

DEVELOPMENT APPROACHES

"Bottom-up" vs "top-down"

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IF "development" is to lead to poverty reduction then the "poor" are the central concern. They must be given priority in any development effort. But the history of development denotes that Truman, a former US president, "broke the ground" of development with aid to the underdeveloped areas with top-down thinking. Consequently, over the last fifty years, more than \$ 2 trillion has been allocated to the poor in global south, yet it has failed to bring sustainable economic growth and poverty reduction.

The failure of the West's top-down planning has led some post-development thinkers to write the "obituary" of development. Some post-development scholars even claim that development should be abandoned as it does more harm than good.

Undoubtedly, the top-down approach has had some successes too, like reducing mortality rate, vaccination campaigns and combating potentially disastrous diseases at a global level. We have also seen how developing states like South Korea and Taiwan can achieve economic development with the magic formula from Bretton Woods institutions along with top-down government market intervention. But these initiatives have been unsuccessful in most developing countries.

Bottom-up approaches like microfinance and NGO-based development initiatives have been working very well over the years, and they are used widely across the developing nations to fight against extreme poverty.

Bottom-up approaches emphasise the participation of the local community in development initiatives so that they can select their own goals and the means of achieving them. They also ensure community ownership, and commitment and accountability to the development project as it seeks development from below. On the other hand top-down approaches are considered as development planned by experts at the top, who also lead the process. They provide little opportunity for people's participation in the total development efforts, who are thus marginalised.

Top-down innovators think that they have the solution to poverty by framing it as an "engineering problem" that can be solved, while at the same time believing that as outsiders they possess the knowledge to provide a solution with a "Big Push." Top-down planners look for solutions rather than focus on specific

problems of the poor. They keep trying to achieve the same objectives using the same plan year after year, even though they failed several times. Top-down planners often want to achieve that which is beyond their capacity rather than that which they can achieve. Some goals, such as universal primary school enrolment and universal access to water and sanitation, were set before adopting MDGs, but nobody has been held accountable for these missed goals.

The failure of "Structural Adjustment Programmes" (SAP) illustrates the weakness of top-down approaches. Ivory Coast experienced "one of the worst and longest depressions in its economic history" as a result of a Structural Adjustment loan which led to anarchy in the country. The gap between rich and poor increased in

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the countries that accepted SAP, with women faring particularly badly in male dominated market economies in Africa and Caribbean.

Development projects must be initiated with the participation of the poor as bottom-up approaches ensure that the projects are cost effective, sustainable and replicable. The success of development programmes largely depends on the acceptance by the local people and their willingness to participate in them. Most of the people in the developing countries are out of the formal economic sector. They make their living through self-employment both in rural and urban areas because of limited employment opportunities in the formal economy.

Rather than being a street vendor, petty trader, or small shop owner they could change their lives. In order to facilitate that the bottom-up microfinance approach provides small financial capital -- which they struggle to get from formal economic institutions like banks. The economy, as a result of top-down planning, creates opportunities, but they are not equitable and poor people do not benefit.

However, bottom-up efforts also have some limitations. Sometimes development projects with bottom-

up approaches are dominated by the elite. They underscore the need for an "enabling institutional environment" for the sustainability of bottom-up community based initiatives. Bottom-up development in the form of "alternative development" does not generate a "coherent body of theory" because of its dispersed nature. The participatory bottom-up approach is successful in small-scale local community projects while big projects like road construction, tertiary education and other national projects need more complex technology and decisions where participation with direct control by local people is virtually impossible.

Bottom-up institutions like NGOs have become major channels of development co-operation, and in some countries the resources of NGOs, domestic and

international, exceed those at the disposal of government. Bangladesh is possibly one of the best examples where NGOs have achieved tremendous progress in changing the lives of the poor.

Another bottom-up effort to eradicate poverty is microfinance, which has proved to be particularly applicable in developing countries. Over the years, faith-based organisations have contributed significantly to change the lives of poor with their wide-spread network across the globe. From the bottom they have been fighting against poverty in silence in the midst of secular development dominance. Religion and development are no longer separate spheres.

