

Empowerment and the Delivery of Public Services: A Note¹

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I. Introduction

It is widely recognized that the provision of basic services, such as clean water and sanitation, health care, and schooling, constitutes a basic human right and is an essential ingredient of economic development. Access to these basic services not only improves individual well-being but also serves as an input into aggregate economic activity and national output. Roads and telecommunication systems lower transaction costs and hence encourage trade and economic activity. The provision of health care and schooling increases the quality of human capital, which is an important input in today's knowledge-based economies. Access to publicly-provided (or publicly-financed) health and educational services of high quality is particularly important for the poor, as they do not have the purchasing power to buy these services from private markets (see Figure 1).

Due to the non-excludable and non-rival nature of public goods, however, competitive markets alone cannot guarantee the socially-optimal level. As public goods generate positive externalities, private providers will tend to mutually free-ride on the provision of others, resulting in a sub-optimal level of public goods provided. This market failure is the traditional argument for intervention: the state is needed to provide the socially-optimal level by equating marginal social benefit with marginal social cost.

The *World Development Report 2004* was one of the earliest reports by a multilateral organization to focus on the delivery of basic services. It concluded that "...

¹ This note draws heavily upon a recent Asian Development Bank policy report that the two authors completed: *Empowerment and Public Service Delivery in Developing Asia and the Pacific*, Asian Development Bank, Manila, May 2013.

social services fail for the poor,” and set a framework for public service delivery in terms of the short and long roads to accountability. More recently, a policy report entitled *Empowerment and Public Service Delivery in Developing Asia and the Pacific* concluded that even though many countries in developing Asia had made remarkable progress in expanding access to public services in recent decades, there were large disparities in access across the region and the quality of services was generally very poor. Overall, the ADB report concluded, delivery of public services in developing Asia had lagged significantly behind the region’s impressive economic growth.

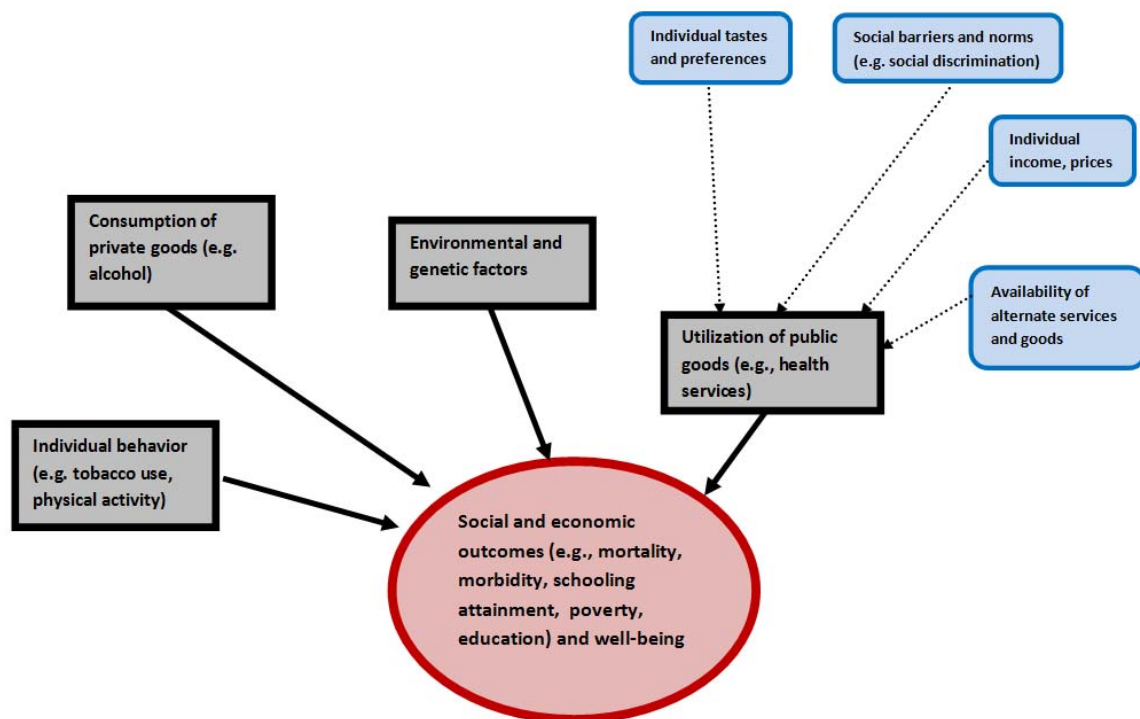


Figure 1: Public services and well being

The issue of service delivery has again risen to the forefront of the policy agenda in recent years with the mass protests and demonstrations in countries as diverse as Brazil, India and Turkey that were in large motivated by the poor quality of public

