summaries of debates going on elsewhere online, one can see which areas are lacking in information and which others are over-saturated with specialists. A new feature invites master's students and graduates to submit their research on development topics in a new section called, "The Broker Thesis". This provides an excellent opportunity for students to acquire feedback on their current research projects, reading comments from experts and others who might provide valuable recommendations and input. In both respects, it is a great way to learn about and connect with those working closely to your specific area.

Those working in the area of policy can also learn from the various articles about aid effectiveness and where, how and why certain policy approaches could be modified. Contributors include aid workers reporting their experiences and feedback from the field to researchers or experts in a certain area. Each issue highlights the most current and relevant topics to development.

Overall, *The Broker* provides the reader with tools to connect to the larger development community to share, learn and reflect. Each reader can take from it what suits them and they are provided with the means to delve further into any reported topic. It is a useful reference tool for organisations, institutions and individuals working within the development sector. Whether a researcher, an aid worker, a policymaker or simply interested in learning more about other aspects of development issues, *The Broker* is a great starting point.

*Anne Rigney*