Responsiveness and Accountability for Poverty Reduction: Democratic Governance and the Millennium Development Goals (MDGs)

Workshop at Solstrand Fjord Hotel, Norway, 18–19 November 2002

Summary of plenary and group discussions

INTRODUCTION

The summary below is by no means exhaustive; it rather highlights the principal issues raised. Therefore, it should be read in conjunction with the various papers prepared for the workshop.

1. PLENARY DISCUSSION ON PRINCIPAL ISSUES PAPER: RESPONSIVENESS TO THE CONCERNS OF THE POOR AND ACCOUNTABILITY TO THE COMMITMENT TO POVERTY REDUCTION

1.1. Two discussants introduced this overview paper which was prepared to inform the deliberations of the workshop. The first discussant presented the gist of the paper and the second offered a critique on its content. The subsequent plenary discussion raised a number of criticisms and highlighted additional perspectives.

1.2. It was pointed out that the poor are a heterogeneous category, which needs to be differentiated when designing poverty-reduction strategies tailored to various sub-groups. It was underscored that the self-perception by the poor be given due attention in that regard.

1.3. With respect to the relationship between democracy and the MDGs, it was asserted that many of the goals, if not all, might be achieved without democratic governance. Conversely, democracy is no guarantee for making a dent in the poverty problem. However, the means and processes are often as important as the ends. Hence, democratic governance is an important goal in its own right, not just as a means to reducing poverty.

1.4. The claim was made that people do not trust democracy – or at least not the formal variants they have observed. It is clear that the constitutional and other voice mechanisms of the poor and the disadvantaged are grossly inadequate; we are still at the 'stone age' stage of democratic development. There is a need for continuous expression of voice through a form of deliberative

democracy in which the mass media play a critical role. Degeneration into a 'choice less democracy' should not be allowed to happen. It was felt that the Issues Paper underplayed the role of voice and rather emphasised responsiveness and accountability too much in the three-pronged approach to the subject matter: voice, responsiveness and accountability. It should be recalled and recognised that the poor are active subjects, not passive victims. It would be important, therefore, to give democratic space for the poor to organise themselves collectively within a rights perspective. However, there are often divisions and conflicts within the ranks of the poor. It was questioned, therefore, whether the poor can be considered an 'interest group'. Building coalitions and capability would be critical for effective collective action.

1.5.   It was recognised that the MDGs are not new but their context within the framework of the Millennium Declaration is. Never before has the global community made such an emphatic commitment at the highest political level to their achievement. It is now mandatory to incorporate the MDGs into manifestos at the national levels and to reconcile international concepts and definitions with those in use at the national level, as well as to provide mechanisms for holding governments to account in case of default. National reports at regular intervals could be used for this purpose.

1.6.   It was pointed out that in some countries there was no ownership of the current processes leading to Poverty Reduction Strategy Papers (PRSPs). The fundamentals of the macro-economic framework were determined elsewhere; the operational aspects were beyond the control of the poor; stakeholders were only consulted but their advice rarely heeded; and the PRSPs tended to be one-off efforts without continuous engagement on the part of the government and the civil society. It was felt that certain issues are beyond debate, e.g. macro-economic policies. This tends to render the PRSP processes merely technocratic and compartmentalised exercises.

1.7.   The ethical perspective on poverty reduction was brought into the discussion. A plea was made for the moral imperative of *eradicating* poverty, not just reducing it. Why be so modest? The resources are available; it is only a matter of redistributing them.

1.8.   Although the importance of deliberative democracy and continuous dialogue was underscored, a warning was sounded that continuous talk might be an obstacle and detract from

strategising. Whereas some claimed that we do not have a strategy at present, others asserted that a road map or multiple road maps of sorts do exist, even if there is no agreement across the board. Even so, further operationalisation is urgently needed. We need to identify the enabling and disabling factors, respectively, in order to chart a fully-fledged strategy.

2. PLENARY DISCUSSION ON COMMISSIONED PAPERS

Each of the following three commissioned papers was presented by the authors. The presentations were followed by a general discussion on all papers.

