

Part I

Policy Guidance Note: The role of empowerment for poverty reduction and growth*

Disempowerment – whether defined in terms of a lack of self confidence, apathy, fear, or an inability to take charge of one’s own life – is perhaps the most unrecognised problem in Africa today. I have found (this syndrome) to be as substantial a bottleneck to development in Africa as inadequate infrastructure or bad governance and it has added an extra weight to the work of those who want to enable individuals and communities to better their circumstances.

Wangari Maathai, Nobel Laureate (Maathai 2009)

Inequity and power imbalances, adverse employment conditions and the lack of economic opportunities or control over assets are all manifestations of peoples’ disempowerment and contribute to their poverty. This Policy Guidance Note considers the causal relationship between empowerment and pro-poor growth. It identifies eight domains of empowerment within three spheres: the economic (markets, decent employment and productive assets); the political (political representation and collective action); and the social (human capabilities, critical awareness and inclusion) and describes what donors can do to support and strengthen empowerment in those domains. Suggestions for how donors should work for optimal effect include key messages for development co-operation.

Wangari Maathai, Nobel Laureate (Maathai 2009)

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Introduction

Economic growth needs to have a greater impact on poverty reduction if the Millennium Development Goals are to be met and the effects of the multiple global crises overcome. The empowerment of poor people secures their rights and drives pro-poor growth. This note explains how donors can help.

Priority messages

- The empowerment of poor people secures their rights and drives pro-poor growth.
- All aid instruments can be designed to facilitate empowerment and encourage its multi-dimensional effects.
- Empowerment must happen through people’s own actions, enabled by a supportive environment which donors can help strengthen.
- Donors need to deal with inequitable power relations that keep poor people in poverty and they must be aware of their own role within these relations.
- Empowerment takes time, sustained engagement and the ability to balance short-term results and long-term impact.

The origins of this Policy Guidance Note lie in *The DAC Guidelines. Poverty Reduction* (OECD, 2001) on the role of empowerment in reducing the multiple dimensions of poverty, and in the *Guidance on Pro-Poor Growth* (2006) which explains how empowerment secures pro-poor policies. The present guidance substantiates these points through evidence of how donors can, in practice, support empowerment. It responds to the growing centrality of empowerment in donor approaches and synthesises lessons from experience, bearing in mind that “the pro-poor growth agenda is not business as usual and more of the same will not be sufficient” (OECD, 2006).

This guidance incorporates the latest research evidence on empowerment and pro-poor growth. It also captures recent, real-world experience drawn from development co-operation, as brought to POVNET through its Task Team on Empowerment, distilling messages from thematic Good Practice Notes (GPNs) and case studies prepared by the task team.¹ Finally, it reflects the experience and insights of three southern civil society members of the task team. Following this introduction, Section 2 considers the causal relationship between empowerment and pro-poor growth, identifying eight domains of empowerment. Section 3 describes what donors can do to support and strengthen these domains. Section 4 concerns how donors should work to make such support optimally effective. Both include key messages for development co-operation. Section 5 is the conclusion.

Empowerment and pro-poor growth

Empowerment has multiple meanings relating to power, participation, capability, autonomy, choice and freedom. For the purposes of this note, empowerment happens when people, individually or collectively, conceive of, define and pursue better lives for themselves (Csaszar, 2005; Stern *et al.*; Rowlands, 1997). From a pro-poor growth perspective, poor women and men need to change existing power relations and gain and exert influence over the political, economic and social processes that determine and, all too often, constrain their livelihood opportunities.

Empowerment and pro-poor growth form a virtuous cycle. Mutually reinforcing economic, social and political aspects of empowerment allows people to move out of poverty through participating in, contributing to and benefitting from growth processes on terms which recognise the value of their contributions, respect their dignity and make it possible for them to negotiate a fairer distribution of the benefits of growth.

Box I.1. Empowerment, growth and the MDGs in Bangladesh

Although still an impoverished country, Bangladesh has made remarkable progress on both economic and social fronts. Growth rates have risen and the incidence of poverty has declined.

The opportunity to engage in paid work has turned women into economic actors. They are able to invest in their own health and education, as well as in that of their children. They are also able to participate in political life. But not all forms of economic empowerment are equally empowering. It is women in relatively regular work in reasonable working conditions outside the home that have made the most progress on the indicators that matter to women themselves and to society.

Bangladesh has experienced one of the most rapid fertility declines on record, it has closed the gender gap in primary education and reduced it at the secondary level, and it has lowered its under-five mortality and maternal mortality rates.

The factors that explain Bangladesh's remarkable performance include government policies, an extremely active civil society, including women's rights organisations, and an admittedly fragile but nevertheless functioning democracy.

Source: See Good Practice Note 2. Women's economic empowerment, GENDERNET.

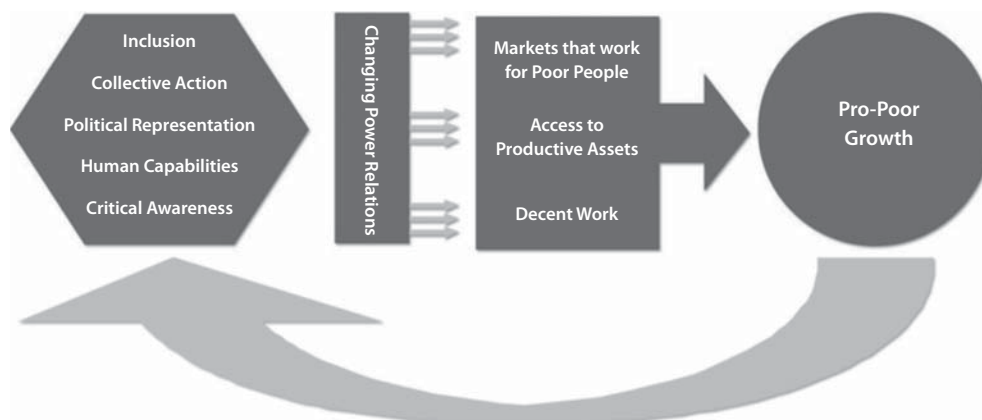
In the case of Bangladesh (Box I.1), there is a virtuous cycle between pro-poor growth and paid work possibilities, interacting with stronger human capabilities (health and education), combined with collective action and political representation. From other sources we know that micro-finance groups have generated critical awareness, giving members the capacity to aspire, leading to both economic and social empowerment (see below: "Critical awareness"). International development co-operation is only one of many elements contributing to such a process, but donors can help in eight domains – constructed for thinking and planning – as identified in Table I.1.

Table I.1. Domains of empowerment for pro-poor growth

Economic	Political	Social
Access to and control of productive assets	Political representation	Inclusion/non-discrimination
Decent paid and unpaid work	Collective action for economic, social and political change	Critical awareness of one's condition
Equitable access to product and capital markets		Human capabilities (health, education etc.)

Figure I.1 illustrates the mutually reinforcing connections political and social empowerment and the domains of economic empowerment that drive pro-poor growth.

Figure I.1. The empowerment transmission cycle



Ill-informed policies may contribute to a disabling environment, limiting these domains of empowerment, keeping people in chronic poverty and incorporating them into a political economy in which they contribute to growth without themselves gaining from it. Conversely, governments and their development partners can play a significant role in creating both an enabling environment and also in providing direct support for people's own actions to empower themselves. Section 3 below, "Domains of empowerment", explains how this can be done.

The present guidance has not considered the potential empowering or disempowering effects of action by donor governments in relation to global financial, trade, climate change and other international policy areas. Still today people living in poverty in developing countries have the least voice and influence on the decisions of global institutions. Donor agencies can, and some are already supporting trans-national networks such as Women in Informal Employment: Globalising and Organising (WIEGO) that are seeking to enhance their influence on global decision-making, but this must be complemented by a greater commitment to policy coherence in order to achieve pro-poor growth (see also Good Practice Note 2. Women's economic empowerment).

