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The Real World of 'Community Empowerment' in International Development'

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Abstract

This paper examines 'community empowerment' in the context of international development policy and activity. Working from a policy studies perspective, it draws a link between debates around participatory policy analysis and 'deliberative democracy' in industrial, capitalist democracies (the 'North') and those around community empowerment interventions in developing countries (the 'South'). The paper notes the common sites of tension between individual agency and broader economic, political and social structures, and investigates the position of facilitating agents who, in the 'real world' of community empowerment (both North and South), attempt to balance these competing forces. In the North they tend to be local NGOs and policy units of social welfare bureaucracies; in the South they are most often official donors and international NGOs. In both cases questions arise over the legitimacy and capacity of these facilitators to inculcate empowerment. The argument in this paper is that the political distance between facilitators and local communities and the structural dimensions of disempowerment are far greater in the case of international development, and such questions are far more difficult to resolve. In order to dig further into the 'real world' of community empowerment, and determine whether or not international donors can actually inculcate empowerment in communities external to their own, this paper takes as

a case study the World Bank's own favoured example of community empowerment best practice: the Kecamatan Development Project in Indonesia,.

Introduction

Official foreign aid donors, along with development NGOs, have over the past decade dedicated increasing resources to projects and programs that claim to improve local communities' control over their own development. Often phrased as 'community empowerment', these initiatives at first blush appear to apply ideas around local participation and deliberation that are a timely corrective to the modernist excesses of much official development assistance. A recent arrival to the official aid donor lexicon, 'community empowerment' carries with it the promise of resolving legitimacy and effectiveness questions that continue to stain official donor activities. More critical readings argue, however, that donors wrongly claim participation and empowerment can be encouraged in an apolitical fashion. They also criticise donors, especially international development banks, for employing the same assumptions regarding the goals of 'development' and the nature of the state-economy-individual relationship that underpin their more established, neo-liberal policies (many of which helped cause community disempowerment in the first place). The primary argument here is that whatever value community empowerment might have as a development concept will be lost in its translation into donor policy and practice. (Cooke 2003; Bebbington, Lewis et al. 2007) The research question that therefore drives this paper is whether or not community empowerment is something that can be inculcated by outside providers of development assistance.

In this paper I first map out the competing definitions of community empowerment, noting important similarities and differences between current debates concerning

developing states and those occurring within developed, representative democracies. Having established a sense of the scope of the concept, I then focus on a key institutional example of its expression in development policy, the World Bank's Community Driven Development (CDD) model, as well as its flagship program, the Indonesian Kecamatan Development Project (KDP), and the critiques these Bank activities have attracted. The KDP and the CDD model are the products of an ongoing policy debate at the Bank over participatory development and empowerment. The fact CDD programs are receiving significant levels of funding from the Bank and partner governments (both donors and borrowers) is indicative of the direction this debate is taking.

The research data utilized here is drawn from key policy documents and relevant project evaluations of donor-instigated and funded community empowerment projects. A range of secondary analyses from other parties is also examined. The current paper is part of a more extensive qualitative research project comparing donor-funded community empowerment initiatives, something which, it is hoped, will begin to redress the current paucity of independent comparative assessment in this area.

Defining 'community empowerment'

Community empowerment is a concept that has both domestic and international resonance. In industrialised democracies it is integral to debates over the participation of citizens in the political and policy process. 'Community development' is a domestic policy process ideal that continues to have adherents, although its apogee appears, for now, to have been the growth in the 1970s of community-based legal services, housing and urban redevelopment cooperatives, and welfare and health services. An echo, if only that, of this spirit remains in more recent, government-funded 'communities of place' initiatives and policies that aim to redress "failures of the state and the market" in the delivery of social services. (Barraket 2002) These approaches are part of a broader set of suggested reforms to policy design and implementation processes that come under the heading of 'participatory policy analysis', and which are, in turn, grounded in deeper

deliberative democracy precepts and critical theories such as Habermas' on 'communicative action'.(Risse 2000) Those who push for wider, more inclusive policy deliberation argue that social choice theorists working from Arrow's impossibility theorem assume that individual preferences, that can never be perfectly aggregated, are pre-political, immutable and are only ever partially expressed in political action such as elections. Representative democracy, for example, is clearly an imperfect method of preference aggregation, but there are far less desirable modes of government, such as dictatorships. (Mackie 2006) This "least worst" argument in favour of representative democracy still allows considerable scope for power inequality. Those who seek to 'deepen' democracy, especially via improved policy deliberation, are in effect also seeking to rectify such inequality.(Gaventa 2006)