2.1. Access to justice for the poor through the court system: the Latin American experience

2.1.1. In many Latin American countries western judicial practice has supplanted traditional systems of adjudication. In light of the inadequacies of the formal court system and the apparent success of alternative mechanisms, the need was felt for striking a balance between formal and informal forms of justice. It was noted that alternative, informal forms of justice might degenerate into vigilante activities and mob justice without adequate safeguards. There is a danger of romanticising local communities. Unequal social structures generate cleavages and conflicts in terms of ethnicity, race, gender, etc. at all levels of society. With comparative reference to Africa it was pointed out that the adjudication performed by elders and traditional authorities based on customary law often complement the formal administration of justice. But sometimes customary and statutory law clash.

2.1.2. The police must be seen as an integral part of the judiciary. The poor are most likely to encounter the police in their daily lives. Therefore, perceptions of the judiciary are often formed through this interface at the neighbourhood or community levels.

2.1.3. The poor remuneration of judges is an incentive to corruption. Furthermore, the bench is not immune to the patron-client relationships that are commonplace at the local level and encourage corrupt behaviour. These problems need to be addressed. A related problem concerns the lack of knowledge among the judges about the conditions of the poor. Access to justice is more than access to the judiciary; a 'report cards' system

with widespread publicisation might be applied to the judiciary and be just as effective a mechanism.

2.2.   NEPAD: responsiveness and accountability

2.2.1. With regard to NEPAD, the discussion centred on the Peer Review Mechanism (PRM) which is key to the accountability question. However, the author of the paper and several speakers expressed concern that the PRM might turn into a toothless tool, partly because it is voluntary and non-adversarial. It was queried whether the group of eminent persons to oversee the PRM would be impartial and have the required professional integrity. Recent political developments in Southern Africa – notably the Zimbabwe debacle – do not augur well for the effectiveness of the PRM; it has, in fact, already undermined the credibility of the PRM. There seems to be a resurgence of Realpolitik and African leaders appear to close ranks when criticised from outside.

2.2.2. Many participants noted the lack of African ownership of NEPAD. This criticism has been voiced at several conferences on the African continent. For instance, NEPAD has conformed to the neo-liberal macro-economic agenda espoused by the Group of Eight. This is seen partly as a reflection of NEPAD's dependence on external funding, e.g. from the G-8.

2.2.3. While not writing off NEPAD altogether, the meeting felt that civil society could take measures to hold governments to account. As an alternative to official reports a 'shadow reporting' system could be instituted whereby government action is carefully monitored and assessed on a continuous basis.

2.3.   New mechanisms of accountability: the report card experience

2.3.1. It was reported that a new mechanism of accountability – 'report cards' on service delivery – applied at the local level in various parts of India is considered successful, not least because local authorities when confronted by firm civil society action have adopted many of the practices suggested. Depersonalising the 'report cards' has been critical to success by averting defensive reactions from individual civil servants.

2.3.2. Some participants wondered whether the Indian example could be emulated in Africa, for instance, where the origins and nature of civil is different to that of the subcontinent. Overall it was felt that there is no reason why such mechanisms should not

be experimented with in African contexts. Civil society organisations should be encouraged to act as watchdogs on government action or inaction. Similarly, civil society could adopt a non-confrontational stance and engage in meeting places and dialogues with governments.

3.   GROUP DISCUSSIONS

3.1.   Workshop participants formed three mixed discussion groups. They addressed responsiveness and accountability issues owed by the donor community, national governments and representative bodies and civil society to the poor.

3.2.   Group One: Responsiveness and Accountability and the Donor Community

3.2.1. Before arriving at definitive priorities as to the focus of the 2OO3 follow-up conference Group One covered a wide range of issues: aid co-ordination, harmonisation and common platforms of analysis; MDG reports as an information, accountability mechanism to allow donors, governments, citizens, parliaments, etc. to monitor progress and commitments; new poverty reduction accountability frameworks, mutual compacts between donor and recipient governments; peer review, report cards with expanded peer groups; mechanisms for donor and international NGO accountability for global advocacy efforts (e.g. debt relief, trade liberalisation); mechanisms for policy coherence; information on donor programmes available in national working languages, including transparency to promote watchdog functions; multi-year funding commitments to remove pressure for quick spending on quick-fix solutions and to strengthen predictability; transparent, common assessment tools and reports; creating incentive structures with in-built performance appraisal systems that reward good donor behaviour and clearly recognise staff achievements in advancing poverty-reduction outcomes and the MDGs.