Domains of empowerment

This section identifies what actions donors can take in facilitating empowerment in relation to the domains identified in Table I.1. For more detailed operational implications, the reader is referred to the Good Practice Notes (GPNs) included in this guidance.

Economic empowerment

Economic empowerment is the capacity of women and men to exercise control over their livelihoods through their ability to make choices on what productive activities to engage and invest in, to decide how and when to engage in markets and to influence the terms on which they do so. Governments and development partners can play an important role in helping strengthen economic empowerment. They can do this through economic and social infrastructure investments and regulatory measures for decent work (paid and unpaid) through cash transfers and other social protection measures; through policies and

programmes for people in poverty to gain access to and control assets, both individual and collective; and through making markets work for people in poverty.

Making markets work better for people in poverty

In many least developed countries (LDCs), where capacities and regulation are weak or influenced by an unbalanced political economy, markets do not work well and are often characterised by lack of competition, abuse of economic power and poor terms of trade for those who are weaker and enter these markets on disadvantaged terms. This is most evident in rural markets – particularly basic food commodities, farm inputs, labour and finance. This type of market does not work well for poor people (OECD, 2006), who are disadvantaged in their access to the labour, input and produce markets on which their livelihood depends.

Poor people lack the power to bargain and negotiate prices and payment terms; they have few options in terms of alternative suppliers or buyers and lack the capacity to withhold their produce in the expectation of better prices. They are rarely adequately organised or politically influential enough to compete with other interest groups in shaping government policy or market regulation.

The market failures faced by poor people go far beyond questions of physical access related to roads, rural access and market infrastructure and include lack of competition and the tolerance of monopolistic behaviour. Where there are few traders, or where they act together, poor farmers have to accept the prices offered for their produce. As consumers their particular vulnerability to rising global food prices (Ruel *et al.*, 2010) has triggered urban protests in many countries (Maccatory *et al.*, 2010).

When poor people buy consumption items and production inputs or sell their household or farm produce, they frequently do so on terms that effectively trap them in poverty and render unprofitable any investments they might make in increasing their production and productivity. When markets do not work well for the poor in this way, the result is a high-risk environment for small-scale producers and smallholders, which prevents them from investing in more productive technologies and in expanding their productive capacity. Farmers are naturally reluctant to spend limited resources on fertilisers and high yield seeds when, in addition to climatic risks, they may face prices at harvest time that do not cover their costs or they could be left with a crop for which there is no demand in local markets.

Similarly where employment opportunities are scarce and competition for work is intense, those dependent on selling their labour have little power to negotiate their wages. Women are particularly disadvantaged, both within the household economy and in the wider labour market. Prevailing gender roles within households mean that women undertake the bulk of unpaid care work in the household, such as minding and educating children, looking after older family members, caring for the sick, cooking and collecting water and fuel. As a consequence women have less time available for engaging in productive activities, that could provide income opportunities, or in paid employment (Dejardin, 2008). The invisible and undervalued nature of care work has an impact on women's wages in jobs such as nursing and care of children and the elderly.

Empowerment of poor people in markets and in the policy and regulatory processes that shape the market environment is important for pro-poor growth. Donor interventions can support empowerment in these areas. They can help change the policy environment through supporting competition, pro-poor pricing and taxation policies in markets where poor people

engage, including basic food crops, so that their productive and commercial activities can become more profitable and provide the basis for sustainable livelihoods. Donors can support innovative administrative measures such as, for example, encouraging local governments to give contracts to micro and small enterprises or to make provisions for protecting the livelihoods of street traders.

Key messages

- Inequity and power imbalances lead to market failures that prevent poor people from investing in raising their productivity and production to increase incomes.
- Equitable and accountable economic governance is essential – donors can help establish this by:
 - supporting an economic policy, and regulatory and legal environment that promotes poor people’s access to economic opportunity and assets;
 - providing direct support to associations of poor producers, traders and processors;
 - focussing their private sector support on increasing competition and opportunity in markets that are important to the livelihoods of people in poverty.
- Poor women are further disadvantaged because of their unpaid care work within the household. Donors can support infrastructure, technology and social programmes to reduce the unpaid labour of women and the use of social transfers to value care work.

Women’s empowerment can be supported by strengthening the economic value and status of care work through cash transfer schemes. The drudgery and time-consuming elements can be reduced through investment in water sources and supply, improved rural access and technologies that reduce fuel consumption as well as in the expansion of existing services, such as pre-school care, health and education. Social responses that tackle discriminatory norms can lead to more equitable sharing of caring responsibilities by increasing men’s role in care work (DFID, 2010). Cash transfer schemes that target women and are linked to care outcomes, such as child immunisation or school attendance, recognise the importance of care work and raise the value of female labour. Donors can support gender responsive public financial management that recognises the importance of unpaid work and ensures allocations for donor and public expenditures in these areas.

Donors can encourage and support legal reform, including mechanisms for business registration, fair contracts and settlement of disputes (See Good Practice Note 6. Legal empowerment of the poor and its relation to pro-poor growth). Donors can also directly support producers by establishing entrepreneurship development programmes and by making available new tools to gain market information, for example providing women farmers in Liberia with cell phones (see Good Practice Note 2. Women’s economic empowerment). They can also support the organisation and professionalisation of producer associations so that they are not only highly professional but also democratic and inclusive, capable of managing their own affairs and of entering into policy dialogue with the state (Good Practice Note 1. Empowerment of poor rural people through initiatives in agriculture and natural resource management). Donors can support savings and credit unions that extend services to people otherwise excluded from financial markets, and co-operatives that move into new markets such as housing and consumer retail (Wanyama *et al.*, 2009).

Box I.2. Empowering arrangements through value chains

Honey Care Africa is a firm working with small honey producers and rural communities in Uganda, Tanzania, and Kenya. The company works on the basis of a “tripartite model,” which involves sharing responsibilities with rural communities, NGOs and donors. It provides equipment and training, and purchases honey from small farmers at a negotiated price. Farmers and communities are also given access to extension services through the firm or through NGOs and donors. Producers negotiate prices with Honey Care Africa and are able to demand transparent information concerning costs, profit margins, etc. Donors and NGOs act as mediators and as guarantors of transparent transactions.

Source: United Nations Department of Economic and Social Affairs (UNDESA) (2008), *Innovation for sustainable development: Local case studies from Africa*, United Nations, New York. Also www.honeycareafarica.com.

Donors can encourage fairer interactions in value chains by helping to structure institutional relations that allow a fair discussion. Donors can also collaborate with the private sector to reduce the power inequities in global value chains, as shown in Box II. Good practice revolves around funding costs do not make economic sense for the private sector to take on, and acting as facilitators and mediators in key transactions.

Social protection mechanisms, particularly cash transfers, can play an important role in stimulating the economic activity of poor households. They improve the terms on which people in poverty engage in markets by enabling them to avoid selling their produce when prices are at their lowest or to demand better wages and employment conditions. Even small amounts provide a minimum level of security and resources that are proven to encourage productive investment by poor households. The resulting expenditures also have significant multiplier effects in local markets.

Decent employment

The majority of people in poverty make their living through their own individual or household enterprise – as smallholder farmers, pastoralists, fishers, processors or traders. However, many of the poor also earn a living, at least in part, through paid employment. In developing countries this employment is overwhelmingly in the informal sector of the economy. This “informal employment”, including both self-employment and wage employment in small unregistered enterprises, means that poor people are in unprotected jobs – that is, in employment without labour or social protection (Chen, 2007). In many countries labour legislation, trades unions and the systems to implement employment standards and regulation have limited reach beyond the formal economy. Similarly many public and private health, social insurance and pension schemes are linked to formal employment and are not available to self-employed or paid workers in informal enterprises. This lack of protection and social provision means that poor people frequently face employment conditions that do not provide the prospect of an exit from poverty.

