

# A FRAMEWORK FOR EMPOWERMENT: SUMMARY

**Poverty Reduction Group, World Bank, May 2002**

**Based on “Empowerment and Poverty Reduction: A Sourcebook,” World Bank, 2002**

*World Development Report 2000/2001: Attacking Poverty* presents a multidimensional view of poverty. In particular, it underscores the importance of increasing poor people’s access to opportunity, security, and empowerment for economic growth and poverty reduction. Building on WDR 2000/2001, the World Bank’s Strategic Framework Paper identifies two priority areas for Bank support to client governments: (a) building the climate for investment, jobs, and growth, and (b) empowering poor people and investing in their assets. This book defines the World Bank’s approach to empowerment for economic growth and poverty reduction. It is central to achieving the Millennium Development Goals.

A growing body of evidence points to the linkages between empowerment and development effectiveness both at the society-wide level and at the grassroots level. Empowerment approaches can strengthen good governance, which in turn enhances growth prospects. When citizens are engaged, exercise their voice, and demand accountability, government performance improves and corruption is harder to sustain. Citizen participation can also build consensus in support of difficult reforms needed to create a positive investment climate and induce growth. In addition, the empowerment agenda supports development effectiveness by promoting growth patterns that are pro-poor. This involves reducing inequalities by investing in poor people’s capabilities through education and access to basic health care as well as by increasing their access to land and financial capital.

Experience also demonstrates that empowerment can improve development effectiveness and pro-poor impact at the individual project level. Grassroots community involvement is a powerful tool for the production and maintenance of local public goods such as water supply, sanitation, schools, health, roads, and forest management, which in turn increases the development effectiveness of investments. Empowerment strategies at the project level are supported by civil liberties in society. Evidence shows that projects in countries with strong civil liberties—particularly citizen voice, participation, and accountability—significantly outperform projects in countries with weak civil liberties.

However, there remain many questions about what empowerment means, how it applies to the Bank’s work, and what actions should be undertaken to move the empowerment agenda forward. This book addresses these three issues, taking into account the World Bank’s mandate and comparative advantage in this field. The final section of the book documents tools and practices that can support the implementation of an empowering approach to poverty reduction.

The World Bank's comparative advantage in pursuing an empowerment agenda for poverty reduction lies in its relationship with governments around the world. The Bank is well placed to provide analysis, evaluation, advice, and financing on issues from governance to sector reform to economic growth. The Bank can convene stakeholders to stimulate debate, consensus, and coalition building for reform. It can support information disclosure, inclusion, and participation—particularly of poor people—and public accountability mechanisms in lending products and strategies. Finally, the Bank can support the strengthening of civil society and government institutions at the local and national levels.

## **The Meaning of Empowerment**

Empowerment refers broadly to the expansion of freedom of choice and action to shape one's life. It implies control over resources and decisions. For poor people, that freedom is severely curtailed by their voicelessness and powerlessness in relation particularly to the state and markets. There are important gender inequalities, including within the household. Since powerlessness is embedded in a culture of unequal institutional relations, the book adopts an institutional definition of empowerment in the context of poverty reduction, which also helps draw out the relevance to the Bank's work:

**Empowerment is the expansion of assets and capabilities of poor people to participate in, negotiate with, influence, control, and hold accountable institutions that affect their lives.**

Since poverty is multidimensional, poor people need a range of assets and capabilities at the individual level (such as health, education, and housing) and at the collective level (such as the ability to organize and mobilize to take collective action to solve their problems).

Empowering poor men and women requires the removal of formal and informal institutional barriers that prevent them from taking action to improve their wellbeing—individually or collectively—and limit their choices. The key formal institutions include the laws, rules, and regulations upheld by states, markets, civil society, and international agencies; informal institutions include norms of social solidarity, sharing, social exclusion, and corruption, among others.