3.2.2. Group One made the following recommendations in order of priority as to theme for the planned 2OO3 conference:

1. *MDG Goal 8+1.* The eighth MDG is far less specific than the other seven and is in dire need of specification and operationalisation to turn it into a monitorable and measurable goal subject to mechanisms of donor accountability. Juxtaposing the most 'fuzzy' MDG with one of the more

tangible goals could help to illustrate the problems involved and hopefully give pointers to better operationalisation in the context of donor accountability;

2. *Aid co-ordination mechanisms.* Developing common analyses, harmonising policies, adopting common frameworks, etc. (e.g. UNDAF);

3. *MDG country reports.* Such reports could be used as a mechanism of donor accountability. How could they be used by southern governments to hold donors accountable, and how could they be used by citizens and representative bodies (e.g. parliaments in both developing and developed countries) to monitor and oversee the commitments of both parties?

4. *New accountability frameworks.* Between donor and recipient governments a compact might be worked out spelling out clearly the principals, commitments and responsibilities of each partner, both shared and individual. Examples of shared responsibilities include eventual outcomes, agreement on the role of civil society, transparency, and accountability to parliaments. Examples of donor responsibilities comprise predictable funding for x number of years, money channelled through governments, and harmonisation of policies and practices.

5. *Peer review mechanisms.* These already exist within DAC but could be expanded to include southern government representatives and independent external partners.

3.2.3. In terms of research agenda Group One suggested three main research themes:

- Unpacking the priority accountability mechanisms analysed by type of donor and type of funding and the impact these distinctions have on the accountability dynamic. Specifically, research efforts need to differentiate between bilateral and multilateral agencies, the IFIs, as well as within the bilateral category in terms of various funding arrangements.

- Analysing in a comparative perspective the accountability and responsibility of bilateral donors as distinct from their roles as board member of multilateral institutions.

- Assessing the impact of donor harmonisation and co-ordination on donor accountability. Harmonisation tends to increase the complexity of tracking individual roles and contributions to common frameworks, procedures and pools on the accountability of donors to domestic constituents and recipient governments.

3.3. Group Two: Responsiveness and Accountability – National Governments and Representative Bodies

Discussion Group Two addressed the following wide-ranging issues:

3.3.1. Institutions have varying perceptions of the poor and differ as to which sub-groups of poor people they consider relevant in terms of their mandates. As a corollary, there is a need to complement the current poverty assessments – which tend to remain at a technical level, or, at best, have adopted participatory methods – with surveys of national institutions with regard to poverty perceptions in their respective countries.

3.3.2. Different institutions target selected groups of poor. The mechanisms were discussed whereby most groups of poor are excluded from consideration and recognition and why they are not considered as 'relevant poor' to given institutions. The depth of poverty (chronic poverty, extreme poverty or destitution) is not always a central selection criterion. Rather, other factors predominate: whether the poor are 'deserving' or 'undeserving'; whether the selection of a given sub-group would deplete scarce resources too quickly or otherwise be beyond the management capacity of the institution in question; whether the selection would involve a hard political choice; whether the sub-group is valuable in some way, e.g. carries political weight. Hence, empowerment measures should take into account actions allowing the poor to increase their political weight, e.g. supporting their self-organisation capacity and their ability to forge links with other disadvantaged groups in order to overcome their weakness as individual actors.

3.3.3. It was discussed whether the bureaucracy ought to be analysed as a separate category in view of its importance and particular characteristics, distinct from the executive branch of government and elected representatives.

3.3.4. The PRSP processes appear to have paved the way for participatory consultation with non-institutional stakeholders. However, it was felt that there is a tendency to marginalise democratic and representative institutions, i.e. parliaments and elected local governments. Given that democratic participation is considered a central element of poverty-reduction strategies, attention should be paid to the process as much as to its outcome. Support to aligning national budgets (believed to be lacking sufficient credibility) with PRSP projections and to monitoring the PRSP processes through reliable indicators would strengthen both

representative institutions and other actors involved in the implementation of poverty-reduction strategies.