There is a significant gender gap in earnings, with women on average earning less than men (Chen, 2007). Most women have to juggle the demands on their time between paid work and unpaid care work. As a result women are frequently employed on a part-time or piece-work basis where wages are lower, employment less secure and collective action or negotiation more difficult. Women therefore have less time to engage in paid employment and, even when they do get work, they benefit less from it.

Key messages

- The great majority of people in developing countries are working in informal conditions without adequate protection or respect for their rights.
- Promote and support implementation of the Decent Work principles of secure livelihoods, rights, voice and social protection.
- Make visible and give value to women's unpaid work, supporting policies and programmes that reduce drudgery can achieve a more equitable gender balance regarding caring responsibilities.

Most people in poverty lack decent paid work as defined by the International Labour Organization (ILO), in terms of their having rights and a voice that enhance their livelihood opportunities, and thus foster their dignity (Good Practice Note 5. Decent Work and empowerment for pro-poor growth). People who hold a decent job that provides for them and their families with a stable and sufficient income will play a more active role in economic activities: they will consume, save and invest more; they will pay taxes and contribute to social security schemes. Workers' associations and trade unions can be significant elements of civil society, holding the state accountable for the rights and interests of people in poverty. The example of the Self-employed Women's Association (SEWA) in India² shows how the specific employment conditions of women piece-working in the formal and informal sector can be improved and their interests reflected through collective action and negotiation.

Youth employment is always important.³ In fragile states young people, with their energy and skills, can be a force for growth and peace building. If marginalised, however, they may engage in political or violent activities that threaten these goals (Good Practice Note 4, Empowerment in fragile states and situations of fragility). Child labour, both in household production and in the paid labour market, is a frequent livelihood strategy for poor families, particularly when coping with natural or economic shocks. Children are disadvantaged in terms of rates of pay and working conditions, particularly outside the home; however they also suffer the long-term effects of exclusion from education on their livelihoods and employability. Conditional cash transfers can both ease the burden of lost income opportunities and access costs (to education) that poor families face, when sending their children to school, and provide a positive incentive.

Donors can play a pro-active role in the development of and respect for international laws and norms relating to Decent Work (Good Practice Note 5. Decent work and empowerment for pro-poor growth; OECD, 2008). This includes supporting the implementation of national laws and norms, *e.g.* through assisting public awareness campaigns and improving labour inspection; helping develop social protection policies and programmes for informal sector workers; supporting public works programmes conforming to Decent Work principles; and promoting social dialogue, including innovative forms of associations that have emerged in response to the challenge of organising informal-sector workers.

Productive assets

Access to and control over productive assets is a critical element of economic empowerment. Some assets are those that individuals and households accumulate and own, such as livestock, tools, houses, stores, equipment, capital and land. Equitable distribution of these assets, even more than income, is critical if economic growth is to produce poverty reduction (Horrell, 2008). Low and irregular incomes however make the accumulation of

assets difficult, and crises such as sickness, drought or loss of work can force people to sell their assets or take their children out of school (Good Practice Note 5. Decent Work and empowerment for pro-poor growth). Social protection helps people survive crises, manage risks and strengthen their human capabilities (OECD, 2008).

Where the management of collective or community assets, such as land, natural resources, water, irrigation systems, roads and other public infrastructure, is controlled or influenced by the wealthier and better politically connected members of society, poor people are excluded from accessing and using them and from sharing in economic growth and opportunity.

Key messages

- For self-employed people productive assets are vital for economic empowerment.
- Encourage legal reform to protect poor people's assets.
- Support their capabilities and institutions for the management of collective assets.
- Help finance social protection programmes that stop people having to sell their assets in times of crisis.

The frequent absence of legal protection puts poor people's assets at risk of seizure by the state or by powerful interest groups. Thus legal reform that includes a formal recognition of poor people's property rights – individual and communal – enhances economic productivity by providing security and encouraging investment in assets. Legal reforms to reduce deep-seated inequalities in asset distribution based on gender or ethnic discrimination are also required (Policy Guidance Note 6. Legal empowerment of the poor and its relation to pro-poor growth). For example, donors have successfully supported women's groups which mobilise for land rights (Good Practice Note 2. Women's economic empowerment).

In addition to pro-poor legal reform, donors can support poor people's efforts to secure and manage their productive assets. In rural areas this can include promoting inclusive and effective local natural resources management institutions and supporting participatory processes that enable rural people to have a voice in shaping natural resource policies (Good Practice Note 1. Empowerment of poor rural people through initiatives in agriculture and natural resource management). In urban areas housing is a key livelihoods asset. Government action can destroy people's homes and consequently those livelihoods which are dependent on home-based informal enterprises or on homes being close to sources of work. In some countries federations of urban savings and self-help groups have formed to defend and promote their members' rights to shelter and claim citizens' entitlements (Satterthwaite, 2008). Donor support for networks such as Shack Dwellers International and the Asian Coalition for Housing Rights has proven to be effective (Good Practice Note 3. Empowerment through local citizenship).

Micro-finance including micro-insurance, can enable productive investment, help poor people smooth consumption flows and send children to school. It can also allow families to save and accumulate reserves which increase their resilience and allow them to better manage sudden needs, household crises and external shocks. There are important differences between local mutual associations which aim to provide services and benefits to their members and institutions that operate on a profit making basis. Inappropriate and supply driven credit can lead to unsustainable indebtedness, while exclusion of those who might benefit most can be the result on models that operate on a purely commercial basis.

Where loans are controlled by male family members they are unlikely to result in women's economic empowerment or may cause increases in women's overall workload (Good Practice Note 2. Women's economic empowerment).

Political empowerment

Poor people's political empowerment is about influencing policy, making demands and calling the state to account. In its absence an enabling environment for pro-poor growth is unlikely. Political empowerment is a complex process that takes place in the ever-shifting and blurred boundaries of state-society relations.

Political representation

Poor people's empowerment through grassroots organisations and popular participation is often insufficient for changing the historical relations of inequality and exclusion that limit the state's capacity to create an enabling environment for pro-poor growth. To make this happen, subordinated groups need to be brought into formal political processes both through representative institutions as well as through participatory governance and deliberative democracy when citizens address public problems by reasoning together about how best to solve them. Political parties have a central role in aggregating interests, negotiating compromises and balancing state power (Moore, 2001; Houtzager and Moore, 2003; Mosse, 2004).

Key messages

- Grassroots political empowerment is important but insufficient.
- Support governance reforms that deliver greater political representation of people in poverty.
- Recognise and facilitate new forms of direct engagement with the state, including helping state actors develop their capacity to respond to poor people's demands.

Donors provide significant support to improving governance, currently spending over USD 10 billion annually on governance programmes. If this support is to empower poor people politically, so that state institutions, decision-making processes and the resulting policies take into account and are responsive to the concerns of people living in poverty, donors need to better understand the complex histories of different country contexts and be prepared to support processes of reform that, while looking very different from European concepts of democratic governance, can be more effective in ensuring greater representation and voice (Unsworth and Moore, 2010).

Alongside the conventional institutions of representative democracy, more direct forms of citizens' engagement with the state are developing, with varying degrees of voice and influence on policy, public services and resources (Gaventa, 2006). In Uganda, for example, districts channel funds further down to counties, giving greater voice to ordinary citizens than if they were engaging at the district level (Good Practice Note 3. Empowerment through local citizenship). Involving citizens in making decisions about the management of public resources and institutions is an effective way of strengthening accountability (Ackerman, 2004). Even so, power relations may prevent many people from speaking their minds when

attending meetings organised for that purpose (Cornwall and Schatten, 2007). They may first need to learn to amplify their voices within more informal and familiar community settings. Moreover, most success stories of such direct citizen engagement are from countries with relatively stable and strong political institutions. The challenges are much greater in more fragile contexts with weak states and a history of frequent violent conflict.

In such contexts, donors should identify how to support often low-key efforts to strengthen a culture of citizenship (Gaventa, 2006). For example in Angola, when citizens were fully involved in planning the delivery of a water supply system, this not only resulted in access to a basic service, but also helped create new relationships between citizens and state officials (Good Practice Note 4. Empowerment in fragile states and situations of fragility). In this way people in poverty can gradually become politically empowered and contribute to effective public administration by learning to work together for the common good, building on their existing societal arrangements.