Two different development approaches have been analysed, but they are not a panacea for the solution of poverty. Both of them have strengths and shortcomings. Top-down approaches are not always synonymous with failure, nor are bottom-up approaches always successful. Top-down efforts of development failed to bring changes in the lives of poor compared to the time and money spent over the decades. While, on the other hand, bottom-up institutions like NGOs and civil society organisations are not success-

ful in all parts of the world.

In Africa, lack of power and restrictions from state machineries hindered the emergence of NGOs like Brac. NGOs' position as "favourite child" of the donor organisations has weakened over the years because of disillusionment in their performance as they are losing their roots.

Development is multidimensional, having social, political or economic aspects. Hence, development efforts should be carried out in all sections of the society for greater benefit. In order to do this, we need to use both top-down and bottom-up approaches to promote interaction and dialogue among all levels. National consensus, strategic direction, facilitation, coordination, providing framework and tools for local initiatives, mobilising natural resources and capacity building can be achieved by the top-down approaches while bottom-up approaches are crucial for specifying poverty, ensuring ownership and commitment, mobilising local assets and knowledge, and promoting local innovation in order to achieve holistic development.

The debate on development continues while the poor and third world states at the bottom cannot wait for any solidarity or consensus which will bring a unanimous effort. Attaining MDGs, tackling climate change, and possible financial downturns are major challenges coming ahead for the developing nations. They are required to bargain and negotiate at the global level for mutual benefit, ensuring accountability, and reducing risk and vulnerability. At the same time, the citizens, NGOs, and civil society organisations at the bottom need to coordinate with the states, utilising their potentialities and capabilities.

In the new era of development, "state" is back again as it has proved to be successful in development of the economy as well as building foundations for the success of liberalisation and market forces in China and India. All it needed was an "inclusive we" for the transformation of lives of millions poor people. This "we" includes both top-down and bottom-up approaches together. Given this situation, it is not possible to ascertain which one is more effective than the other because of their inter-dependence and the complex nature of development.

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Rooppur power plant: Why the delay?

ABDUL MATIN

IT is reported that Russia agreed "to provide as credit 85% of the estimated Tk.12,000-15,000 crore needed for setting up the first-ever nuclear power plant in Bangladesh." Initially \$ 500 million will be provided for conducting necessary studies and preparation of the design for the 1,000 MW nuclear power plant. This was disclosed by the officials of the Ministry of Science and Technology (MST) following a visit to Moscow by a high level Bangladesh delegation.

