



PROPERTY RIGHTS ,PRODUCTIVITY AND POVERTY

The Case for Legal Empowerment of the Poor

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CONTEXT

- **FOOD PRICE** crisis of major concern. Causes are complex due to unprecedented oil prices increase, food-fuel conversions, credit crunch, market distorting factors, more of a demand than supply crisis with higher prices not directly benefiting small farmers and not triggering increased production. Small farmer productivity improvement will help but not much. The poor in urban areas might suffer even more.
- **POVERTY** and **VULNERABILITY** need to be tackled
- **PROPERTY RIGHTS** including resource ownership and access rights are necessary but not sufficient
- A broader and more systemic **legal empowerment reform agenda** is needed
- A more comprehensive **LIVELIHOOD** approach rather than a food production, agricultural or rural development approach is required.

Goal: Sustainable Livelihoods

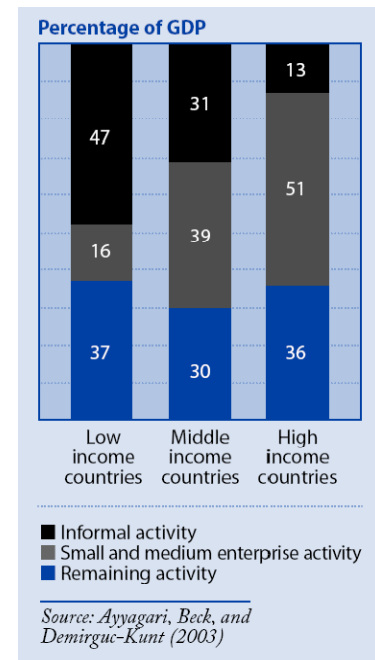
- **LIVELIHOODS** of people are based on assets (such as land), activities (business or labor) and entitlements (protections, freedoms, opportunities)
- **SUSTAINABILITY**: economic efficiency, ecological integrity, social equity, resilience (capacity to cope with and recover from shocks and stresses)
- **VULNERABILITY** is the inability to cope with and recover from shocks and stresses to the livelihood system
- **EMPOWERMENT** is the process through which people gain greater control over their lives and livelihoods
- **LEGAL EMPOWERMENT** is the process through which threats are reduced, protection is increased and opportunities are enhanced by use of the law