A deliberative approach accepts that elections are inevitable and desirable, but rejects the notion that social welfare preferences are pre-political. Deliberation, its proponents argue, is the political process whereby people's preferences are altered in the encounter with empirical evidence and alternative values and perceptions, and so move some way toward consensus. When elections occur after an initial deliberative process they come closer to reflecting true community preferences than would otherwise be the case. They will also be more directly democratic in that those are to be affected by specific policy decisions of representatives have been given an opportunity to engage in the policy formation process. Participatory policy analysis describes a set of models for practically applying these deliberative ideas. Issues conventions, citizens panels and juries, town hall meetings, and consensus conferences are just some of the activities that have been trialed.(Bingham, Nabatchi et al. 2005) More than the emergence of deliberation practices, what this debate in the 'North' highlights is that no settled meaning of empowerment, or democracy, has yet to be arrived at; it is all contested.

Community empowerment is no less contested in the context of international development; indeed, full empowerment implies that communities may even seek to reject the whole 'project' of development once they fully perceive its nature. On first viewing, however, community empowerment, as it is most commonly defined, appears to

be a sub-set of, or necessary precursor to, participatory development thinking and practice. The conceptual pedigree of participatory development stretches at least back to nineteenth-century critiques of colonialism, and possibly further to Rousseau-ian interpretations of the social contract.(Cowen and Shenton 1996) In its post-war development manifestation, participatory development has been opposed to modernisation and neo-liberal theories of development. One way this opposition can be characterised is by identifying each side's theorising of the relationship between individuals and development. Modernisation theory, for example, sees individuals as citizens with new representative democracies charged with the enterprise of capitalist state-building. More recently, neo-liberalism regards individuals as being both citizens and rational economic utility maximisers.(Easterly 2002; 2002^a) Both theories hold the same development goal of modern capitalist economies, states and societies, and both have occupied central places within official donor policy in the postwar period. Taken together, they are regarded as a 'hegemonic' vision of development.

Participatory development, and the notion of community empowerment that it encompasses, rightly belongs in the realm of counter-hegemonic theorising, even if it is a term that has been increasingly used by official donors. Its definition of the individual's relationship with development, that it is, its conception of individual agency, is marked by its counter-hegemonic theoretical history. Dependency theory in the late-1950s and 1960s represented the first major conceptual challenge to modernisation (although community development had been seen as important from an implementation perspective from the 1940s (Bhattacharyya 1972)). First, it characterised modernisation as justifying, and being a product of, exploitative structural inequalities in the global capitalist system that favour the industrialised North.(Petiteville 1998) Second, they saw individuals as being defined by their position in that capitalist system, in a way that echoed the tenets of post-colonialism. The economic, political, social, cultural and psychological foundations of an individual's self-identification were indelibly marked by where that individual sat in the North-South capitalist relationship.(Branson, Guerrero et al. 1998) Hence the emergence of 'subaltern classes' under colonialism; hence the presence of development elites within Southern states. Individual agency, here, is subordinated to structure.

It is over the question of structure and agency that differences between dependency theory and later versions of counter-hegemonic thinking emerged. The key political product of dependency theory was the state-based push for a New International Economic Order, which regarded empowerment as requiring reform of the global capitalist system, but implied that the position of individuals within that system was ostensibly as local victims of unjust global structures.(Bhagwati 1977; Makki 2004) Challenging those structures was the role of states – irrespective of the history of their formation and the nature of their governments – and not non-state collectives of individuals, be they communities or civil society organisations or any other grouping.

Radical development theorizing challenged this, and it did so by referring more explicitly to empowerment as justice, which it defined by reference to Marxist interpretations of emancipation. While radical development theories accept that power in the development context might well follow Lukes' first or second 'dimensions' (coercion and agenda control), they accentuated Lukes' 'third dimension' view (cooption), and so regarded empowerment as involving the awakening of populations to the real, adverse position in which they find themselves.(Lukes 1974) To know that they are disempowered is the key initial step to 'developing' populations beginning the process of re-defining the lives they wish to lead and their positions against capitalist systems and states. In this context, it is easy to see why early radical theorists defined the individual by reference to their class, that is, their position in relation to the international division of labour and modes of production.(Higgott 1983) Later theorists took a broader view of the individual and their place within communities, highlighting the leverage to individual agency gained by the emancipation of local communities, without losing sight of how the broader structural problems in the global economic system worked their way down to the local.(Leftwich 2005) In both cases a query remains over who instigates the emancipatory process: A revolutionary elite? Donors or NGOs acting as external catalysts? Radical development theories tended to privilege exogenous catalysts over endogenous ones.