Box I.3. Political empowerment in fragile states

Donors should:

- support inclusive peace agreements and political settlements;
- strengthen government transparency;
- ensure the delivery of justice and security to excluded and marginalised populations;
- support decentralisation and strengthen local governance;
- strengthen citizen engagement and collective action, including at local level.

Source: Good Practice Note 4. Empowerment in fragile states and situations of fragility.

All this does not preclude donors supporting more standardised measures such as quotas for the representation of marginalised groups, as with the reservation of seats for Dalits in India, and quotas for political representation of women in the legislatures of many countries. However, such quotas work better in more stable contexts with inclusive political parties and strong civil society (Good Practice Note 3. Empowerment through local citizenship). In some countries, for example Peru and Bolivia, donors have enabled marginalised populations to realise their right to vote and gain access to information about the election process (Good Practice Note 6. Legal empowerment of the poor and its relation to pro-poor growth).

In all cases, donors should support the capacity of political representatives of excluded and marginalised populations to engage, as well as the capacity of state actors and mainstream political parties to respond.

Collective action

Collective action can secure more equitable access to labour, land and financial markets and stimulate the development of more responsive and accountable state institutions. These in turn contribute to further processes of empowerment, for example through access to better-quality services and legal changes to social and political status which shape patterns of growth that are inclusive and equitable. Collective action at formative moments of policy reform appears to be effective in delivering change and subsequently holding policy

actors accountable (Joshi, 2008). Donors can support various collective actions, including advocacy for legislative change, trades unions (Good Practice Note 5. Decent Work and empowerment for pro-poor growth), rural people’s organisations (Good Practice Note 1. Empowerment of poor rural people through initiatives in agriculture and natural resource management) and local community associations. However, not all forms of collective action are democratic and empowering for those involved. Different types of civil society associations, including NGOs, have different impacts (Kabeer *et al.*, 2010).

Key messages

- Collective action is a key driver of pro-poor change.
- Facilitating collective action usually requires long time horizons.
- Whether “strengthening” civil society is always worthwhile depends on whose interests are being strengthened.
- Donors should support institutions and activities that keep open the space for social movements.

Donor-funded, community-driven development projects are not necessarily engines for collective action. According to a World Bank evaluation (Kumar *et al.*, 2006), such projects were most successful where there had been pre-existing organisations, such as SEWA in India,⁴ built up over a long time. Facilitating poor people’s empowerment requires long-term horizons, as demonstrated in a Swiss development co-operation project in supporting an artisans’ federation in Mali.⁵

Facilitating collective action means supporting people’s exercise of their rights as citizens. A sense of citizenship is a process that relates to notions of identity and community and the importance of dignity and self-respect. A poor citizen does not become “empowered” overnight”. She or he emerges gradually through local-level struggles around livelihoods or access to services, and only later (sometimes a generation later) gains the independence and knowledge to engage with “higher-level” policy processes (Kabeer, 2005). Donors have become increasingly interested in supporting community action to reduce corruption and hold service deliverers accountable. “Social accountability” refers to a range of actions (beyond voting) that citizens, communities and civil society organisations can use to hold government officials and bureaucrats accountable, including citizen participation in policy making, participatory budgeting, public expenditure tracking, citizen monitoring of public service delivery, citizen advisory boards, lobbying and advocacy campaigns (Malena *et al.*, 2004).

Recent donor enthusiasm for supporting national civil society policy networks may even have a disempowering effect at the local level if donors do not encourage such networks to maintain ties with and strengthen the capacity of the grassroots citizen-based organisations they represent (Igoe and Kelsall, 2005). Strengthening civil society is not always a route to pro-poor policies; it depends on the context and on who is involved. Donor support to civil society should also avoid undermining state capacity – for example when donor-financed NGOs hire the most capable state officials. Donors’ encouragement of collective action without considering the capacity of the state to respond can result in policy failure (Good Practice Note 8. Working with social movements; Unsworth and Moore, 2010).

Social movements are processes of collective action of people who are mostly (but not always) on the periphery of economic and social decision making. Their actions create new centres of power and challenge previously closed spaces of decision making. Donors’

direct support of a social movement may put at risk its legitimacy and ways of working; aid is generally more effective when it helps create an enabling environment through supporting institutions and activities that offset elite and government attempts to weaken, de-legitimise, co-opt or repress social movements. Examples of the above are support to national human rights commissions or Ombudsmen offices (Good Practice Note 8. Working with social movements).

Social empowerment

Social empowerment is about taking steps to change society so that one's own place within it is respected and recognised on the terms on which the person or group wants to live, not on terms dictated by others. A sense of autonomy and self-value is an important and direct contributory factor for enabling someone to participate in politics and take optimum advantage of services, such as health and education. Societal discrimination makes people feel powerless, including not responding to economic opportunities if their experience of discrimination has led them to undervalue themselves. *Social* combined with *political* empowerment results in individual and collective capacity to secure the eradication of discriminatory practices in markets, services and state institutions; it also contributes directly to growth through expanding the pool of human resources.

Human capabilities

Human capabilities, such as decent health and literacy, give people the freedom to engage in economic activities and participate in political and cultural life (Sen, 1999). Capability in terms of knowledge includes not only skills but also a critical self-awareness. Empowerment and new knowledge are iterative inter-active processes in which people's growing awareness of the changes they want in their lives stimulates them to seek the knowledge and information they will need to bring these changes about – for example, how the state or the market function, where they can get the best price for their crop, or how to do a business plan.

Key messages

- Decent health and education enable people to participate more fully in economic, political and social life.
- Support enabling policies and practices for equitable, responsive and accountable services that respect people's dignity and promote their self-esteem.
- Encourage community involvement in designing, implementing and monitoring of services.

Efficient public spending on health, education, water and sanitation is vital for pro-poor growth (OECD, 2006). However, service provision is often highly inequitable. In Nepal, for example, 46% of education spending benefits the richest fifth of the population, while the poorest fifth receives just 11% (Good Practice Note 7. Empowerment and equity). Globally, extreme and persistent inequalities linked to poverty, gender, ethnicity and language are holding back the development of human capabilities. Policies that successfully counteract such inequalities include improving accessibility and affordability by cutting fees and informal charges; improving quality by providing highly skilled teachers and health workers; expanding entitlements and opportunities by integrating health and education

strategies into wider anti-marginalisation policies, such as social protection; reinforcing legal entitlements; and supporting a fairer distribution of public spending.

Services can be accessible and technically of high quality, yet still delivered in ways that make people feel as if they are being treated like cattle (Eyben and Ladbury, 2006). The discriminatory and unfriendly behaviour of staff has led to a low uptake of health services among indigenous peoples (Stephens, 2006). However, when service providers are respectful, not only is uptake greater but there is also a wider empowering effect for individuals and communities, making them gain dignity and a greater sense of citizenship (Harcourt, 2001).

A social empowerment approach includes encouraging people to participate actively and even take the lead in improving their health or in expanding their knowledge horizons. An example is community-led total sanitation (Box I.4) that, with the help of donor financing, is spreading across continents.

Box I.4. Community-led total sanitation (CLTS)

Merely providing toilets does not guarantee their use, nor result in improved sanitation and hygiene. CLTS focuses on the behavioural change needed to ensure real and sustainable improvements – investing in community mobilisation instead of hardware, and shifting the focus from toilet construction for individual households to the creation of “open, defecation-free” villages. By raising awareness that as long as even a minority continues to defecate in the open everyone is at risk of disease, CLTS triggers the community’s desire for change, propels them into action and encourages innovation, mutual support and appropriate local solutions, thus leading to greater ownership and sustainability.

Source: www.communityledtotalsanitation.org.