3.3.5. Gender budget analysis is a powerful tool to promote responsiveness and accountability vis-à-vis important poor constituencies. This tool should be developed further, demystified and proliferated. This approach should be applied to donor-funded portions of the state budget and to donor-funded projects.

3.3.6. The group considered that the gender quota system and similar initiatives have successfully increased the presence of women in public representative institutions. There is a need for corresponding inclusiveness in respect of other groups, and also to devise mechanisms for making other institutions (e.g. the courts) more representative of different segments of the population.

3.3.7. Countervailing mechanisms should be strengthened. Special attention should be paid to public citizen consultations by institutions. Similarly, the control of local executives by the grassroots could be achieved by means of village assemblies and other mechanisms of direct democracy. Noting that such practices are mandatory in some countries and obligatory for some institutions, similar accountability and responsiveness arrangements could be generalised for most of the institutions managing public funds. Countervailing mechanisms were called for, especially in relation to decentralisation processes.

3.3.8. Whether service delivery 'scorecards' – which have been used with success in India – would be possible to replicate in an African context was discussed. It was recommended to start modestly and experimentally, emphasising qualitative assessment and surveys of client perceptions among the poor. With reference to West Africa, the *Observatoires du Developpement* were considered a best practice.

3.3.9. Past assistance to the justice sector has been fragmented. Instead, a coherent sector approach was recommended, inclusive of the judiciary, the traditional justice system and mechanisms, the police and the security apparatus. The police were broadly considered a problem for the poor, for two main reasons: (a) not providing the public security for which the police are intended, and (b) largely being unaccountable by any control mechanism. Therefore, it was strongly suggested that systems be established or strengthened whereby the police would be answerable to the community at the local level and learn from ongoing experiences

in the field. The need was felt for an evolution and development of the traditional justice system in line with human rights precepts, while respecting its role.

3.3.1O. Capacity-building is central to accountability and responsiveness. *Ad hoc* training efforts were seen as inefficient and one-off events, as opposed to capacity development embedded in existing domestic training institutions.

3.3.11. Given scarce public resources and economic priorities the sober use of public means by senior civil servants was considered a must. Mechanisms of accountability with respect to expenditure are mandatory, in view of the egregious example set by conspicuous consumption and its adverse effect on the credibility of the system — domestically as well as internationally.

3.3.12. Finally, Group Two considered that an information strategy is needed as an integral part of public sector reform programmes. It should encompass responsiveness, transparency and accountability objectives and seek to explain to the population — especially to those groups in a disadvantaged position to obtain such information — "who does what" and "who is accountable for what".

3.3.13. With regard to research priorities Group Two underscored the need for further investigation into (a) different perceptions of poverty by national institutions; (b) "anti-poor" legislation; (c) the accountability of accountability institutions: how to guard the guardians; (d) budget assistance and monitoring; and (e) success stories on access to justice for the poor.

3.4. Group Three: Responsiveness and Accountability — Civil Society

Group Three's discussions centred on three themes: the voice of the poor, actors in civil society, and accountability.

3.4.1. Even though voicelessness is an aspect of poverty it should be acknowledged that even the extremely poor and marginalised people (migrants, beggars, street children, sex workers, etc.) possess social capital based on mutual affinity. However, they may not have the capacity for organisation and making their voice heard. It is essential, therefore, that external organisations and individuals (non-poor but pro-poor) assist in building the organisational capacity of the poor and in articulating and

amplifying poor peoples' voices and in bringing them into the mainstream of the political arena.

3.4.2. Poor people are preoccupied with their daily survival and livelihood. They often need and want support and services to meet their immediate needs. However, they need to participate and engage directly in the process of poverty-reduction so as to increase their capacity over time for analysis, organisation and collective action. External agencies may help to facilitate active participation by the poor themselves as key actors in addressing the root causes of poverty.

