THE DEVELOPMENT GAP

Stripping Adjustment Policies of Their Poverty-Reduction Clothing:
A New Convergence in the Challenge to Current Global Economic Management

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The issue before us is how to enhance the coherence and consistency of the international monetary, financial and trading systems in support of development. This is an impossible task in that the proposition is an oxymoron. It is based on the supposition that these systems, as currently managed, have been supportive of the development process in the countries of the South and, more recently, in Central and Eastern Europe. For over two decades, citizens around the globe, through their protests and critiques, have sent a different message. They have consistently and overwhelmingly rejected the domestic manifestation of global economic management dominated by the G7 finance ministries, namely the structural adjustment programs imposed upon them by the Bretton Woods institutions and other donors, as well as the global and regional trade accords that complement those programs.

This imposition has been effected by an unprecedented intervention in the economic affairs of sovereign states. It has undermined democratic process by forcing even representative governments to respond first and foremost to the policy demands and financial interests of their creditors rather than to the needs and priorities of their own citizens. And it has limited choice to only one economic approach, which, not surprisingly, has not generated development, as this has not been its primary purpose. To the contrary, everything that the critics of adjustment -- who were consistently dismissed by the international finance institutions (IFIs) as misguided -- had predicted in terms of the failure of the development process has come to pass. Local businesses and farms have been destroyed. Employment and incomes have been slashed. Poverty and economic inequality have sharply increased. Greater pressure has been placed on women and on ecological resources. And social, economic and financial instability have been generated.

What Is Required

There is a compelling need today for a new coherence, a convergence around a different set of values and principles -- namely respect for diversity, equity, self-reliance, self-determination, community and environmental sustainability, democratic economic decisionmaking, transparency and accountability. For two decades, as Southern governments have been unable to challenge economic orthodoxy without retribution and as most Northern

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governments have also chosen to remain silent on these issues, civil society has filled the void and championed not only resistance to the corporate-inspired economic paradigm but also an increasingly articulated vision for change. Started as a backlash against the destruction of local livelihoods and communities, this citizen challenge has grown into a global movement that is beginning to change the political, if not quite yet the economic, landscape.

Given the resistance of transnational companies, a new Southern economic and financial elite, and, most importantly, the U.S. Treasury and other G7 finance ministries to these external pressures, this change will not be easy nor without costs. It will continue to be met with repression and obfuscation, and the speed and direction of change that does take place will not necessarily reflect the often desperate needs of a broad array of population groups and economic sectors. What is required, therefore, is the forging of partnerships between civil-society movements and other parties, including official international institutions, that can clear paths for meaningful change.

We are at a particular moment in the historical process of change, a moment when the failures and crises of corporate-led globalization and the mobilization of citizens worldwide in defense of their rights and livelihoods are outstripping the slow and marginal reforms in global economic management. The challenge is for official institutions to get out ahead of the curve, to join civil society in changing the nature of global decisionmaking and to avoid being swept along in the current confluence of short-sighted self interests that history will undoubtedly judge harshly.

Challenge to Official Institutions

To the IFIs, we echo the demands of millions of people around the globe when we say that it is well past time to put an end to the destructive practice of imposing corporate-engendered economic policies on client countries. To the World Bank, in particular, we say that it is far from sufficient to develop so-called poverty programs limited to social considerations when it is now generally accepted that the Bank’s own economic adjustment programs are not only undemocratic and failures in terms of achieving their stated objectives, but have themselves contributed significantly to growing poverty and inequality and to the destruction of local economies. Indeed, the extremely rigid economic framework in which the IFIs are stuck makes it impossible for their leaders to do the kind of work they say they want to do in support of meaningful development.

By engaging civil-society organizations under the banner of popular participation, as in the case of the current Poverty Reduction Strategy Papers (PRSPs), and then ignoring their key input regarding adjustment programs, the Bank only makes matters worse. Not only does the charade breed further cynicism, it robs the assessments of fundamental knowledge and critical perspectives and experience and ensures that these analytical instruments will prove useless in attaining their stated goals.

Five years ago, President Wolfensohn accepted an NGO challenge and requested a mechanism for jointly assessing with civil society the local impact of adjustment programs. That mechanism became known as the Structural Adjustment Participatory Review Initiative (SAPRI).