Unpaid care work within families, largely undertaken by women, is vital for human well being and represents a major contribution to the development of human capability. It contributes directly to economic growth through producing a labour force that is fit, productive and capable of learning and creativity (Elson, 2002). The intergenerational transmission of productive skills and the capabilities for engaging in social and community networks are important empowering processes. Because of its gendered nature, care work is still largely invisible to and under-valued by policymakers, including when it becomes paid work in the market economy. Well-designed social transfers can support this area of human capability development and improve the position of women.

Box I.5. Conditional cash transfers (CCT) for care work

CCTs provide mothers of school age children in extreme poverty with a cash subsidy conditional on children’s attendance at school and health clinics can give them a steady source of income. They should be designed to encourage a more equitable sharing of caring responsibilities within the household and to avoid increasing women’s time burden through the lost labour of children or reinforcing existing gender divisions of labour in which fathers are not involved in child-rearing responsibilities.

*Source: Molyneux, M. (2009), “Conditional Cash Transfers: A Pathway to Women’s Empowerment”, *Pathways Working Paper 5*, www.pathwaysofempowerment.org.*

Critical awareness

Critical awareness or consciousness is the “power within” that leads to aspiring to change one’s situation, enabling for example, indigenous women in the Peruvian Andes to negotiate equitable access to markets. “Before I could not speak in public and I thought I could not interact with people of a higher level. I do not know how to write and read, so how can I speak to them? Now that I am the president of my organisation, I can talk to these people.”⁶

Key messages

- A sense of autonomy and self-value is an important and direct contributory factor to enabling participation in politics and to take advantage of economic opportunities.
- Donors need to facilitate and respond to poor people’s own analysis of their situation.
- Greater recognition and support should be given to participatory adult learning and social mobilisation activities aiming at the growth of critical awareness.

The injury done to people who experience discrimination on the basis of labels they are given by society and entrenched ideas about their inferiority goes well beyond that of economic deprivation and lack of political voice. When people are treated as lesser they can come to internalise a sense of lack of worth that profoundly affects their sense of what they can do and what they are due by society. The brakes are put on efforts to support people in empowering themselves politically or economically, unless these are complemented by helping people develop “power within” that allows them to claim recognition as fully human, and as entitled to the same rights and respect as any other humans. In the slums of Mumbai, poor people’s federations claimed, refined and defined certain ways of doing things in the spaces they already controlled, for example by doing their own surveys of their living conditions. They then used these to show donors and city officials and that their way of doing things worked (Appadurai, 2004).

Participatory learning approaches, such as REFLECT, are based on a transformative model of adult literacy and learning geared towards achieving collective power during the learning process itself and translating ideas into action. GTZ in Nepal has been supporting participatory learning groups for rural women living in poverty, with visible results – for example, in the case of community forestry the group boosts the pride and morale of the participants and encourages them to organise themselves better and assert their rights.⁷

Participatory approaches for generating and sharing new knowledge and for developing a critical awareness have proven to be effective in diverse sectors including health, business development, agriculture and natural resource management. Donors have supported peer learning through community-based or farmers’ groups or through arranging for participants to visit other places and programmes. The Learning Routes programme in Colombia⁸ allows participants to expand the horizons of their imagination and develop new visions of what is possible. It has proved particularly effective in helping people reconsider their livelihood possibilities.

Inclusion

People remain in chronic poverty because of multiple processes of discrimination and exclusion, for example in relation to their economic class, gender, place of residence, sexual orientation, disability, age or ethnic identity. Both formal (legalised) and informal exclusionary practices prevent poor people from securing decent work and from political participation. People need opportunity and political leadership to recognise and name the discrimination and privation they face so they can break the perpetuation of internalised and external discrimination. This means people representing themselves in ways that do not demean them, or simply re-produce societal discriminations against them. The label “the poor” is a case in point.

Key messages

- People remain in chronic poverty because of multiple processes of discrimination and exclusion.
- Facilitate systematic data collection on the processes and effects of exclusion.
- Support the implementation of international human rights conventions, including the right to a legal identity.
- Finance targeted and tailored programmes to increase excluded people’s access to services.

Socially marginalised groups not only enter the market with poorer human capabilities than others; they also receive lower returns for equal effort because of discrimination. A project supporting farmer groups in Malawi and Kenya found that women farmers, despite being equally productive and entrepreneurial, received a lower price for their crops than did men farmers (Kaaria *et al.*, 2009). Systemic exclusion can also result in denial of access to productive assets such as land or to financial services.

Donor support to inclusion often results from mobilisation of excluded groups empowered to demand greater support and attention from the state. Examples are the world-wide disabled persons’ and indigenous peoples’ movements. Inclusion can be central to policy dialogue with partner governments. Donors can combine this with direct support to those seeking economic inclusion, as in Box I.6. Realising the right to a legal identity is not only socially empowering but enables individuals to participate politically and hold and transfer property.

Box I.6. Harnessing the power of entrepreneurship in Ethiopia

Women with disabilities face a double challenge in Africa: not only must they overcome bias based on their gender, but they must often counter-act negative social perceptions of people with disabilities. In Ethiopia, the ILO and Irish Aid Partnership Programme work together to give these women confidence and income, through entrepreneurship training that emphasises confidence-building and encourages women to see and take advantage of business opportunities in their immediate surroundings. The programme combines this direct support with the promotion of disability considerations in national laws, policies, services and programmes.

Source: “Ethiopia: Women with disabilities harness the power of entrepreneurship” in “Stories of Empowerment” at www.oecd.org/dac/poverty/empowerment.

Donor governments and governments receiving aid are signatories of international human rights conventions such as the Convention on the Elimination of All forms of Discrimination against Women (CEDAW) and ILO Convention 169 relating to the rights of indigenous peoples. These conventions are important mobilising and claims-making instruments for excluded groups, as in the case of the struggles of the indigenous Hyolmo community in Nepal to safeguard a key collective asset – their water supply.⁹

Many processes of exclusion are invisible, except to those who suffer from it. Donors can support inclusive state action (Dani and De Haan, 2008) through helping to document and bring into the policy arena evidence of the poverty effects of exclusion. They can also introduce and encourage the use of tools such as the “inclusion lens” that in Uganda helps make local government budgets more inclusive. This “lens” consists of analysing each item of expenditure and mapping who may benefit from it. This exercise challenges the belief that all spending on public services at a local level are non-discriminatory (Good Practice Note 3. Empowerment through local citizenship). Budgets can also be analysed from a gender perspective, both at the national and local levels (Good Practice Note 2. Women’s economic empowerment).

Implications for donor practice

This final section concerns donor behaviour in facilitating empowerment. Following an introductory overview of the choice and use of aid instruments, six good practices are identified that when used together will help donors support rather than undermine poor people’s empowerment.

Aid instruments

Aid instruments can facilitate the empowerment of people in poverty, but can also be disempowering if donors do not use them well. The general principle that aid tends to work best through the deployment of a complementary range of instruments applies equally to empowerment. Support to civil society organisations (CSOs), policy dialogue, research and knowledge co-operation, multilateral aid/trust funds, loans/guarantees etc can all have empowering or disempowering effects depending on their design and implementation.

General or sector budget support can play a potentially important role in encouraging broad-based ownership of policy reform, both in donors’ own policy dialogue with governments and through facilitating civil society access to policy-making. Debates should involve not only government officials, parliamentarians and civil society policy networks but also include the views of those living in poverty; however, donors should avoid playing too big a part.

Key messages

- All aid instruments can have empowering effects, particularly when designed to recognise the mutually reinforcing potential of different forms of empowerment.
- Use budget support and sector-wide approaches to facilitate poor people’s ownership of policies and of pro-poor service delivery, nationally and locally.
- Projects in support of empowerment must be flexible to respond to the dynamic nature of the process.
- Accept some tradeoffs between long-term empowerment and short-term results.

At the same time, donors have a responsibility to ensure they relate with a broad range of CSOs representing different perspectives and geographical bases. “Donors should see their role not as experts bringing solutions, nor as politically neutral ‘partners’, but as convenors, facilitators and politically aware contributors to serious debate” (Unsworth, 2009).