Participatory development and community empowerment emerge most clearly in the aftermath of radical development theory. They argue that individuals in their local communities have a critical role to play in emancipating themselves. The political tension between individual agency and structure remains, naturally, but the balance is tipped more towards agency. The work of Sen and Nussbaum in defining development as improving the capability of individuals to be able to live the lives they choose approach is a key example of this.(Sen 1999; Nussbaum 2000) Individual agency impacts on structure via the exercise of freedom through some form of collective decision-making, preferably democracy. Sen's origins in economics and social choice theory are obvious here in that he conceptualises development policy formation as being a form of social welfare decision-making and implies that the same difficulties apply in aggregating the individual preferences of an entire community. Democracy as social choice is the necessary transformative element in Sen's conception of development, even though it need not follow western representative democracy models to the letter.(Sen 2005)

While the above discussion reveals the similarities regarding Northern and Southern debates over empowerment – both deal with like concerns regarding the position of individuals, usually as citizens, within policy formation processes – there is a critical distinction between the contexts within which transformation occurs. Democratic and social change in the North is assumed to be instigated endogenously; the same cannot be said of the South.

Taking the example of participatory policy analysis and the emerging movement for deliberative democracy in the North, political parties and NGOs/civil society organisations and even governments, or at least branches of their bureaucracies, are all engaging with citizens on these issues.(Bingham, Nabatchi et al. 2005) There are varying claims as to representation and legitimacy, and debates over the rational effectiveness of participatory policy models and the parameters of the state, but there is at least broad consensus on the right of the relevant actors to be involved. More extreme forms of political contest in respect of empowerment, for example, direct union action over

industrial rights, may test that broad agreement, but rarely go so far as to break it down or to ignite disputes around sovereignty.

By contrast, in the case of development in the South, external actors, namely donors, are prevalent, even though agreement on their right to participate in empowerment debates is, at best, fragile. One response to this are the liberalist calls for partnership and participation. Donors are invited in by states and through that are provided with a legitimate seat at the development table.(Goldin, Rogers et al. 2002) A more extreme response is the post-development criticism that ‘development’ is little more than a collection of Northern attempts to re-make the South in their own image; whether for reasons of capitalism or misguided liberal good intentions, development is unavoidably neo-colonial; the ‘seat at the table’ is bought through economic and political coercion.(Pieterse 2000; Nustad 2001) This represents a significant conundrum for donors. How can they have a role in instigating and supporting community empowerment if such instigation and support is inherently disempowering? It is certainly true that accusations of illegitimacy are never far away in debates on development. Southern governments accuse the North of paternalism. Northern donors, in their claims that there is a need to support good governance in order to prevent failed states and the threat of increased poverty, are in effect arguing that aid recipient governments act illegitimately. As with most development debates, there is some truth to all the accusations. Some Northern donors have acted in ways that could be described as neo-colonial; some Southern, or transitional state, governments have behaved corruptly and in a way that undermines the legitimacy of their claims to represent their populations.

There is no real resolution to this, but, from a policy studies perspective, that lack of resolution is not an excuse for inaction. All public policy, including development policy, must work from the assumption that, no matter how good the policy-makers intentions, there will only ever be sub-optimal solutions to policy problems. Theoretical purity is never achieved in our complex, multi-variate world – policy can therefore only ever ‘satisfice’, to borrow from Herbert Simon. It is therefore possible, if not theoretically pure, for external third parties to have a role in facilitating the relationship between

individuals and their communities and the state on specific issues. This does not assume third party intervention, or, indeed, deliberation itself, is appropriate in all cases, although the participation of all relevant stakeholders in development decision-making is held out as a good management technique, if nothing else, for minimizing the potential for post-development conflict over legitimacy. In relation to community empowerment, therefore, the question to answer is in what circumstances, and in what form, is external donor intervention appropriate? Are those circumstances ones where the external donor facilitates a mode of participatory or deliberative development policy making that leads to community empowerment that addresses both agency and structure?

The next section considers how the World Bank has taken the concept of ‘community empowerment’ and attempted to integrate it into their development policy and practice. The Bank’s largest, and most lauded, ‘community-driven development’ project, the KDP in Indonesia, is reviewed in order to get a sense of how the Bank’s approach, at its best, stands in relation to the questions posed above.

The World Bank: ‘Empowerment’ through Community-Driven Development

The majority of official donor agencies, including the World Bank, claim that the focus of their work is the achievement of the UN’s Millennium Development Goals (MDGs), set in 2000 and looking toward 2015. The last of the eight MDGs is to “develop a global partnership for development”. This has been taken by most donors as involving support for free trade (although the collapse of the Darfur Round of trade talks would suggest there are considerable limits on donors’ preparedness in this direction), pro-poor private sector development (usually focusing on small to medium enterprises as the path toward economic empowerment), improved donor coordination (something which is occurring through trust funds, joint operations and an increasing use of multilateral organisations), and more participatory policy and project cycles. (See (Development Co-Operation Directorate 2004; AusAID 2006; UK. Department for International Development 2006) It

is within this context that donors talk of ‘empowerment’; it is the means by which effective participation in development policy-making and implementation will occur.