Soon, the results of the SAPRI process of broad citizen mobilization, structured consultations and participatory research will be public, but preliminary findings from four continents point to many of the same problems that have been at the root of public protest. Labor-market reforms have undermined workers' rights, security and incomes. The resultant decline in local demand, along with policies of precipitous import liberalization and tight credit, has contributed significantly to the destruction of much of the small- and medium-scale productive sector in these countries and of the millions of jobs these enterprises provide around the world. The privatization of public utilities has often made affordable services unavailable to poor and working people. Public-expenditure reform and cost-recovery requirements have put health care and education out of the reach of a growing number of people.

The integral participation of the World Bank in these country exercises and the financial support of SAPRI by European governments, the European Union and the UNDP, among others -- along with the highly inclusive, democratic and grassroots nature of civil-society participation coordinated by the global civil-society network, SAPRIN -- give the Initiative and its emerging findings a high level of credibility. However, rather than embracing these findings and the experience, analysis, needs and priorities of thousands of citizens' groups, the Bank appears once again to be positioning itself to downplay the significance of these results. This is not leadership, certainly not the kind that is so necessary but so obviously lacking in today's world.

A Call for a New Convergence

Instead of fleeing from such evidence -- and from the march of history as it unfolds on the streets of Cochabamba, Washington, Seoul and Prague -- IFI managers, as well UN and government leaders, can help expand and solidify a public platform that civil society worldwide has created for a new public convergence on the issue of economic policy. To do so, of course, entails risk. This risk pales, however, in comparison with the sacrifice that millions of people have made over the past generation. What is needed now is for people of good faith in officialdom to speak out against the failure and injustice of the current economic system and to shift their institutions in a different direction.

The parameters of this New Convergence have been set by civil society around a set of principles that translate into development agenda featuring strong domestic productive sectors, food self-sufficiency, national economic integration, rising and equitable family incomes, savings and purchasing power, and a reduced dependence on external assistance and borrowing. How such expanding, equitable and sustainable economies are achieved can best be left to each government and its citizenry to determine. Targets can be set internationally and democratically, and international financing can be linked to progress in these target areas.

The New Convergence requires a coming together of various parties with similar values, interests and goals. More specifically, it calls for concrete collaboration among and between various UN agencies, civil-society movements and organizations, and principled and emboldened governments and ministries in the countries of the South and North, as well as the assistance of economists with links to local realities. Within the United Nations itself, it will require cooperation among the leaders of its various agencies rooted in a common vision of, and commitment to, progressive and democratic social change.

Assessing Poverty Effects of Economic Policies

A concrete and practical opportunity for such collaboration presents itself today, and we call on the leaders of UN agencies to seize the moment. While the United Nations has long recognized the broadening and deepening of poverty around the world under the economic adjustment programs of the past two decades, those at the IFIs who have perpetuated these programs on behalf of Northern finance ministries have only recently turned their attention to this tragedy when its acknowledgment became unavoidable. Their response, however, has been irresponsible in that today's PRSPs, like all previous IFI proposals and programs to address poverty, have an obvious fatal weakness: they leave structural adjustment programs firmly in place to eat away further at the livelihoods of poor and working people. With significant resources and financial leverage at their disposal, the IFIs are able to turn a blind eye to and trample upon the work that UN agencies have quietly carried out in this area, incorporating governments and their citizens in fundamentally flawed processes that will lead to the useless expenditure of unaffordable time, energy and resources.

The fact that structural adjustment policies can be found today dressed in PRSP clothing can be gleaned from simply a cursory review of recent interim and final PRSP documents and their juxtaposition with citizen analysis of the impact of adjustment policies in the respective countries. We cite a few examples below.

Tanzania

Adjustment reforms have liberalized trade in Tanzania, encouraging imports and export growth. Restrictions on imports have been lifted, export taxes have gradually been eliminated, and tariff rates have been reduced. Manufacturing has declined, however, as trade has been liberalized, with manufactured exports deteriorating sharply.[1] A flood of sugar imports has damaged the Tanzanian sugar industry. The decline of local industry has been a significant contributing factor to the fall in formal-sector employment from 9.2 percent of the labor force in 1990 to 8.1 percent in 1995.[2]