A common failure of donors has been to engage only with “user-friendly civil society”, while representatives of the more excluded sections of the population, who are less used – and possibly less willing – to meet with educated foreigners are ignored. While donors may wish to support civil society to provide evidence on government performance, such support must be based on a concept of empowerment rather than on “instrumental extraction of information from the poor” (Eurodad, 2006). Support to civil society must be designed so that donor procedural and reporting requirements do not undermine the capacity of citizen’s groups to collaborate according to their own agendas and for that reason donors should be cautious in funding social movements (Good Practice Note 8. Working with social movements).

As people expand their horizons, gain new knowledge and speak out for greater human rights and political inclusion, they may find themselves subject to threats, imprisonment and worse from authoritarian regimes. Donors need to avoid encouraging people to take risks and then abandoning them to their fate but they can create safe diplomatic spaces, where people can speak to authorities without fear, as well as encourage governments to respect the political, social and economic rights of citizens to engage in policy debates.

Technical co-operation and grant projects in support of empowerment must be flexible to respond to the dynamic nature of the processes (Box I.7), have a realistic time frame – empowerment does not happen overnight – and be modest in ambition when the project is aiming to change deeply-embedded power relations. Exaggerated expectations place an impossible burden on the implementing organisations, and they may “spin” the story to attribute more impact than what they know to be realistic. All projects involving poor people and from which they are expected to benefit can be designed to have empowering multiplier effects even when empowerment is not the main goal of the intervention/support, as for example in rural infrastructure projects. The World Bank’s Rural Roads Project in Peru provides a good example of how a small, appropriately designed intervention not only improved access to markets and services but also facilitated women’s economic empowerment by actively engaging them in road maintenance work and encouraging the formation of associations (Good Practice Note 2. Women’s economic empowerment).

Box I.7. Flexibility and responsiveness in Pakistan

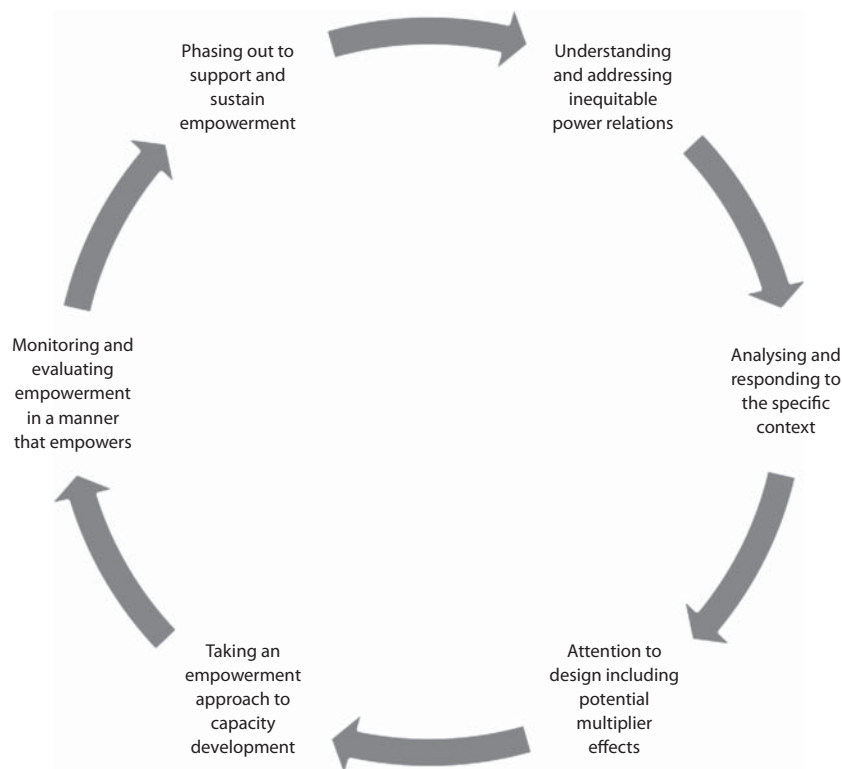
A winning intervention can be one that seizes an opportunity as it presents itself. Having access to small “pots of money” to act within a matter of days can therefore be critical. For example, when the Government of Pakistan in 2000 decided to have quotas for women to be elected to local governments, DFID was able to immediately deploy support to a national network of NGOs that encouraged women to stand for election. This made a significant difference to the number of women who were elected.

Source: Good Practice Note 3. Empowerment through local citizenship.

Good practice should also avoid changing goal posts by replacing one donor theory of empowerment by another during the project’s lifetime, as for example happened in a donor-funded project aimed at supporting the empowerment of marginalised tribal peoples living in western India (Mosse, 2005). By changing their mind about what impacts they expect, donors can cripple the project’s capacity to achieve anything.

Good practices

Figure I.2. **The cycle of good practices**



Understanding and addressing inequitable power relations

If donors ignore inequitable power relations, they risk helping sustain rather than transform the societal processes that keep people poor.

Key messages

- Identify and respond to inequitable power relations in designing programmes and projects.
- Recognise that donors are (unavoidably) political actors and ensure that staff act responsibly and sensitively.
- Supporting the empowerment of others requires self-awareness of how power operates in donors’ relationship with them.

An analysis of power, including gender relations, can be included routinely in project appraisal, monitoring and evaluation and as part of a consideration of issues of participation and inclusion. For example, a simple stakeholder analysis assesses each stakeholder's importance to project success and their relative power/influence in that respect (DFID, 1995). The “powercube” is an analytical tool that explores different dimensions, levels and spaces of power (Institute of Development Studies, 2011).

Today several donors are also incorporating power analyses into their diagnostic work and their governance assessments for programming and policy dialogue (OECD, 2009). Such analyses take donors out of their “technical” comfort zone and there may be institutional resistance to integrating the findings into agencies' day-to-day business. However, when the political contradictions and challenges in the aid relationship are “sanitised out” in official documentation and reports, donors risk forgetting the social reality in which they operate only to discover that their anti-poverty projects and programmes are failing to deliver desired outcomes.

Without power analyses, “common approaches to citizen engagement such as the PRSP process emphasise bringing everyone to the table as ‘stakeholders,’ but fail to recognise that underlying power dynamics between conflicting interests have a huge impact on people's capacity to participate and influence outcomes”, (Just Associates, 2006).

Furthermore, insensitivity to power relations can lead donors to encourage local actors to take political risks that may place their lives or liberty in danger.

Monitoring and assessing empowerment can encourage donors to recognise that they exercise power in their relationship with in-country partners and can help them reflect on the impacts – positive and negative – they have on empowerment processes. Whether they wish it or not, by involving themselves in local processes donors cannot avoid acting politically (Eyben, 2003). Good practice requires informed decisions based on contextual analysis that importantly includes donors' own activities and presence. Such analysis also encourages donors to recognise the limits of their power within bigger political structures and processes.

Box I.8. Power analysis in Nepal

In 2006 a group of government and donor agencies in Nepal finalised a detailed gender and social exclusion audit (GSEA). The GSEA revealed that in spite of decades of political “opening up” and rising social mobilisation in the country, deep social exclusion mechanisms had persisted leading to massive disparities in empowerment and development outcomes. The reasons for this ranged from inconsistent and unenforced legal and policy frameworks to “empowerment interventions” that often merely reproduced existing exclusion patterns (*e.g.* gender empowerment initiatives promoting very specific gendered roles) or social mobilisation lacking outreach (*e.g.* Dalits failing to attract support from non-Dalit actors). The audit included the development and refinement of a conceptual “empowerment and social inclusion” framework, which is now used across government and donor agencies in Nepal.

Source: Good Practice Note 3. Empowerment through local citizenship.