The World Bank’s position on this bears close similarity to those of other donors. It has certainly taken on the language of empowerment. Its current mission statement quite clearly brings together the rhetoric of economic growth with that of empowerment and participation:

Our mission is to help developing countries and their people reach the goals by working with our partners to alleviate poverty. To do that we concentrate on building the climate for investment, jobs and sustainable growth, so that economies will grow, and by investing in and empowering poor people to participate in development. (World Bank web page www.wb.org/aboutus)

A commonly cited figure by Bank policy researchers is that the term “empowerment” now appears in the documentation of over 1,800 projects (Alsop and Heinsohn 2005: 5). If rhetoric were all, it would seem the Bank, and most other official donors, have transformed themselves over the past decade into organisations that have the resources of governments but the attitudes and policies of radical NGOs. Critics, of course, are not so generous, and argue that, for all of the talk of local empowerment and participation, the Bank also ensures that its initiatives remain aligned to the agency’s foundational belief in economic growth within the global capitalist system and its orientation toward implementation through managerialist instruments and systems.(Bebbington, Guggenheim et al. 2004; Moxham 2004; Rodrik 2006) Even managers within the Bank acknowledge that to embed more radical development concepts into Bank operations requires strategic adaptation of their core tenets.

The World Bank publicly declared its interest in the development implications of empowerment in its 2000/2001 World Development Report, “Attacking Poverty”.(World Bank 2000) Coming on the back of its shift toward the use of Participatory Poverty Appraisals and Poverty Reduction Strategy Papers in determining country programs

(noting that there has also been ongoing criticism by NGOs as to how participatory such processes are in practice (Action Aid International 2004)), this acknowledgement of the connection between powerlessness and poverty, and the accompanying investigation into the impact of Bank interventions on empowerment, signaled the rise of a new debate at the Bank, if nothing else.

Creating policy substance to back up the change in rhetoric falls to the Bank's policy researchers. Key programs in this regard have been the 'Voices of the Poor' initiative, conducted with the assistance of the Institute of Development Studies, University of Sussex in the early 2000s, resulting in an "Sourcebook" on empowerment and poverty reduction (Narayan 2002), and, more recently, research from an 'Empowerment unit' that has attempted to build a conceptual model of empowerment capable of finding support within the Bank's policy environment. (Alsop and Heinsohn 2005; Alsop, Bertelsen et al. 2006) It is from this work that the Bank's official definition of "empowerment" is derived, namely that "empowerment is the process of increasing the assets and capabilities of individuals or groups to make purposive choices and to transform those choices into desired actions and outcomes." (World Bank's 'Empowerment' web page at <http://go.worldbank.org/S9B3DNEZ00>)

A key Bank research report entitled "Empowerment in Practice" argues for the application of an 'Empowerment Framework' to guide project initiation and design choices in Bank programming. The determining principle here is a political one; a la Giddens, the report grounds its analysis in the argument that the existence and operation of power is defined through the relationship between agency and structure, or what the report calls "asset-based agency" and "institution-based opportunity structure". (Alsop, Bertelsen et al. 2006: 1) The degree and nature of an individual's and a community's empowerment is the product of the interaction between their personal capabilities and resources and the rules that bind them.

In its public material on this issue the Bank acknowledges that, in the past, its development policy has focused on changes to formal economic and governance systems

without paying sufficient attention to “citizens and those working at the community level”. In Bank economics-speak it phrases the relationship between citizens and the state as representing, respectively, the ‘demand-side’ and the ‘supply-side’ of governance. Improving the demand-side of governance at the local level requires, according to the Bank, four key activities: increasing access to information, designing mechanisms for inclusion and participation, creating effective accountability processes and improving local organizational capacity.(World Bank web page at <http://go.worldbank.org/WXKIV52RB0>)