Tanzania's new financial regime has also contributed to significant declines in borrowing and investment by farmers and industry. In order to comply with adjustment demands and reduce inflation, the government has enforced a tight monetary policy -- restricting the money supply and raising interest rates -- and sharply curtailed fiscal expenditures throughout the 1990s. High collateral requirements and minimum loan amounts of private commercial banks have also made borrowing almost impossible for small farmers and businesspeople. Credit to domestic borrowers declined by more than half between 1990 and 1998, while the majority of the decreased lending for agricultural production has gone to large-scale rather than small-scale farmers.[3] Coffee producers today lack the capital for large replanting schemes, and private buyers have been reluctant to assist farmers in planting new trees.[4] Manufacturers in the food-processing sector, which the World Bank claims is crucial to higher economic growth, have also been unable to secure financing to invest in modern technology and costly inputs.[5] Not surprisingly, participants in both the Bank's Participatory Poverty Assessment and the PRSP Zonal Workshops identified limited access to credit to finance inputs and technology as one of the most important constraints to production.[6]

Hence, NGOs and other civil-society groups in Tanzania have strongly contested the country's adjustment program and are particularly disturbed by what is *not* included in its PRSP. While the program has coincided with deteriorating quality-of-life indicators, an eroding industrial base, increasing unemployment, instability and income inequality, none of the adjustment-related issues raised by citizens' groups are adequately addressed in either the interim or final PRSP. Furthermore, not only did the IMF, the World Bank and the government negotiate required policy conditions in closed meetings, but these reform measures are not disclosed in the final PRSP document.[7]

There are no proposed policies in the document that would directly enhance access by the productive sector to credit. The only measure recommended that might help farmers' access in this regard is a proposal for land to be registered and made available as collateral for loans, a policy that would likely lead to farmers losing their land in the absence of other support and access to marketing channels. Meanwhile, rather than making proposals to deal with the country's decreasing food security and growing malnutrition, the PRSP supports further development of cash crops for export. And, in spite of the negative impact of trade liberalization on local enterprises and jobs, the detailed and still operative Policy Matrix from the Interim PRSP (I-PRSP) calls for "...simplifying the tariff structure and reducing protection."[8]

Burkina Faso

Under Burkina Faso's trade-liberalization program, the dismantling of tariffs has resulted in a rapid influx of imported goods, which have increased some 26 percent since 1998.[9] The ESAF Policy Framework Paper for Burkina Faso for 2000-2002 acknowledges that the country's external position has deteriorated "...primarily on account of a rapid rise in imports," resulting in a chronic balance-of payments deficit.[10] At the same time, the removal of protection for local industry has left small Burkinabe firms unable to compete with imported goods from abroad. But, rather than promote the development of local industry, the Bank and the Fund have emphasized that "...agriculture and other primary sector activities will continue to be the main source of growth" and revenue.[11]

Meanwhile, the reliance on primary commodity exports has left Burkina Faso highly vulnerable to fluctuations in commodity prices and natural disasters. Poor farmers have borne the brunt of this vulnerability. Burkina Faso's 17 April 2000 Letter of Intent to the IMF reports that, not only has the percentage of poor people in the country increased, but that the incidence of poverty is highest among farmers, particularly those growing cash crops.[12] Rather than improving macroeconomic indicators and the economic situation of Burkinabes, the emphasis on primary-commodity exports has eroded Burkina's attempts to achieve economic stability and increased, rather than decreased, poverty.

To make matters worse, one of the results of the country's privatization process has been the complete withdrawal of the state from all aspects of agricultural production, marketing and supply of inputs and credit.[13] This has created serious problems for the country's small farmers, who make up 97.5 percent of cotton producers and produce some 70 percent of the nation's cotton. Privatization has pushed the cost of inputs such as fertilizers out of the reach of most farmers, and private investors have shown little interest in entering the sector. Since the privatization of the state-owned cotton production and marketing company, farmers have been required to transport their seed cotton to collection centers, thus reducing the costs incurred by the marketing company. This has created a new barrier and a significant new cost for the vast majority of cotton farmers who are poor.

None of this analysis is found in the country's PRSP, whose primary emphasis is the acceleration of growth rates. Maintaining macroeconomic stability and improving the competitiveness of the economy are listed as key elements in the achievement of that objective. In one of the world's poorest countries where poverty is actually growing, the PRSP calls for lowering the minimum wage and reducing benefits paid by formal-sector employers[14] as part of a strategy to reduce production costs.

In its description of the determinants of rural poverty, the PRSP lists the low productivity of agricultural activities (caused by low levels of education and the lack of technical assistance), as well as sharp fluctuations in the prices offered for agricultural goods and the lack of marketing channels for those goods. The solutions listed later in the paper, however, fail to address these problems. The paper recommends that the government disengage itself from production and marketing activities, suggesting instead the strengthening of private-sector provision of technical assistance and increasing competition among private-sector distribution channels. While the PRSP recommends strengthening the government's "support and advisory role vis-à-vis private operators,"[15] there is no mention of how the poorest farmers would afford such privately provided services, how they would avoid being exploited by private traders, or how they would reduce farmers' vulnerability to price fluctuations.