3.4.3. Poor people have developed a 'consultation fatigue'. Consultation, especially without capacity strengthening, is not always the appropriate mode of mediating the concerns of the poor, at least not in the long run. Facilitators and intermediaries should not occupy poor peoples' space in the process and thus effectively displace them. Rather, they should enlarge the participatory space for the poor. Facilitators and catalysts should not be aligned to the state or promote the state's agenda; they should empathise with the poor and the marginalised and take their side.

3.4.4.   As a point of departure for the discussion on civil society Group Three recognised the organisations of the poor and the marginalised as key actors. The primacy of poor peoples' own action for sustainable eradication of poverty is critical. Individual citizens and unorganised civil society groups must also be taken into account. Similarly, policy institutions and academia as a distinct civil society group have roles to play in the process.

3.4.5. International investment and finance companies and corporations together with business enterprises and transnational corporations (TNCs) should be included in the category of actors affecting the lives and livelihoods of poor people and the poverty processes. In terms of accountability civil society actors — non-elected NGOs, business enterprises, TNCs, the media — may lack an explicit formal mandate or commitment to poverty eradication and thus not be subjected to normal accountability mechanisms, although some NGOs may have formal mandates when legally registered. Therefore, it is difficult to hold them accountable in terms of poverty reduction or the MDGs. The TNCs are particularly difficult to hold to account as they are often exempted by national legislation or international agreement, or not under state jurisdiction. They are difficult to bring formally to account at the international level because they operate in multiple countries,

which provides opportunity for evading national legislation. Pending a clearer international regime in terms of international law the state and governments at the national level must be the focus for ensuring the accountability of TNCs and business enterprises. The media, consumers and shareholders could also play a role in that regard. Furthermore, international governance mechanism through global compacts or future WTO arrangements might also be used to inject business accountability.

3.4.6. With regard to the right to information, the mass media have a pivotal function to perform, cutting across the entire spectrum of actors. The media are very important not only for access to information but also for the democratic process in general. Like the TNCs, the media are also difficult to bring to account for their reporting. To whom the (independent) media are answerable is not very clear. Even though the media play a key role in sharing information and advancing the democratic process they are also culpable of not sharing the correct information or not giving due attention to the plight of the poor. The media have very powerful voice when engaging in independent and investigative reporting and could potentially help to articulate and amplify the concerns of the poor. Notwithstanding their lack of a clear formal mandate the media may be held accountable on moral and ethical grounds.

3.4.7. Group Three made the following recommendations, with special reference to civil society, on mechanisms and action for poverty reduction and achievement of the MDGs:

- Civil society organisations, in a range of roles from watchdog and monitors to service providers, should be part and parcel of political and democratic processes.
- The approach to achieving the MDGs should be based on human rights. This would facilitate holding various actors accountable within national and international frameworks based on good democratic governance.
- The MDGs should be integrating into the PRSP processes, plans and follow-up. This would put the MDGs into the national and international accountability systems and serve to sharpen the PRSP focus and facilitate the processes.
- The monitoring of progress towards MDGs should be integrated with other monitoring processes of ongoing human rights or treaty/agreement obligations. Shadow reporting by civil society organisations should be encouraged.
- National legislation and policies should be examined to identify the existing anti-poor and pro-poor laws and policies with a

view to amending them, if necessary, in line with proper accountability mechanisms. Likewise, gaps in the legal and policy frameworks should be identified and measures taken to fill the lacunae.

- Extensive development education, media and public relations campaigns should be undertaken at national and local levels to overcome the current lack of information and knowledge about the MDG commitments. This endeavour would facilitate empowerment and accountability.

- Efforts to promote good democratic governance should be balanced to include positive incentives and appreciation of achievements and success, not just failures and punitive action such as naming and shaming.

- Active and positive engagement should be promoted between the state and government on the supply side and pro-poor civil society (as well as the poor themselves and their organisations) on the demand side in the interest of democratic governance processes, responsiveness and accountability.

- Similarly, active and positive engagement should be encouraged between pro-poor civil society and the business community at local and national levels with a view to facilitating corporate social responsibility.

- It should be investigated and established how the cost of promoting and ensuring responsiveness and accountability for MDG attainment can be met —from fresh international sources (cf. the Monterrey commitments) and/or through reallocation of existing funds in national budgets. Participatory budgeting and budget monitoring by citizens, including the poor and the marginalised are essential elements in any strategy for enhancing responsiveness and accountability of states and governments.