Applying empowerment ideas in this way supports Mohan and Stokke’s (2000) argument that, when it comes to empowerment, official donors want the political contestation surgically removed. They also want to be able to show a clear causal linkage between local-level empowerment and poverty reduction – empowerment is, in their eyes, an essentially technocratic means to an end.(Mohan and Stokke 2000) A major report on the development ‘effectiveness’ of community-based and community-driven development Bank projects by the Operations Evaluation Department at the Bank finds that, while there is some evidence of improved poverty reduction (economically defined), it is variable and difficult to establish firmly because so few of those projects have been adequately evaluated, and most lacked appropriate baseline data surveys against which to compare change. Overall, however, the report found that community-oriented projects were marginally more likely to gain a “satisfactory” grading in Bank evaluations than non-community-oriented projects.(Operations Evaluation Department 2005) Looking more specifically at empowerment, Narayan makes the case that the presence of empowerment-related variables – voice, participation and civil liberties – had a robust correlation with satisfactory to strong economic outcomes. (Narayan 2002) On the other hand, both studies also indicated weaknesses in these Bank interventions, the most important being their apparent inability to effectively reach the poorest citizens (an issue that is returned to below).

These efforts to first come to grips with the political dimensions of empowerment and then render the concept into a strategic, managerialist ‘deliverable’, has to be placed into

the context of the Bank's overall policy process and operations. The Bank has multiple policy initiatives occurring at any one time, as well as significant levels of project/program evaluation and assessments of development effectiveness. For example, the work of the "empowerment team" exists alongside of other, related policy research into Community Driven Development, Social Capital, and the Civic Engagement, Empowerment and Respect for Diversity (CEERD). Contact with external expert "Communities of Practice" (service-oriented NGOs, UN agencies and academics) also takes place under these policy programs (see CEERD website <http://go.worldbank.org/XQSJCS2M20>). And there has also been a long history at the Bank of Community-Based Development projects, which, while not as intrinsically participatory as their 'Community-Driven' equivalents, or as prominent in the Bank's policy rhetoric, have at least focused on rectifying a range of capacity deficits within local communities.(Operations Evaluation Department 2005)

Given the governance and management structures of the Bank, as well as the incentive structures that drive lending practices (noting that the IBRD and the IDA have distinctive personalities on that score), there is no straightforward, rational application of policy learning to program design. And as analysis of program change at the Bank has shown, there is also significant structural and cultural inertia in the organization, ensuring that, when it comes to the dedication of resources to development interventions, it rarely strays far from its core faith in economic growth models and econometric analysis.(Bebbington, Guggenheim et al. 2004; Weaver and Leiteritz 2005)

In the contest to align policy rhetoric with program resources the winner has been the basket of social development ideas branded as Community Driven Development (CDD), within which politically-derived concepts of empowerment sit alongside rational-choice models of pro-poor economic development and neo-liberal interpretations of governance and government. While the bulk of the Bank's lending and grants programs continue to focus on infrastructure and capacity-building in national and local governments, there has been a significant growth in funding directed toward CDD initiatives. According to the Bank, from 2000 to 2005 the CDD "portfolio" grew "from approximately \$1 billion to

more than \$2 billion of annual investment, averaging about 10% of the Bank's portfolio”, with 120 projects now receiving CDD funding, either as the full complement or as component. Several Bank evaluations of these projects and programs have focused on how they might be “scaled-up” and replicated, as well as better integrated with country-based Poverty Reduction Strategies. (World Bank web page <http://go.worldbank.org/MEEZHOR5M0>)

Bank-funded programs specifically marked as “community-driven” have been established in a wide variety of countries, from Burkina Faso (Community Based Rural Development Program) to the Philippines (the KALAHY-CIDSS Community-Driven Development Project) to Turkey (the Eastern Anatolia Watershed Rehabilitation Project). (Operations Evaluation Department 2004; World Bank 2005; World Bank 2006). The largest, and most influential, has been the Kecamatan (rural sub-district) Development Project (KDP) in Indonesia, which runs alongside of, and shares some features with, the older Kampung (urban slum) Improvement Program, and has its roots in an earlier Indonesian Village Improvement Program. Begun in 1998, and now in its third phase, approximately USD1.6billion has been committed to the program by the World Bank, partner countries, trust funds (separate multilateral donor funding mechanisms in which the Bank has a management role), and the Government of Indonesia. The Bank holds the KDP up as Community-Driven Development “best practice”, and promotes both the intrinsic benefits of building the empowerment of the ‘beneficiary’ communities into the program’s operational framework and its wider anti-corruption effects.(World Bank and BRR 2005) It is on the basis of this perceived success that the KDP model has then been applied, with some modifications, to other projects and countries including the reconstruction program in Afghanistan, the KALAHY-CIDSS in the Philippines, the Community Empowerment Project in Timor Leste, and a KDP extension into the Indonesian province of Aceh following the 2004 tsunami disaster. It is as an exemplar of the Bank’s approach toward empowerment through CDD, and as a lightning rod for debate over that approach, that I now want to examine the KDP in greater detail.