Power has a negative effect when donors impose their own point of view, ignoring or dismissing as irrelevant other ways of understanding and of tackling problems. Those proposing alternatives feel disempowered and will drop out of the conversation, including at donor-sponsored workshop spaces where power inequalities can be all too evident but

also can be successfully challenged. Hence supporting the empowerment of others requires self-awareness. Organisational and individual critical self-reflection delivers benefits for donors as well as for those they seek to help. Donors too may learn to imagine and act upon new possibilities.

Analysing and responding to context, including the perspectives of people living in poverty

Aid is more likely to be effective when harnessed to already initiated, locally-owned processes. Facilitating empowerment thus requires respecting the knowledge, experience and perspectives of people local to a country or region. Careful and continuous social, political and gender analysis of the history and current status of local institutions and actors is necessary for donors to identify when and how to play a supportive role. It points to where empowerment is already in process and can indicate how donors can support it best.

Key messages

- Prioritise the perspectives of people in poverty.
- Recruit staff that has knowledge of the particular country context.
- Undertake careful contextual participatory analysis.
- Identify and support emerging locally-owned empowerment processes.

Donor-supported empowerment processes have the greatest chances of success when poor women and men face pressing challenges and may be particularly motivated to envision and enact change. Analysing such challenges with the people themselves contributes to the empowerment process through the development of critical awareness. There is no substitute for this analysis with the primary stakeholders in the field and in each context (Good Practice Note 1. Empowerment of poor rural people through initiatives in agriculture and natural resource management). Donor staff should stay in regular contact with field realities and some development agencies, such as DFID and Sida, have been encouraging staff to undertake “immersions” by spending a few days in a remote rural area or an urban slum to allow them to better understand and appreciate the situation of poor people (Birch *et al.*, 2007). However, while they cannot usually undertake detailed contextual analysis, they need to ensure that such analysis not only takes place but informs their programming decisions and policy dialogue. One example from Bangladesh is a series of Sida-commissioned studies in relation to its sector-wide support in which researchers visit the same families every year for five years (Sida, n.d.).

Attention to design, including potential multiplier empowerment effects

All programmes and services – including infrastructure development – that aim to benefit people in poverty can be designed to facilitate empowerment and encourage multiplier effects.

Microfinance is a good example of empowering design if attention is paid to the formation and functioning of microcredit groups as spaces for members to articulate their needs and interests, for participatory learning and for collective action to challenge the *status quo* (Mayoux, 2000). Attention to the “how” of empowerment in addition to the “what” of the technical

objectives can also lead to a higher uptake of the services on offer (see Human capabilities, p. 31). Such attention requires social and gender analyses of the context and ensuring that the findings are incorporated not only into the initial design but also into the monitoring of implementation. When a project is designed to give people a voice, it is more likely to succeed and there are a range of participatory tools and methods available for this purpose.

Key messages

- Empowerment is a process; attention must be paid to how to support it.
- Understand and optimise in programme design the relations between the multiple dimensions of empowerment.

Projects can be designed for empowerment effects without advertising it. For example, the technical aim of the Puno-Cusco Corredorproject was to strengthen rural entrepreneurship through public competitions. Institutional innovations allowed poor indigenous women and men to sit alongside government officials to manage the competition process, thus changing the quality of the relationship and giving people an opportunity to develop their leadership skills.¹⁰ Enhancing the possibility of such multiplier effects needs understanding and optimising the relations between different kinds of empowerment, as in the case of a cash transfer programme in Malawi that required women to get identity cards, leading them to gain a new sense of identity and the belief that their government could no longer ignore them (Good Practice Note 2. Women’s economic empowerment).

An empowerment approach to capacity development

An empowerment approach to capacity development is a collective process of learning in action (Oswald and Clarke, 2010). It is a complex, human process based on values, emotions, and beliefs and concerns the “power within” (Critical awareness, p. 33) that involves people themselves taking responsibility for the process. In practice many donors ignore these points by imposing their own analysis and trying to control the content and process of the intervention too tightly. While some agencies accept the theory that capacity development involves shifts in power and relationships, they are more ambivalent in practice. For example, only a minority of international non-governmental organisations (INGOs) demonstrated any understanding of capacity development as a two-way process of learning and change, (James, 2010).

Key messages

- An empowerment approach to capacity development means poor people themselves taking responsibility for the process and involves a shift in identity and power, including for donors.
- It is a two-way learning process (e.g. in the development of states and citizens mutual capacity to identify and implement pro-poor growth policies).
- Donors must learn to let go and stop trying to control the situation.

Bearing these points in mind, donors can work in three arenas. At the *micro* level they can focus capacity development on project stakeholders. With *governments* they can support its capacity to respond more effectively to citizens’ demands. At the *country* level they can support the development of a broad knowledge base on voice and accountability, empowerment and pro-poor growth, including a strong endogenous capacity for diagnosis, policy choices, monitoring and evaluation of highly context-specific issues and processes.

Facilitating empowerment has proven to be more effective when capacity development takes place on both sides of the policy equation, *i.e.* a simultaneous process of supporting people’s empowerment to demand their rights and helping state institutions (and donors) to respond more effectively to this demand. For example, regarding legal empowerment, donors can support the demand side through awareness-raising campaigns and the provision of grassroots legal services, but major change will only occur when governments are willing to improve the supply side of justice delivery services and their institutional response to rights violations. Donor support for capacity building in state institutions thus often includes support for Ombudsmen and one-window-service offices, as well as the creation of consumer groups (Good Practice Note 6. Legal empowerment of the poor and its relation to pro-poor growth).¹¹

Dialogue among differently-positioned organisations and actors is a key means for donors to support capacity development through multi-stakeholder meetings that bring together the different actors to learn about each other’s interests (Good Practice Note 1. Empowerment of poor rural people through initiatives in agriculture and natural resource management). Donors need to avoid forcing the pace in such encounters, particularly when there is a history of mutual suspicion. Creating umbrella programmes involving multiple actors as an “efficiency” measure can backfire (Good Practice Note 6. Legal empowerment of the poor and its relation to pro-poor growth). These kinds of errors indicate the importance of donors developing their own capacity to support empowerment processes. Thus five women’s rights organisations in Bangladesh highlighted what makes a good donor: mutual respect, solidarity, responsiveness and helpfulness. Negative qualities among donors were: being top-down; not giving the organisation a “decent hearing”; no transparency in decision making; wanting too much publicity; imposing their decisions; being bureaucratic and inflexible; and thinking too much of themselves (Nazeen and Sultan, forthcoming).

Monitoring and evaluating empowerment

Empowerment is a process that cannot be externally controlled and managed. There is a tension for donors between adopting a flexible and enabling role in supporting an empowerment process of social change, and the obligation to demonstrate results and fulfil internal rules and regulations.

Key messages

- Monitoring and evaluation criteria should uniformly include the positive and negative empowerment effects of donor interventions.
- Avoid unintended disempowering effects by preventing monitoring and evaluation (M&E) from being technocratic and controlling.
- Support local people’s participation in M&E as an empowerment process.

Poorly designed policies and programmes that fail to recognise the importance of poor people’s empowerment can have unintended negative effects and thus fail to achieve their pro-poor growth objectives. Monitoring and evaluation criteria should uniformly include the positive and negative empowerment effects of donor interventions.

Donors need to steer their support for empowerment while fostering learning and reflection. Participatory methods can be quick and efficient, producing data in a timely fashion for evidence-based analysis and action in ways that support empowerment. For local people, participating in monitoring and evaluation (Box I.9) can itself be empowering when providing space for them to establish their own analytical framework, determine what changes are valued and be in a position to challenge “development from above”.

Box I.9. Participatory monitoring and evaluation in Bangladesh

A participatory grassroots review of a land rights social movement in Bangladesh generated a set of quantitative indicators for monitoring and evaluating (M&E) empowerment. Participatory rural appraisal (PRA) methods facilitated local analysis of changes in power relations, generating more than 8 000 key statements from groups within the movement. These were clustered into four categories of collective empowerment as well as effectiveness and self-sustainability. Some 132 indicators were mapped onto this matrix as a baseline for annual participatory M&E, prompting an action plan for making better progress on those indicators.