Mozambique

In Mozambique, in the face of desperate poverty and unemployment, the IMF and the World Bank have continued to insist that the government control inflation at all costs, in part through monetary restraint. Between 1990 and 1995, available credit fell by two thirds as a result of tight monetary policy.[16] Small and medium-scale businesses report that access to credit continues to be one of their biggest problems. Finance Minister Salomao denounced the Fund's obsession with inflationary targets, saying, "Any adjustment program that does not generate results on the side of production is a failed program... We might reach a situation where there is nothing left to adjust anymore."[17]

Most Mozambican cashew processing firms have closed since 1997, leaving some 8,500 people unemployed. The Bank and the Fund had insisted that producers would be better off selling their crops for export. In 2000, the prices paid to producers dropped to less than half those paid in 1999, and, as the cashew market in India dries up, it is unclear that Mozambican producers will be able to sell their crops at all.[18] The emphasis on export crops led to decreased production of food crops, particularly during the early 1990s.

Since 1987, the combined impact of the nation's privatization program and its trade-liberalization process has been the loss of some 116,000 jobs. Estavao Mabumu, head of international affairs for the Mozambican Workers' Organization, the country's main labor federation, explained that, "Only 20 percent of the people that lost their jobs have found alternative employment."[19]

Mozambique’s I-PRSP, however, places strong emphasis on the continuance of economic growth in order to achieve poverty reduction, indicating that macroeconomic policy would be carried out in accord with the 1999-2000 Policy Framework Paper negotiated with the IMF. While the paper outlines proposed measures on health, education and rural infrastructure, it fails to address the problems resulting from the current adjustment program and the program’s contribution to poverty and income inequality.[20]

Bolivia

Bolivia was one of the first countries to undertake a structural adjustment process. In late 1985, the government began to implement, with the assistance of the IMF and World Bank, an adjustment program known as “New Economic Policy”, or Law 21060. That program, and the programs funded since then, have emphasized trade liberalization, export promotion, privatization, reductions in state subsidies, and the elimination of numerous labor laws.

The emphasis on export production, combined with trade liberalization, has contributed significantly to poverty in the rural sector. Small-scale farmers, who comprise 40 percent of the population and produce 70 percent of the country's agricultural output, have been largely excluded from the push for non-traditional exports, with most of the available credit and investment capital in the sector going to agribusiness firms producing for export. Farmers who continue to produce for the domestic market have been further hurt by the lowering of trade barriers. Hence, beginning with the privatization and closures of mines in 1985, there has been a significant increase in migration to the cities and to the coca-producing Chapare region since the adjustment program began.

Meanwhile, in the urban sector, official unemployment figures dropped a bit during the 1990s, only to increase dramatically in the past two years to reach 30-year highs for the country. Most of employment creation that has taken place has been in precarious low-wage, low-productivity informal-sector jobs. According to data from the UN Economic Commission on Latin America and the Caribbean (ECLAC), the percentage of workers in such jobs increased from 62.5 percent in 1989 to 65.5 percent in 1997, while average incomes in that sector decreased during the same period. This increase in informal-sector activity has occurred in large part because of the bankruptcy of larger productive enterprises. The investment and trade-liberalization policies pushed under the adjustment programs have made the Bolivian economy extremely vulnerable to changes in the global economy. Bolivian textile companies estimate, for example, that over 300 small enterprises producing cotton shirts closed recently due to a sudden surge of cheap imports from Brazil, and even medium-sized and large-scale businesses have been forced to cut production and jobs.[21]

Public frustration over the adjustment programs reached the breaking point with the planned privatization of water utilities in Cochabamba. When the Bolivian government sold the city’s water system to a consortium of foreign investors, the result was rates for residents three times higher than what they had previously paid. A general strike that closed the city down for four days was followed a few months later by massive protests over this and other government policies and by government repression, a national state of seige and numerous deaths.

While the PRSP does not deal with the privatization issue or a number of others raised by citizens in the consultative process, it does reference some civil-society concerns, including some raised by Jubilee 2000 in its own, separate consultation. For example, attention is given to the need to increase access by small producers to credit and technical assistance, and there is even a section describing the vulnerability of the Bolivian economy to external shocks and natural disasters. According to the PRSP, per capita GDP fell 1.7 percent in 1999-2000 as a result of these shocks, Bolivia's terms of trade fell almost 40 percent in the 1990s, and the government and international institutions have projected continued deterioration in the near future.