The Bank presents the KDP as being process-focused rather than explicitly outcome-focused in respect of increased incomes and growth rates over the short term. It is a decentralised program model that provides direct block grants to Indonesian sub-districts (*kecamatan*), rather than funneling money through Indonesian government line agencies (with the accompanying threat of corrupt practice), and does so in response to requests made by those sub-districts. A broad range of activities are open to being funded – infrastructure and capacity-building (roads, water, health, education etcetera), community enterprises, and small-to-medium private enterprises, among others – so long as certain basic criteria have been met in the application process. A key criterion is that the project formulation begin at the hamlet or village level, where initial proposals are voted on by the community, with the preferred options then to be taken by an elected village delegation, which must include at least two women and one man, to the *kecamatan* level. Deliberations then occur within the *kecamatan* council – fora that pre-dated the KDP – the understanding being that funds are limited (grants to *kecamatan* from the central KDP fund vary from approximately USD50,000 to USD150,000) and not all village proposals will be supported. (World Bank 2002; Barron, Diprose et al. 2004) The decisions on funding are thus made in an open forum and are subjected to deliberation, they are not simply responding to a set of rules imposed by a donor management team. This process of formulation and deliberation can take up to six months. In the first phase of the KDP, the village projects were themselves only short activities, usually only a few months in duration; the size and scope of projects have expanded in subsequent phases of the program, with the full project cycle now being between 12 to 14 months. (Guggenheim, Wiranto et al. 2004) The program overall has also increased, from 25 villages in the 1997 pilot project to 34,200 in 2006, equating to just under 2,000 *kecamatan*. (Guggenheim 2004) A practice of communities themselves investing resources into projects has also emerged, and is counted as part of the Indonesian government's financial contribution, thus enabling further expansion of the program. (World Bank 2001; Guggenheim, Wiranto et al. 2004: 12, 16) In KDP III the provision of matching grants by the government became a central funding component. (World Bank 2005)

Appropriate, high-quality facilitation is essential for the effective operation of the KDP. Facilitators are required at village and *kecamatan* levels, as well as in more central, coordinative program roles. Local-level facilitators, depending on the position they fill, can be elected, nominated, or contracted. The majority will go through training programs managed by the core KDP secretariat.(Fang 2006)

In the first two phases of the KDP, technical facilitators, usually Indonesian nationals, were contracted in to manage financial administration. This management model meant that, while the Government of Indonesia, through its National Development Planning Agency (*Bappenas*) and the Community Development Agency of the Home Affairs Ministry, was, formally, the chief coordinator and manager of the program, and was incurring debt to the IBRD (as well as receiving no-interest IDA credit) on its behalf, much of the local Indonesian bureaucracy was effectively excluded from its operation.(Fang 2006) The desire to alter cultures of corruption in Indonesian government and communities was an explicit motivation behind the design of the KDP, and was one of the reasons why considerable ethnographic research was involved in the project's formation.(Guggenheim 2004) The program's guiding principles of competition (for village-level funding), and the development of local-level ownership and accountability through transparent deliberation and decision-making were direct products of the way in which concepts of social change were married with ethnographic research methods in pursuit of anti-corruption. Given the establishment of the program in the aftermath of the collapse of Suharto's New Order regime, and the extreme impact of the Asian financial crisis of 1997-1998 on Indonesia, the Government of Indonesia accepted this arrangement. In its current, third phase, however, the KDP now includes elements of local government capacity building and integration into the model. It is believed that the combination of deliberative fora, anonymous complaints mechanisms and training programs will entrench a non-corrupt bureaucratic culture.(Gibson and Woolcock 2005)

The Bank argues that the KDP represents 'best practice' for several reasons beyond the fact it has led to the construction of copious village-level infrastructure. A key one is that it has proven to be an effective, efficient model for timely and well-targeted funds

disbursement, something that has been aided by the simplicity of its design and decentralised financial management mechanisms, which ensure the block grants are sent directly to sub-district banks.(Edstrom 2002) Its 'modular' financial system enabled the program to be very quickly scaled up in response to the Asian economic crisis, and also extended in Bali follow the 2002 bombings and Aceh following the 2004 tsunami.