## **Four Key Elements**

Because state actions create the conditions in which poor people and other actors make decisions, the primary focus of the book is on state reform to improve provision of basic services, local and national governance, pro-poor market development, and access to justice. These reforms are premised on a mindset and values shaped by the view of poor people as partners and initiators of development rather than as problems. The book also highlights civil society roles to support pro-poor policies and actions at all levels.

Since social, cultural, political, and economic conditions vary and institutions are context-specific, reform strategies must vary as well. Although there is no single institutional model for empowerment, experience shows that certain elements are almost always present when empowerment efforts are successful. These elements act in synergy and strengthen the demand side of governance. The four key elements of empowerment that must underlie institutional reform are:

- ***Access to information.*** Information is power. Two-way information flows from government to citizens and from citizens to government are critical for responsible citizenship and responsive and accountable governance. Informed citizens are better equipped to take advantage of opportunity, access services, exercise their rights, and hold state and nonstate actors accountable. Critical areas where information is most important include state and private sector performance, financial services and markets, and rules and rights regarding basic services. Information and communication technologies often play a pivotal role in broadening access to information.
- ***Inclusion/participation.*** An empowering approach to participation treats poor people as co-producers with authority and control over decisions and resources devolved to the lowest appropriate level. Inclusion of poor people and other excluded groups in decision making is critical to ensure that limited public resources build on local knowledge and priorities, and brings about commitment to change. However, in order to sustain inclusion and informed participation it is usually necessary to change rules and processes so as to create space for people to debate issues, participate in local and national priority setting and budget formation, and access basic and financial services.
- ***Accountability.*** State officials, public employees, private providers, employers, and politicians must be held to account, making them answerable for their policies and actions that affect the well-being of citizens. There are three main types of accountability mechanism. *Political* accountability of political parties and representatives takes place increasingly through elections. *Administrative* accountability of government agencies is ensured through internal accountability mechanisms, both horizontal and vertical, within and between agencies. *Social or public* accountability mechanisms hold agencies accountable to citizens, and can reinforce both political and administrative accountability.
- ***Local organizational capacity.*** This refers to the ability of people to work together, organize themselves, and mobilize resources to solve problems of common interest. Organized groups and communities are more likely to have their voices heard and their demands met. When such membership-based groups federate at higher levels, they can gain voice and representation in policy dialogues and decisions that affect their well-being.

These four elements are already present in some of the Bank's ongoing work in projects, although investment in local organizational capacity is the least developed. They are much

less present in policy loans and in analytical work. They also need to be reflected much more systematically in the Bank's Country Assistance Strategies, in its support for poverty reduction strategies, and in related mandates and analytical guidelines.

## Application of Empowerment Approaches

Empowerment approaches can be applied across a broad range of the Bank's work. To provide some practical illustrations from Bank and non-Bank activities, this book focuses on application of the empowerment framework in five areas:

- Provision of basic services
- Improved local governance
- Improved national governance
- Pro-poor market development
- Access by poor people to justice.

In the past, strategies for improved governance and poverty reduction have focused on formal systems, with little connection to citizens and those working at the community level. An empowering approach to state reform can be viewed as strengthening the *demand side of governance* for greater public effectiveness. A demand-side approach focuses on creating laws, rules, and procedures that enable citizens and poor people's organizations to interact effectively with their governments. Such an approach invests in educating and informing citizens, in creating institutional mechanisms for their sustained inclusion and participation, and in enabling the emergence of strong poor people's organizations and citizens' groups.

***Provision of basic services.*** This refers to improving poor people's access and effective use of basic services including health care, education, water, and roads. The Bank supports government efforts to get resources down to the community level through a variety of institutional models: through private or public actors, through central agencies, sectoral agencies, or decentralized authorities of local government, through stand-alone sector projects or multisectoral community-driven development projects.