Wealth is Being Created Now Faster than Ever, but Many are Excluded

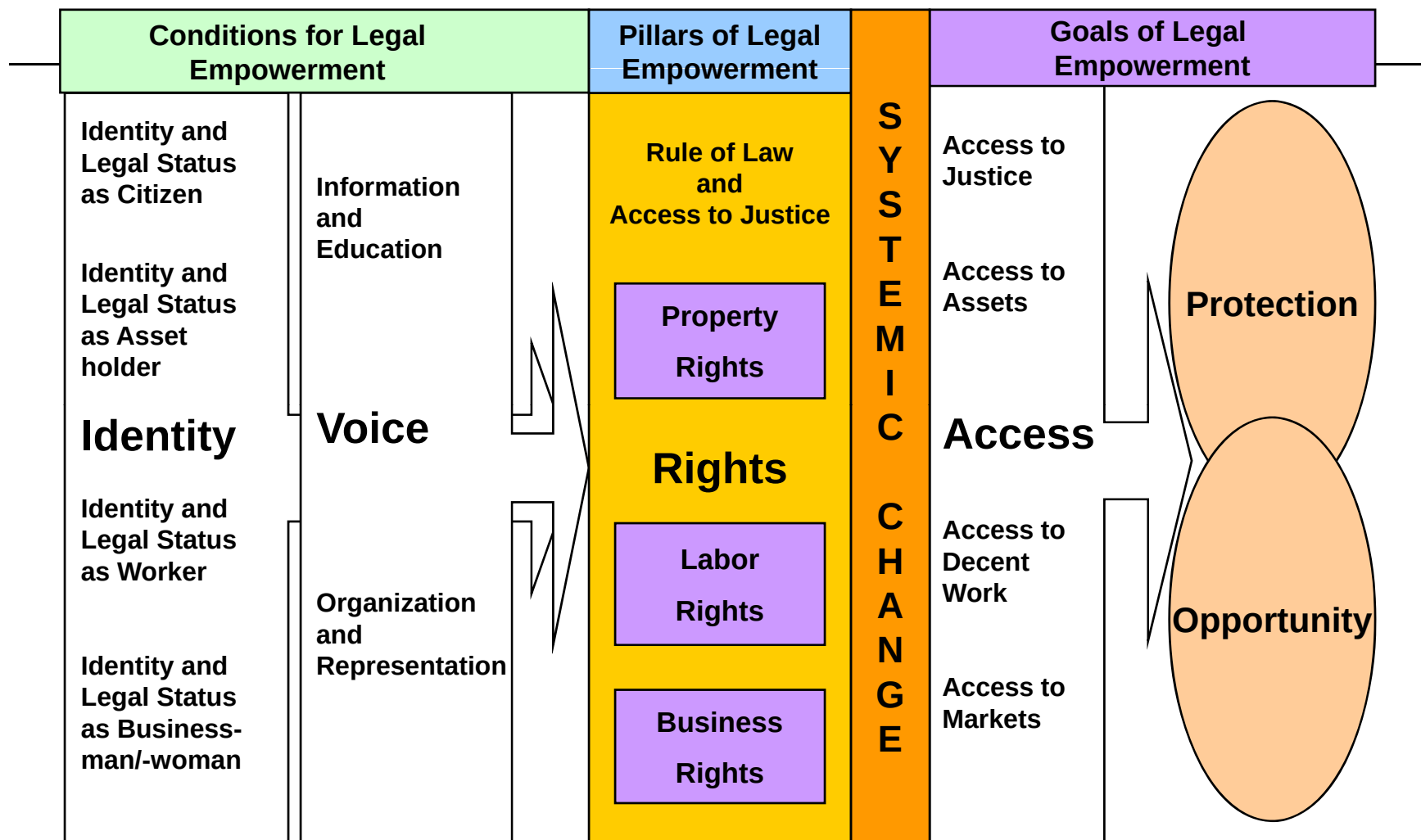
- In the past 60 years, more wealth created than in all history
- The number of people living on > 1 USD per day has dropped from 40 percent in 1981 to 18 percent in 2004
- During this period, the numbers living on > 2 USD per day have dropped from 67 percent to 48 percent
- Unprecedented growth rates in China, India and Sub-Saharan Africa
- Inequality is more important than extreme poverty in LAC

The Excluded

- 1 billion people in extreme poverty > 1 USD per day
- An additional 1.6 billion > 2 USD a day
- A further 1.4 billion < 2 USD a day, unable to use the law to improve their lives
- Total number of people experiencing the effects of exclusion: 4 billion
- But one size will not fit all



The Process of Legal Empowerment



Access to Justice and Rule of Law (some basic recommendations)

- Repeal anti-poor laws
- Promote legal identity
- Make the formal justice system more accessible and grant formal recognition to informal, traditional systems
- Encourage courts to be an institutional voice for the poor
- Increase access to legal services



Property Rights (some basic recommendations)

- Promote an inclusive property rights system
- Institutionalize an effective property rights system
- Create a functional market for exchanging assets
- Reinforce property rights through social and other public policies



Labour Rights (some basic recommendations)

- Strengthen identity, voice, representation and dialogue
- Support minimum package of labor rights for the informal economy
- Strengthen access to opportunities
- Support inclusive social protection
- Promote gender equality