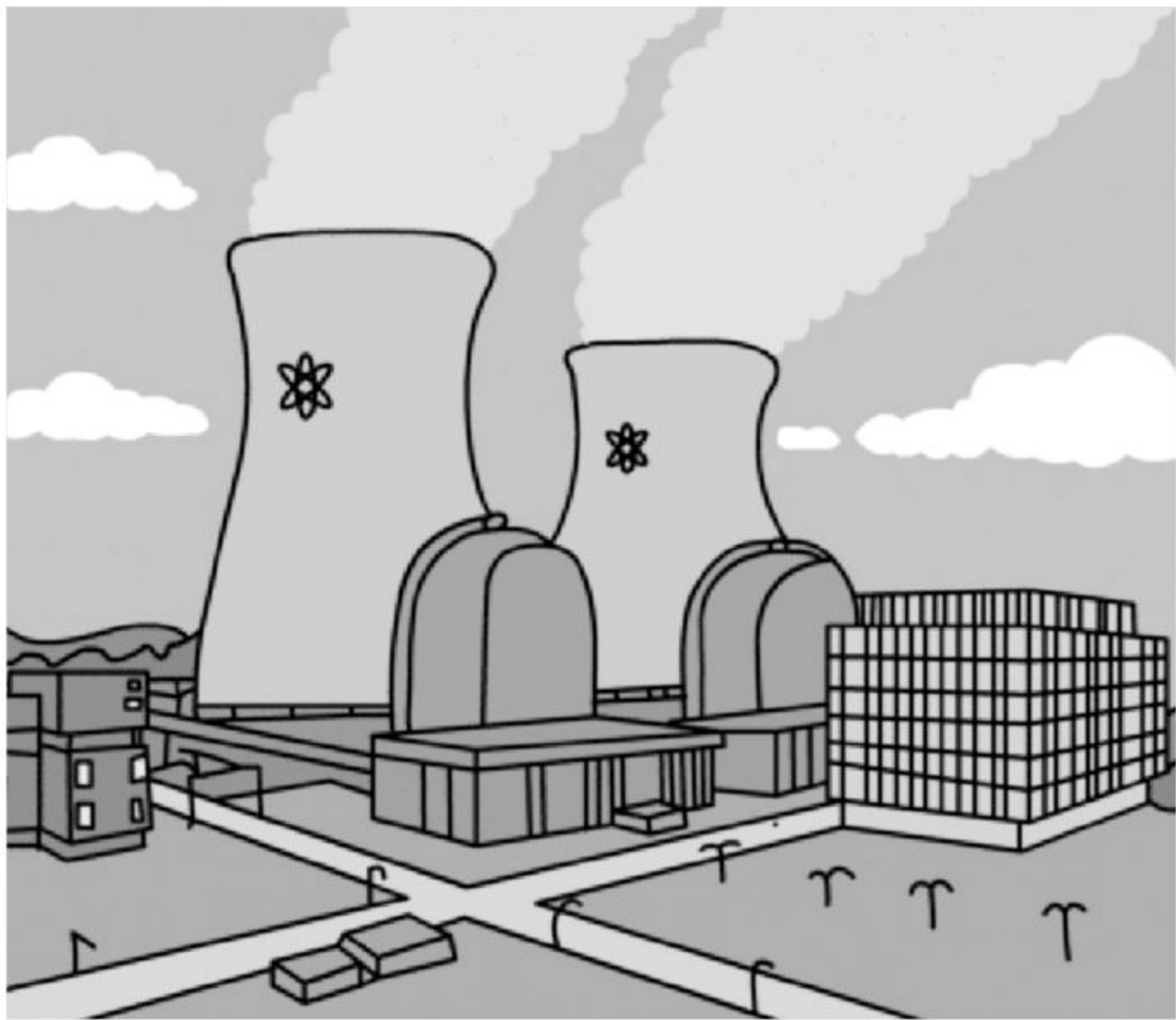
According to the state minister for science and technology, Russia would submit a financing proposal within a month. He further informed that 60 studies would be required for setting up the nuclear plant. So far 12 studies have been completed. The Russian delegation urged Bangladesh to complete the remaining studies in two years though the state minister hopes to complete them earlier.

It may be recalled that Bangladesh and Russia first signed a protocol in May 2009 on peaceful usages of atomic energy. One year later, a framework agreement was signed in Moscow for cooperation in "design, construction and operation of nuclear power and research reactors, nuclear fuel supply, taking back the spent nuclear fuel and nuclear waste management, personnel training ..., " etc.

Although the framework agreement appears to be sufficient for signing a contract for the supply and construction of a nuclear power plant, several additional protocols were signed subsequently. A primary deal for installing a 2,000 MW nuclear plant was signed in February, 2011, and another deal was signed one year later for providing "advisory support to the Bangladesh Regulatory Commission on regulation, licensing and supervision."

The Nuclear Regulatory Commission is supposed to be an independent body to oversee reactor safety, reactor licensing, radioactive material safety, spent-fuel management, etc. in order to protect public health and the environment. If the Russians become both supplier of reactors and adviser to the regulatory body, the whole purpose of "regulation, licensing and supervision" will be compromised.

As time is passing, we are getting increasingly confused about the actual status of the nuclear project. To start with, we do not understand why we spent three years to sign so many protocols and yet we do not know when we shall sign the final deal for the supply and construction of the nuclear plant. To save time and money, could we not sign just one protocol,



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instead of so many, incorporating all the required provisions?