However, there is a curious disconnect in the document between recognized impacts of the adjustment program, particularly the trade-liberalization and export-promotion policies, and the policy recommendations. In the end, there is minimal priority given to micro-finance development, and no thought given to restructuring an economic strategy based on exports of natural resources and primary commodities in light of the country's increased economic vulnerability. The government only recommends, in other documents, the establishment of an emergency employment program to ameliorate the impact of shocks.

The reason for this refusal to deal with fundamental economic causes of poverty is clear: according to Bank and Fund documents and statements, the macroeconomic targets previously agreed to by the Bolivian government are by no means open to negotiation.[22] Any contradicting recommendations developed in the PRSPs will be subordinated to the macroeconomic reforms. In fact, the PRSP emphasizes that poverty reduction will result from a long-term growth rate of five percent, despite the fact that current projections are no higher than three percent and as low as 1.5 percent and that recent, adjustment-related policies have generated increased inequalities and poverty.[23]

Honduras

An important component of Honduras' structural adjustment program is economic liberalization aimed at opening the Honduran economy to imports, increasing exports, rolling back the state's role in the economy, and increasing the participation of the private sector. While imports have increased, exports have not grown on the same scale. Trade liberalization reforms have coincided with reduced growth in the Honduran manufacturing sector.[24] Local businesses in the food and beverage industry have been particularly vulnerable to foreign competition.[25]

Honduras has adopted a variety of measures to attract foreign investors. While the development of domestic firms has slowed, foreign-owned assembly plants, or *maquiladoras*, have flourished. Corresponding with this growth is increasing industrial water pollution, particularly in rivers running through cities where the maquiladora sector has grown.[26] The I-PRSP notes that rising rates of respiratory disease are products of pollution caused in part "...by the presence of factories that are not subject to any kind of environmental regulations."[27]

Another of the controversial aspects of the adjustment program has been the overhaul of the agricultural system, which promotes export production "...through incentives to farmers who produce goods for markets abroad," rather than domestic markets.[28] The adjustment process also dismantled state subsidies and marketing of agricultural inputs, eliminated the state's role in credit distribution, and ended price guarantees. Small and medium-sized farmers, who rely upon government-supported credit, inputs and extension services, have criticized the program for favoring multinational and large agribusiness interests. Lacking collateral, small farmers and cooperatives have been unable to secure credit in liberalized credit markets.[29] Smallholders also report that technical assistance has become too expensive since the state withdrew input and extension support. Not surprisingly, food security has deteriorated since the adoption of these sectoral reforms, with food shortages having plagued Honduras over the past decade. Liberalization measures that emphasize export markets have encouraged grain dealers to continue to export beans, a staple of most Hondurans' diets, even when yields are low. Women, being most often responsible for the daily provision of food in the household, were particularly active in protesting the shortages.[30]

Agricultural reform has also promoted forest and forest-resource privatization. Indigenous groups, small farmers and the poor have contested the privatization of agricultural and forest lands and land appropriation by large landowners. Since 1992, over 250 representatives of landless peasants have been imprisoned, and, since the 1980s, more than 40 indigenous leaders have been assassinated for organizing against encroachment.[31] Forest-area residents also report that privatization in recent years has made their common property rights insecure, and, in at least one area, private forests are now cutting off local access to wood and fodder by people who cannot afford to buy in the marketplace.[32] The I-PRSP does recognize that forestland privatization is "...not creating the production and employment that was anticipated,"[33] but it does not clarify why these outcomes have not been realized.

As far as the urban sector is concerned, Honduras' adjustment agreements include among its conditions the "flexibilization" of the labor market through wage freezes, simplifying lay-offs, increasing the use of contract labor, and reducing the power of unions.[34] A UN/ECLAC report records that, since the onset of adjustment reforms, workers' mean income levels have declined between 11 and 50 percent, depending on the sector.[35] According to the Honduras' I-PRSP, employment remains in predominantly insecure, short-term positions.[36] Workers' rights have also eroded.