Source: Good Practice Note 9 Monitoring and evaluating empowerment processes.

Phasing out

There is a strong connection between empowering approaches to capacity development and phasing out of donor assistance. While empowerment is a process that never ends, donor support is finite. Sustainable capacity needs to be integrated into project design from the start so that when the donor withdraws, the process continues.

Key messages

- A phasing-out strategy needs to be integrated into the design process.
- The withdrawal of donor support from any programme should be designed so as to avoid disempowerment.

A useful way to think about phasing out support for projects so as to sustain empowerment is in relation to the individuals, groups, organisations and networks involved in and responsible for sustaining the project’s effects (SDC, 2006). There are some general principles for phasing out donor support: transparency, inclusion, predictability, obligation and sustainability. The withdrawal of donor support from any programme should avoid disempowerment (Good Practice Note 10. Empowerment sustainability and phasing out support to empowerment processes). This is why designing capacity development as a process of learning is fundamental for sustainability. Donors need to understand their intervention as part of on-going endogenous processes and design their support accordingly.

Conclusion

Poor people's empowerment is necessary for pro-poor growth. Without empowerment chronic poverty persists and people are incorporated into a political economy in which they are either excluded from growth or they contribute to wealth creation without themselves gaining from it. Economic empowerment (*e.g.* better and fairer access to resources and participation in markets, Decent Work) is fundamental for pro-poor growth; when combined with political empowerment (*e.g.* rights, representation, voice, collective action) and social empowerment (*e.g.* expanded human capabilities, inclusion, non-discrimination); its impact will be greater. The different forms of empowerment interconnect and mutually reinforce each other.

Donors can support empowerment processes through all of their aid instruments, from budget support to microlevel projects. Even where the objectives may not seem directly related to empowerment, such as the construction of an irrigation system or rural roads, an intervention can be designed so that poor people's empowerment is supported in its planning, management and delivery.

Empowerment is not a new agenda for development co-operation. Donors have long recognised its importance for sustainable development impact and poverty reduction. Donors have a great deal of experience in approaches that seek to involve and empower poor people including participatory planning, participatory rural appraisal and community based management. These approaches have been used in donor funded projects, the development of Poverty Reduction Strategies and the design and delivery of sector programmes. Most general budget support programmes involve associated donor support for the role of organised civil society in policy making and programme planning at national and local level in order to strengthen the voice of poor people and improve accountability to them. This experience provides a number of lessons.

Promoting the empowerment of those living in poverty means acquiring a better understanding of the existing inequitable power relations that keep people in poverty and marginalise them from decision making. Donors need to understand how interest groups will react to, and seek to influence, programmes they support in order to be able to design interventions which have a realistic prospect of shifting the balance of power in favour of poor people. Again donors are not starting from scratch. There are many effective tools already available that are suitable for a range of aid modalities, from simple stakeholder analyses to more complex approaches for identifying drivers of change. The key is to integrate their use across donor programmes as a systematic and consistent approach.

Empowerment is complex and multidimensional and it takes time to change deeply-embedded power relations. However, this also means that there are multiple entry points and that, although empowerment doesn't happen overnight, supporting empowerment in one domain – economic, social or political – will have positive effects in the others. Putting in place, and operating, the management mechanisms and processes that will allow a programme or project to be delivered in a way that empowers people takes time and may delay the delivery of physical programme outputs. Donors need to value empowerment outcomes, their contribution to the sustainability of programme impact and their multiplier effects beyond the programme in order to be able to properly balance the importance of short- and long-term impacts in programme design and management. Developing indicators for empowerment outcomes and their effects and including them, with relevant targets, in project or programme M&E or results-based frameworks is a practical way of doing this.

People empower themselves. It is the exercise of power by poor people, influencing economic, social and political process, that itself empowers them. Donors cannot empower, but with governments and development partners they can play a significant role both in creating an enabling environment for empowerment and also in providing direct support for people’s own actions to empower themselves. Empowerment outcomes will depend on the strength of the underlying foundations within countries, including the nature and strength of the social contract between the state and its citizens, the importance given to transparency and accountability to citizens, the extent to which laws exist and are enforced, and conventions and rights respected. Improving governance is already a high priority for development assistance and the target of significant amounts of aid. For aid to help achieve a more equitable outcome to the efforts of different interest groups to influence the state, donors need to sharpen the focus of their interventions on the governance issues of most relevance to poor people and ensure that their programmes strengthen both the voice of poor people and the capacity of the state to respond.

Donors are powerful actors in developing countries and important players in existing power relationships. They need to be aware that, in relation to empowerment, powerful players can rarely adopt neutral positions. Donor policies and programmes can have unintended disempowering effects that negatively impact their poverty reduction objectives. These problems can be avoided by using appraisal processes that identify potential pitfalls which might weaken accountability to poor people or governance institutions.

Empowerment involves risk. Empowerment processes change existing power relations and are characterised by contestation and competition for influence and control over opportunities, resources and assets that have real and significant value to those involved. There is always the potential for conflict. Although there may be risks for donors, those most at risk will be the least powerful; the poor and marginalised people that donor interventions are seeking to benefit. Donors need to assess and be aware of the risks in promoting empowerment. They need to design programmes, and particularly exit strategies, so that the risks to poor people are minimised through specific measures to protect against and mitigate risks.

Donors can obtain further practical “how to” guidance and support on how to address the issues raised in this policy guidance note in their own programmes from the series of Good Practice Notes in this volume. These provide examples, case studies and information sources that donor staff, both management and technical specialists, can use in practice to promote the empowerment of poor people through their projects and programmes as an objective in itself and as a means of promoting pro-poor growth and poverty reduction.

Notes

1. For a full list of “Stories of Empowerment”, see www.oecd.org/dac/poverty/empowerment.
2. See “SEWA Joins Forces with the ILO to Help Informal Sector Workers Move Out of Poverty”, “Stories of Empowerment” at www.oecd.org/dac/poverty/empowerment.
3. See “Kazi Kwa Vijana: Youth Empowerment in Kenya” in “Stories of Empowerment” at www.oecd.org/dac/poverty/empowerment.
4. See “SEWA Joins Forces with the ILO to Help Informal Sector Workers Move Out of Poverty” in “Stories of Empowerment” at www.oecd.org/dac/poverty/empowerment.

5. See “Empowerment through support to apex organizations in the informal sector: the SDC experience in Mali” in “Stories of Empowerment” at www.oecd.org/dac/poverty/empowerment.
6. “Fostering *empoderamiento* in the Peruvian Sierra – The experience of the Puno-Cusco Corredor Project” in “Stories of Empowerment” at www.oecd.org/dac/poverty/empowerment.
7. “Breaking Barriers: Empowering women through Participatory Learning in Nepal” in “Stories of Empowerment” at www.oecd.org/dac/poverty/empowerment.
8. “People in San Basilio de Palenque Take the Knowledge Sharing Route to Drive themselves out of Poverty” in “Stories of Empowerment” at www.oecd.org/dac/poverty/empowerment.
9. “Nepal’s indigenous community demands to be informed and heard”, “Stories of Empowerment” at www.oecd.org/dac/poverty/empowerment.
10. See “Fostering *empoderamiento* in the Peruvian Sierra – The experience of the Puno-Cusco Corredor Project” in “Stories of Empowerment” at www.oecd.org/dac/poverty/empowerment.
11. See also the importance of building capacity of local government as well as mobilising communities in “Sharique – A story of Empowerment and Engagement in Local Governance in Bangladesh” in “Stories of Empowerment” at www.oecd.org/dac/poverty/empowerment.

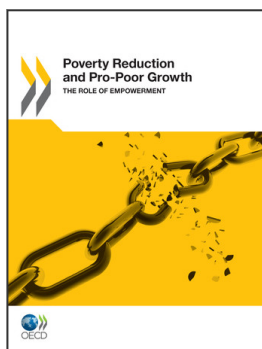
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