Evaluations of KDP I also found that there was evidence to support the claim that individual and village incomes were better in KDP regions than non-KDP areas, that residents were slightly happier with their access to social infrastructure such as health services, and that participation rates in development decision-making (as measured by attendance at relevant meetings and by awareness of project formulation processes) were higher. (World Bank web page at <http://lnweb18.worldbank.org/ESSD/sdvext.nsf/PrintFriendly/8BB5981F6987191485256DC9004FF5C0?Opendocument>) Those involved in the planning and management of the program argue that one of its great strengths was the fact it was rolled out in a phased manner. This was important in terms of building acceptance among the populations whose participation was essential to the project's operation, and it was also vital in ensuring the gradual acclimatisation of regional and local Indonesian bureaucrats to the demands of the KDP process, to the extent that they are now resource contributors and also important technical facilitators. Conversely, the use of contractors, especially during the first two phases of the program, meant that a greater array of expertise was able to be drawn upon than just the bureaucracy at a time when the KDP was still gaining acceptance by the bureaucrats.(Guggenheim, Wiranto et al. 2004: 2) Finally, there is some evidence that the anti-corruption goals of the program, and the transparent, deliberative processes that enabled them to be achieved, have taken root in the villages and *kecamatan* involved, to the extent that they are beginning to demand that all development projects they are connected with follow similar guidelines.(Malhotra 2003)

The Bank's evaluations, and the KDP managers, also acknowledge that there have been areas in which the program has been less successful. A significant element in the original KDP was the provision of micro-credit under a village revolving fund model, that, while

marginally effective from the perspective of improving incomes, was unable to achieve loan repayment rates at a sustainable level. The scheme was terminated at the end of KDP I. Guggenheim et.al. admitted, however, that a commensurate source of micro-credit has not filled that void, which has implications for local-level access to capital.

Another flaw in the program has been its difficulty in responding to development activities requiring recurrent funding. The most recent phase of the program hopes to overcome that failing. KDP III has been designed with greater financial and management input from the Government of Indonesia in mind, and provision has been made for joint planning between KDP structures and line agencies on sectoral issues such as health and education.(World Bank 2005: 3).

A final criticism that has emerged from some of the Bank-supported assessment, and one which matches the OED 2004 report referred to earlier, was the claim that, in practice, the poorest individuals and the poorest villages were excluded from effective participation in the program. This was most obvious in the application of the micro-credit scheme, which naturally favoured organisations and individuals who posed comparatively low credit risks, but was also raised as a problem in relation to the KDP's deliberation processes, which act, in effect, as conflict management tools in relation to development issues in villages.(World Bank 2002) Gibson and Woolcock argue that there are "high opportunity costs" associated with collaboration in these processes of the most marginalized groups, who have the least connection with dominant communication modes, especially under the inherently competitive decision-making system imposed by the KDP.(Gibson and Woolcock 2005)

The general thrust of Bank assessments of the KDP argue that it has built on ten years of practice with smaller community development projects before 1998, and has also actively learnt and incorporated lessons from implementing the three phases of the KDP since then, and so, while not perfect, has managed to bring together some more radical, participatory development ideas with the neo-liberal preferences and operational

managerialist realities of the Bank in a way that has, in total, proved beneficial to the Indonesian rural population.

Community-Driven Development and the KDP = Empowerment?

The World Bank's Community-Driven Development flagship, the Kecamatan Development Project, is an impressive thing. It says a great deal about the strategic nous of the managers from the Bank who took carriage of it in the 1990s, especially Scott Guggenheim, now Social Development Sector Coordinator for Indonesia, that they were able to broker such a major resource commitment from Bank management in Washington. In this they were assisted, as Guggenheim acknowledges, by fortuitous timing. The Asian financial crisis, the fall of Suharto, and the advent of greater democracy and decentralization in Indonesia were a set of exogenous factors that combined with an intelligent, evidence-based project design, built on previous Indonesian projects, to create a window of opportunity that was then exploited by, on the whole, good implementation management from Bank and the Indonesian government. (Guggenheim 2004) Compared with large, national infrastructure projects the Bank has previously been involved with such as the Narmada dam or the Chad-Cameroon pipeline, the KDP, with its devolved and deliberative policy processes, does, indeed, seem the acme of good, participatory development practice. But does it genuinely empower its participants? Does the Bank justify its presence in these communities?

The Bank and the KDP are directly challenged on the first of these questions by Li (2006), who, although acknowledging the ambitious scope of the project and the fact that it has, in the medium-term, materially benefited large numbers of Indonesian villages, queries the extent to which the communities involved have actually been empowered. The 'government' of the project is, she claims, essentially neo-liberal in its emphasis on incentives and managerialist process. Villagers exercised responsibility and engaged in deliberation, but they did so within a clear incentive and regulatory framework; there was no opportunity to challenge that framework, though complaints could be aired concerning

the probity of project facilitators and managers. Likewise, the project gave its participants 'voice', but only regarding the specific initiatives that were open to be funded, larger concerns centered on economic, political and social justice, both within Indonesia and globally, were not to be considered.(Li 2006)