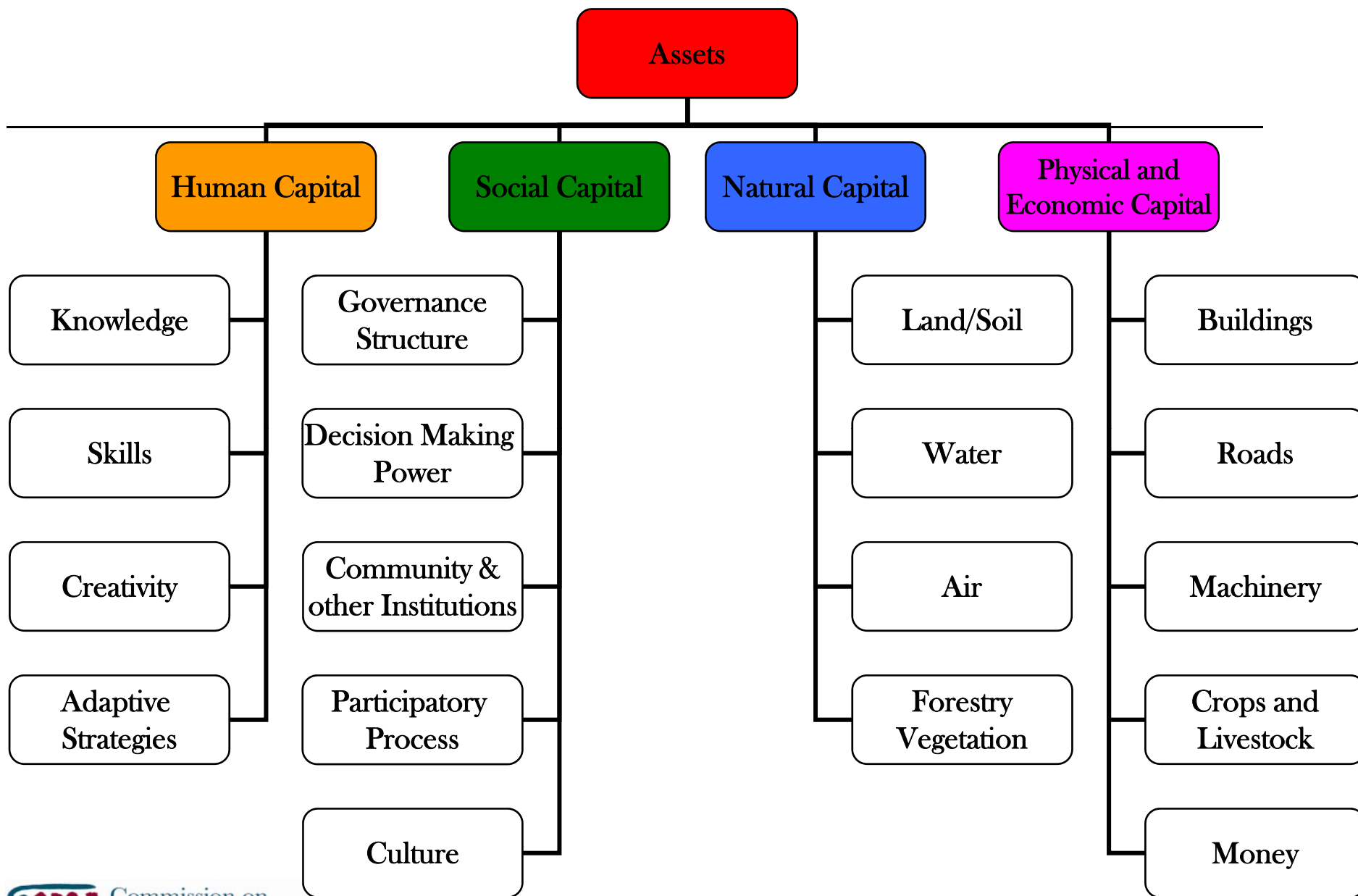
Business Rights (some basic recommendations)

- Guarantee basic business rights
- Simplify business registration
- Expand the definition of legal persona
- Promote inclusive financial services
- Help new businesses access opportunities
- Promote consultation, participation and inclusive rule-setting