3.4.8. Group Three recommended two research topics: (a) the roles and responsibilities of the media in promoting democratic governance and MDG attainment should be investigated; and (b) studies should be conducted as to how poverty reduction and the attainment of the MDGs may be good for business.

4.   CONCLUDING SESSION

4.1.   Based on the discussion from the previous plenary sessions on the Issues Paper and the three commissioned papers, as well as inputs from the group discussions, this session set out to sum up the workshop deliberations with a view to suggesting a theme and focus for a follow-up seminar in 2OO3. Several areas of common

interest and understanding emerged and were touched upon in the discussion. These included:

4.2. Partnerships and mutual accountability (including donor accountability). It was felt that the roles of the donors (multilateral and bilateral alike) need to be defined more clearly in order to arrive at a better understanding of the respective functions and expectation in partnerships. In other words, what does the eighth MDG – developing a global partnership for development – really mean in operational terms?

4.3. It was agreed that it is clearly the responsibility of the recipient countries to chart a national development strategy, including a plan of action, implementation and follow-up of programmes – in many countries incorporating a PRSP. This approach would create national ownership. Some donor representatives felt that the responsibility of a donor is limited to accepting the plans of national governments. However, when national poverty-reduction strategies do not conform to donor policies the donors are facing a major challenge.

4.4. The desirability was underscored of using existing UNDP and other broad-based partnerships as models for dialogue between governments and civil society as well as for multi-donor co-ordination programmes such as the *Partnership for National Development* in Indonesia or the West African *Observatoire du Developpement.* Donor accountability under the rubric of mutual accountability should explore types of response from the donor community within a contractual framework. For civil society organisations accountability is mainly a matter of internal governance: how do they relate to their own constituencies?

4.5. Consideration of a number of factors ranging from legal instruments to political consensus-building in relation to the MDGs when elaborating an international framework. Whereas international human rights commitments should be reinforced the limitations of international human rights law must be acknowledged, as must the constraints in forging a closer relationship based on legal obligations between donors and recipient governments. Alignment of MDG reporting to existing national planning processes and national commitments could be an appropriate vehicle, e.g. reporting mechanisms under human rights covenants; national human development reports, and PRSPs. Linking (some of) the tangible MDGs and their attendant targets to their corresponding covenant-based rights might be a useful arrangement.

4.6. The challenges of operationalising the MDGs emerged as a third theme to be explored. The MDGs form a political commitment on the part of over 14O countries. The Human Development Report 2OO3 will be devoted to the MDGs. How can the current and future political momentum be exploited to enable civil society to hold their governments accountable in terms of national MDG targets? Should the achievement of the MDGs be linked to the PRSP processes? What is the link between MDGs at the international level to PRSPs at the national level? How are the MDGs addressed at the country level, and how do the donors relate to the PRSPs?

4.7. A discussion is needed on the policies that have been implemented so far, and an assessment of their progress and effectiveness towards MDG achievement. Are sanctions an option to consider in case of non-compliance with MDG 8?

4.8. Many interventions emphasised the importance of political will as a pre-condition for MDG achievement. But how is political will expressed in operational terms? What indicators of political are available or need to be developed. A distinction must be drawn between rhetoric and genuine political will. MDGs are expressions of political will but also political tools to be used as leverage in developed and developing countries alike. The tension between democratic impulses and a disabling macro-economic framework should be explored.

5.   THE 2OO3 FOLLOW-UP SEMINAR: A THEME PROPOSAL

5.1. The participants agreed that the suggestions from Group One were a good starting point for making concrete proposals for the 2OO3 event. Focusing on MDG 8 plus one of the other goal might serve as a useful basis for addressing broader macro-economic issues, aid, trade and debt relief, as well as more tangible concerns. The additional goal should provide a good example of the interaction between donors and national governments. Education and HIV/AIDS were mentioned as possible candidates.

5.2. Towards that end, many issues need to be further elaborated. What would a global partnership based on mutual accountability look like? How could it be implemented in practice? What are the operational mechanisms and tools needed to make it work?