The failure to engage with more comprehensive notions of justice is an ongoing criticism of the way official donors conceive empowerment and place it within social development and participation paradigms. It speaks to the current obsession of Western donors with 'the local' over the global, and their institutional wariness of getting involved in overly radical debates and activities. (Hickey and Mohan 2005) The focus on the local is, in part, a correction of earlier development policies which paid too little attention to the communities they were supposed to serve. It goes beyond that, however, and reveals something about the way Western donors construct their sense of legitimacy out of claims to technical expertise; policy and operational moves toward Community-Driven Development and away from blueprinted, structural adjustment programs applied in a 'top-down' manner do not substantially alter the substance of that justification. In encouraging empowerment via externally-conceived, participatory programs, which must then be 'sold' to local participants, donors take on the role of expert facilitators and managers. They work from the assumption they have a broader grasp than their local 'partners' of global development experience and the lessons it has taught, and is for that reason they are entitled to take a lead role in determining the frameworks within which empowerment through participation takes place. The KDP's successes and failures show that, when the World Bank is operating at its best, there is some justification for this attitude, but that it is only partial. The fact that the key goal of the KDP is to entrench community 'demand' for good governance and low levels of corruption, in a way that harks back to the 'political development' theorising of the 1960s, and that empowerment is the means to that end is a major reason why full success has not been achieved.

Having said that, it is understandable that donors are reluctant to engage directly with global or national issues of injustice under the banner of 'community empowerment'. Justice in relation to empowerment is not simply the province of global social

movements, there are always multiple layers of conflict within communities, most especially in relation to the position and actions of elites. The relationship of elites to marginalized citizens presents a complex picture, however, it does not necessarily take the form of coercion, and it problematizes the conceptual underpinnings of even the best of the Bank's Community-Driven Development projects. Dasgupta (2007) tackles the issue of elite capture in the Indonesian Urban Poverty Project, which instituted a participatory model along similar lines to the KDP, finding that in the communities studied that there were varying levels of genuine collective empowerment. He also found that in those communities where pre-project elites had captured the decision-making process there remained high levels of accountability to the needs of the poor, whereas in the community which had the "most evenly distributed" power agreement was reached to limit the access of the poorest citizens to resources. (Dasgupta and Beard 2007) This highlights that simple majoritarianism can be an outcome of deliberative decision-making, especially where there is little interaction with rational empirical evidence.

Barron, Diprose and Woolcock (2007) push this line of investigation further in their exploration of the connection between the elites and conflict in relation to the KDP. They note Indonesia's history of, sometimes violent, conflict between elites (local and national) and marginalized urban and rural communities over development initiatives, and test whether the KDP deliberative process has overcome the disparities in power in a way that has avoided, or ameliorated conflict. As with Dasgupta, their findings were ambiguous, but they suggested that the presence of elites who were prepared to resist changes to local power structures tended to lead to less successful KDP outcomes. On the positive side, however, they found that, while development-related conflict did not disappear in KDP areas, it "almost never" became violent – so the presence of deliberative fora did have an ameliorative effect. (Barron, Diprose et al. 2007: 18-20, 22) They authors of the study concluded that, while the KDP process was good at resolving local conflict related to the project itself, non-KDP related issues were rarely brought before its mechanisms and so it had little impact on broader conflict. They did argue, however, that the KDP had positive, indirect effects on the way in which communities

dealt with conflict, primarily through its inculcation of formal, open deliberation processes (Barron, Diprose et al. 2007: 23-26)

What these recent studies highlight is that, while the World Bank may wish to portray its CDD model in terms that attempt to place it outside of the realm of politics, and while it might see itself as an impartial, expert program facilitator, the issues that projects such as the KDP raise are inherently political. Whether a donor such as the Bank should be excluded from engaging in these political processes is a moot point. In the 'real world' of development policy, justification for Bank intervention on the basis of development effectiveness, rationally measured, waits on the arrival of more independent, longitudinal evidence from projects such as the KDP. The question over the legitimacy of the Bank's involvement remains similarly vague. There are legitimate roles for facilitators in community empowerment initiatives, but their motivations need to be clear, as does their own position in the local and international power structures. It is certainly open to be argued that an external donor who is not only working to facilitate the empowerment of the most marginalized at local levels, but is also critically reflecting on the international economic and political structures that help create sites of disempowerment, and then acts on that reflection, can claim it has a legitimate role in encouraging empowerment-related activities in developing countries. (Bebbington, Lewis et al. 2007) The experience of the KDP, jewel in the crown of the Bank's Community-Driven Development push, indicates that the World Bank has only gone some of the way to fulfilling those requirements.

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