Towards a Plan of Action

- With a growing international movement of membership based organisations of the working poor in the informal economy, there is a growing need to increase documentation, dissemination and integration of these initiatives
- The working poor in the informal sector have legal needs and demands that must be identified and addressed
- By focusing on the concrete legal needs, constraints and demands of specific categories of the working poor, legal empowerment can obtain critical information that will allow for a targeted approach when determining appropriate legal reform and related action and inputs
- In order to convene these dialogues between the working poor and relevant actors and stakeholders, this proposal calls for the establishment of dialogue that will lead to a program of action



Priority Groups of the Working Poor in Urban Areas

Who \ What	Legally Empowering Waste Pickers	Legally Empowering Street Vendors	Legally Empowering Domestic Workers	Legally Empowering House Based Producers
1.Membership Based Organisations of the Working Poor				
(a)Members & Leaders				
(b) Organisers				
2. Legal Experts				
(a) Justices & Judges				
(b) Activist Lawyers				
(c) Law Students				
3. Support organisations				
(a) NGOs				
(b) Donors				
(c) Private Sector				

Priority Groups of the Working Poor in Rural Areas

Who \ What	Legally Empowering Farmers	Legally Empowering Fishermen	Legally Empowering Farm Laborers	Legally Empowering Non farm laborers, (e.g. mechanics, artisans)
1.Membership Based Organisations of the Working Poor				
(a)Members & Leaders				
(b) Organisers				
2. Legal Experts				
(a) Justices & Judges				
(b) Activist Lawyers				
(c) Law Students				
3. Support organisations				
(a) NGOs				
(b) Donors				
(c) Private Sector				

Understanding the Political Architecture of a Nation

- Concentration of power at the centre vs. power dispersion and fragmentation
- Constitutional aspects of governance, i.e. the rules of the game and who makes the rules
- Political economy aspects of governance and distribution, i.e. who gets what and how.
- Mapping the power structure and identifying the key actors involved
- Addressing the drivers of change [DFID] and “binding constraints” (Roderick)
- Other political/power analytical tools

The Role of Key Actors

Broad political coalitions for pro-poor change that involve leaders from across society are needed to galvanise and sustain reforms and prevent reforms from being diverted, diluted, delayed, or reversed.

The State

- Primary public duty bearer
- Responsible to provide the enabling environment for all to prosper
 - » An enabling environment includes appropriate institutional frameworks that are equitable and accessible to all
 - » Also includes appropriate freedoms [Sen]
- For legal empowerment, the state has to provide the political and policy space for people's participation and has to agree to cede some power to organized community groups

The Role of Key Actors (contd.)

An approach worthy of the 21st century must recognize the immense contributions to change non state actors and civil society can bring.

Non State Actors – Private Businesses, NGOs, Academia, Grassroots, and Community Based Organisations

- Engage as participants in the decision making process
- Build representation for the poor with political institutions at global, national and local levels
- Support the poor for mobilisation and articulation
- Mobilise opinion for reform
- Audit the state's performance on all levels
- Faith-based organisations can play a unique and vital part in translating the moral imperatives of Legal Empowerment into concrete action.
- Set new international norms

The Role of Multilateral and Regional Organisations

Multilateral Organisations:

UNDP, World Bank, ILO, and UNHABITAT

Regional Political Organisations:

Organisation of American States (OAS), African Union (AU), and Association of South East Asian Nations (ASEAN)

Regional Development Banks:

African Development Bank, Asian Development Bank, European Bank for Reconstruction and Development, Inter-American Development Bank Group

Conclusions

- The nature of empowerment and legal empowerment and difference from legal reform and justice for the poor
- Based on an integration of human rights and markets and provides an operational perspective on HRAD
- Systemic analysis and holistic results frameworks are required , but implementation needs a pragmatic approach working with on the ground realities
- Making reforms work : guidelines , tools, roadmaps etc are available in Chapter 5 of Vol 2.