We also do not know the basis for estimating the cost of the project as it does not tally with the actual costs of nuclear power plants being sold by Russia to other countries. The estimated cost of Tk. 12,000-15,000/ crore (\$1.47-1.84 billion, roughly) for a 1,000 MW plant corresponds to \$1,470-1,840 per kW. Russia signed a contract with Belarus last July for the supply of two 1,200 MW nuclear reactors with a price tag of \$4,166 per kW and is due to sign another contract with Turkey for four similar reactors at the same per kW cost. Taking this price as a bench mark, a 1,000 MW reactor at Rooppur should cost more than Tk. 34,000 crore. Is there any reason to believe that Russia would favour us by supplying two 1,000 MW reactors at less than one-half of the current market price?

What are the 60 studies needed for the construction of the plant and why should it take two more years to complete them? Could we not have brought all the required studies under one package and started doing them in 2009 in order to complete them by now? If it

takes two years to complete the remaining studies and we allow another year for preparation of the project proposal and contract negotiations, it is likely that we would not be able to sign the final contract before 2015, i.e. 6 years after the initiation of negotiations in 2009, though normally it should not have taken more than 2-3 years.

Why is it taking so long to sign the final contract? Do we have a problem of management at the top level? None of the senior level engineers/scientists of the Commission seem to have any previous experience of dealing with nuclear reactor vendors. Moreover, several of them have no nuclear background. What is worse is that the major decisions on the project are being taken by the ministry even though the Commission is supposed to be an autonomous organisation. Under such circumstances, is the government being correctly advised on the Rooppur issue?

The dealings of the past three years suggest that we are not fully prepared in terms of technical manpower and other infrastructure development. We should not forget that both the Chernobyl and the Fukushima nuclear accidents were man-made and the consequences of the Fukushima accident worsened because of faulty or delayed decisions by the top management. The development of a competent team of nuclear experts is, therefore, an essential pre-requisite for initiation of a nuclear power programme.

In addition, there are some safety issues about the Russian reactors which came to light after the Fukushima accident. These issues need to be resolved satisfactorily. As a matter of fact, the delay in the implementation of the Rooppur project may be a boon and not a bane. Our priority task should be to build necessary technical manpower not only for safe operation of the nuclear plant but also for proper management of the project, starting from its initiation to final completion. If necessary, we should recruit experienced nuclear engineers of Bangladeshi origin from abroad and place them at the top management of the project.

Signing a half-baked final deal without full preparations may ultimately prove to be a costly and risky venture. Going slow for a safer reactor appears to be a much better option for us, keeping in mind that both the costs and the consequences of risks can have unimaginable dimensions.

The writer is former chief engineer of Bangladesh Atomic Energy Commission and author of Rooppur & the Power Crisis.

Is my sitting tenant a ghost?



A really troublesome prisoner refused to leave prison even after he died: his ghost stayed in place to annoy the warden, guards and jailbirds. (And I thought my kids were stubborn.) The furious warden had to pay a sorcerer to chase the spirit away from the jailhouse.

A reporter showed me the above Hindustan Times story, which came to light last week in Patna, East India, during a rather uncomfortable discussion on invisible "sitting tenants" (i.e., ghosts) in Asia.

You see, this columnist recently moved into a new apartment that was surprisingly cheap.

And before you complain, I know it's highly irresponsible (and possibly illegal) to use the word "cheap" in connection with property in Hong Kong these days.

But my informant believed I had rented a haunted apartment. And when I mentioned that one wall had been painted pink, he was sure of it. "Feng shui masters paint walls red or pink to repel the spirit of death," he said. "Your home is probably the site of a mass murder."

Even though I don't believe in mythical creatures such as ghosts, zombies, the Easter Bunny or corruption-free Presidents of the Philippines, I was dismayed. Finding corpses under the beds or rivers of blood flowing down the corridors would be such a downer, totally reminding me of high school.

So I called an old contact in the property business. After looking at my address and rental bill, he said: "No murder here. Murder sites get you a much bigger discount. Would you like one?"

He told me that there were people who made fortunes from haunted homes in high-priced cities such as Hong Kong, Mumbai and Tokyo. They simply book the apartments at a huge discount, and then sublet them to overseas bankers at market rates. "Don't the ghosts scare the investment bankers to death?" I asked. "I hope so," he replied. "Improves my margins."