In addition to being critical of these adjustment measures, Honduran civil-society groups, along with the Catholic Church, have expressed disappointment in the I-PRSP's analysis of poverty and development in their country. In detailing numerous areas in which the adjustment model has proven detrimental in Honduras, the local INTERFOROS civil-society network has pointed out that indigenous firms and producers have struggled under foreign competition, but the I-PRSP claims that the number of people who have lost their jobs to trade liberalization measures "...is small."[37] Similarly, the I-PRSP argues that shifting the tax base from corporate income taxes to a general sales tax has not directly affected the poor[38] despite the fact that INTERFOROS reports that sales taxes have had "...a devastating effect on the household budgets," particularly those of poor households.[39] As a result of these policies, the network maintains, malnutrition in Honduras has increased, diarrheal disease has risen, child labor has increased, and education advancement has been slow, even prior to Hurricane Mitch.[40] Nor does the I-PRSP attend to the problems of increased food insecurity and further marginalization of indigenous groups generated by the land-privatization process and the land takeovers by large landholders.[41]

Civil-society organizations are concerned about the current drive toward privatization and the implementation of other adjustment measures, which are being codified by the I-PRSP without a national consensus or participatory debate. As they find that the IFIs are not open to discussing such issues, they expect that the final document will not reflect their concerns about the prevailing economic policies and will instead further intensify these problematic reforms. They feel that the I-PRSP's prescriptions are simply "palliative", social-welfare measures that, in failing to address the actual causes of poverty in Honduras, rooted as they are in inequality and exclusion, will lead to neither equitable growth nor poverty alleviation.[42]

Conclusion

The leaders of the specialized United Nations agencies have a responsibility to distance themselves from this hollow PRSP process and to help attack today's burgeoning and pernicious global poverty at its roots. Rather than accept the structural adjustment agenda explicit in the PRSPs, the UN system, collectively, can and should launch parallel processes that look specifically at the poverty effects of adjustment programs. Twenty years ago, the proponents of what became known as the Washington Consensus cited the economic-policy environment as a much more powerful factor in the development process than development projects and investments. It is therefore logical and necessary to examine how the policies that emerged from the much heralded "policy dialogue" have played out in the lives of the people, families and communities of the South. If the World Bank and IMF refuse to do so as part of PRSPs, the United Nations should fill the void by joining forces with civil-society organizations and interested parties in government in the countries in which they work.

In helping the UN system finance these national exercises, forward-thinking Northern governments would not only be underwriting critical and objective analysis that is missing in the flawed PRSP processes, they would also be significantly strengthening the role of UN agencies in promoting equitable economic and social development. Involvement in such an exercise would establish the United Nations as a focal point in the endeavor to achieve economic justice and would help establish a strong platform for further action in this area. Civil-society movements, including SAPRIN, which have been constructing this platform over the past decade, would embrace a UN leadership role in articulating a New Convergence around development approaches that are more just, sustainable and locally determined.

NOTES

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[6] Government of Tanzania, *PRSP*, p. 11; World Bank (1996), Tanzania: *The Challenge of Reform: Growth, Incomes and Welfare*, p. 86.

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[8] Tanzania PRSP, p. 17-18 and Appendix II "Logical Frame for the Tanzania PRSP", and Tanzania Interim PRSP, Appendix III, "Tanzania: Policy Matrix 2000-2002". A footnote in the final PRSP states that the Policy Matrix from the Interim PRSP provides details of the reform program being implemented. The Logical Frame attached to the final PRSP is much more general and less descriptive than the Policy Matrix.

[9] Government of Burkina Faso, *Letter of Intent and Memorandum of Economic and Financial Policies for 2000.* 17 April 2000, p. 3.

[10] IMF, *Burkina Faso ESAF Policy Framework Paper*, 2000-2002, p. 2.

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[13] Burkina Faso, *ESAF Policy Framework Paper 2000-2002*, 2 August 1999, p. 3.

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[26.] INTERFOROS (2000), PRSP, p. 31.

[27.] Government of Honduras (2000) *Interim Poverty Reduction Strategy Paper (I-PRSP*), Tegucigalpa, 13 April 2000 p. 31.

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[37.] Government of Honduras (2000), *I-PRSP*, p. 64.

[38.] Ibid, p.65.

[39.] INTERFOROS (2000), *PRSP* p. 28.

[40.] Ibid, p. 12; Pan American Health Organization (1999), *Epidemiological Bulletin* 21 (n 3); IMF (1998), *Honduras*: *Selected Issues*, p. 12; Government of Honduras (2000), *I-PRSP*, p. 23.

[41.] Ibid, p. 42.

[42.] Eurodad, *Honduras: Poverty Reduction Strategies Country Profile*, November 2000, and INTERFOROS, *Honduras Poverty Reduction Strategy Paper (PRSP)*, Tegucigalpa, August 2000, p. 10, 29.