An empowering approach to provision of basic services focuses on a variety of co-production strategies. These include (a) putting information about government services and performance in the public domain; (b) designing mechanisms for inclusion and participation, including service delivery schemes that poor people can afford or demand-side financing strategies; and (c) promoting social accountability and local organizational capacity by giving community groups authority and control over key decisions and financial resources in community-driven development projects. These can be multisectoral, or they can be single-sector projects such as those in rural water supply and sanitation or education.

***Improved local governance.*** Improved local governance is critical for better service delivery and greater responsiveness to poor people's priority problems. Decentralization and local government reform have so far focused primarily on the supply side of formal

systems and not on strengthening the demand side through actions that enable citizens to effectively utilize the space created by new rules and regulations. Empowered local governments (with authority and resources) need to empower local communities through mechanisms that increase citizen access to information, enable inclusion and participation, increase accountability of governments to citizens, and invest in local organizational capacity. In general there has been insufficient attention to the relationship between citizens and local governments, and very few cases of investment in strengthening poor people's organizations or other local civil society intermediaries to enable them to play new roles effectively.

***Improved national governance.*** Macroeconomic policy choices are areas that are just beginning to open to societal engagement. Since national processes and policies determine poor people's access to resources and opportunities, it is critical that these processes incorporate the four empowerment elements. Actions include linking information from poor people to the process of national budget and policy formulation, as well as civil society involvement in expenditure tracking, citizen feedback, or social accountability mechanisms. This will require strengthening the capacity of poor people's organizations and other civil society groups to perform these new functions to keep national governments responsive and accountable.

Participatory processes are being incorporated in some policy-based lending, in programmatic loans, and in the formation of national poverty reduction strategies. Mechanisms are now needed to institutionalize participatory strategies and increase their effectiveness by incorporating the other three elements of the empowerment framework.

***Pro-poor market development.*** Poverty and vulnerability will not be reduced without broad-based growth fueled by private sector activity. However, economic growth cannot be sustained if poor people are excluded from optimal engagement in productive activities. While an overall investment climate that fosters entrepreneurship, job creation, competition, and security of property and benefit rights is crucial for poor people's involvement in market activities, it is not enough. Micro and small enterprises face constraints and exclusion that are not automatically corrected by improvements in the macro investment climate. Poor people are often excluded from equal access to economic opportunity because of regulations, discrimination, and lack of information, connections, skills, credit, and organization. Elements of empowering approaches can help to overcome many of these barriers that prevent poor people's entry into new markets. Changes in regulations can encourage private sector actors to innovate and develop new products that can potentially reach large numbers of poor people with financial and insurance products to manage vulnerability.

***Access to justice and legal aid.*** Rule of law and a functioning judicial system are important not only for the investment climate, but also for protecting poor people and their livelihoods. A new generation of judicial and legal reform projects is creating the legal environment for accountable governance and empowering poor people by increasing their access to justice through a mix of strategies. Currently, more than 400 Bank-financed projects have legal and judicial reform components. In addition, there are 30 freestanding projects in five regions. These projects focus on (a) improving administrative justice, and

making administrative decisions accountable and affordable to ordinary citizens; (b) promoting judicial independence and accountability; (c) improving legal education; (d) improving poor people's cultural, physical, and financial access to justice; and (e) public outreach and education.

## **Conclusion**

Empowerment approaches focus on enhancing poor people's freedom of choice and action. Empowerment of poor people is an end in itself and is also critical for development effectiveness. It is not a stand-alone strategy but a way of doing development, grounded in the conviction that poor people themselves are invaluable partners in the task of poverty reduction.

There are examples of this approach in ongoing work by the Bank and others, some of which is highlighted in this book. Systematic application of the four empowerment elements more broadly in the Bank's work will require leadership, contextualization, and capacity building, as well as incorporation of the elements in existing guidelines. Reliable data must be assembled to monitor empowerment processes and outcomes and to develop diagnostic tools to guide application across sectors. Nonetheless, there is certainly sufficient research and experience to move forward, learning through doing and through partnerships.