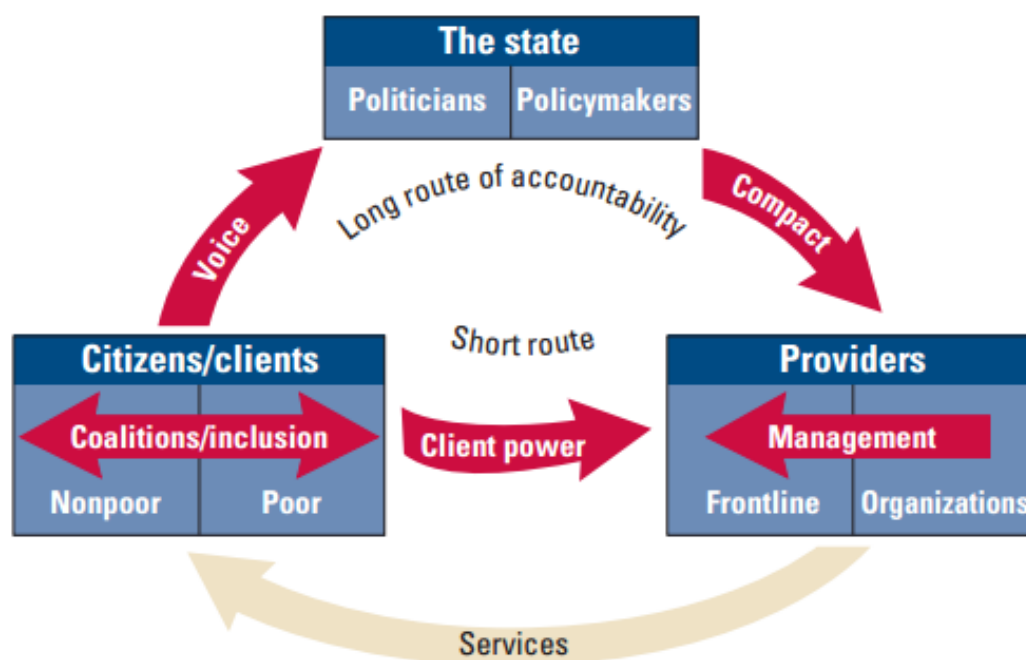
services. In Brazil, the protests were ostensibly over increases in public bus fares, but they reflected public dissatisfaction with large public outlays on preparations for the World Cup and the Olympics at the expense of basic public services, such as public transportation. In Turkey as well in recent months, the protests were in part motivated by the middle class' demand for better public services. In India, the mass demonstrations in 2011 were purportedly against public corruption – but against the kind of petty corruption that reduces the common man's access to public services.

II. What is Empowerment?

The concept of empowerment is based on Sen's capabilities approach (Sen 1993). Empowerment is the ability for individuals to freely choose – and fulfill – their capabilities, thus being effective agents of their own human development. The World Bank (2001) defines empowerment as "... the process of increasing the capacity of individuals or groups to make choices, and to transform those choices into desired actions and outcomes." Effective empowerment requires the establishment of spaces for citizen participation, through legal rights, governance frameworks, and institutional arrangements. It also requires capacity building and adequate resources dedicated to establishing citizen feedback and accountability mechanisms.

While there are many factors influencing the provision of high-quality public services, citizen empowerment plays an important role. The *World Development Report* (2004) offered the "accountability framework" shown in Figure 2 to trace the various channels through which public goods are delivered based on relations between citizens, clients and service providers. Citizen-clients voice their preferences about different public goods to the state. The state then aggregates these preferences and contracts providers to offer the services to the citizen-clients. The citizen-clients also have the possibility to influence the quality of services provided by directly exercising client power.

Figure 2: The “Accountability Framework” of the World Development Report (2004)



Like any framework, this approach has its shortcomings. For example, Levy and Walton question the framework’s two distinctive ways of governing public service provision – a performance--oriented top-down hierarchy with goals shaped by the overall political process, and participatory approaches which link clients and providers.² They argue that this bi-polar approach ignores the vast spaces in the middle where much of the politics of service provision plays out and note that this is where many opportunities for achieving gains in performance might be found.

Moreover, each of the stages shown in Figure 2 can be subject to substantial frictions. For instance, it is rarely the case that citizen-clients have a single voice. This gives rise to public choice problems, where heterogeneous groups (e.g. non-poor and poor) compete to make their different interests heard by policymakers. The problem is particularly severe in developing countries with high fractionalization along dimensions

² Brian Levy and Michael Walton, 2012, The Politics of Service Provision: a Methodological Note, mimeo.

such as ethnicity, religion or culture. The state may itself not act as a benevolent actor, and necessarily translate the voiced preferences of the citizen-clients into corresponding public policies (Acemoglu and Robinson 2005). In addition, contracted service providers may have very different interests from the clients and the state, further aggravating the principal-agent problem. Corruption by the service providers may reduce the effectiveness of the policies; since the actual quality of the service provision is difficult to monitor in remote and inaccessible areas, providers may shirk or decrease the quality of the services provided in those rural areas where the public goods are needed most.

III. How Does Empowerment Improve Public Services?

Public services can be viewed within a demand-supply framework. Citizens, communities and businesses tend to be the main “demanders” (consumers) of public services, while governments (typically local governments) and (government-contracted) NGOs are the “suppliers”. In normal markets (as in those for private goods), consumers hold considerable sway over suppliers, because they pay for goods and services with their own money. Suppliers who are not responsive to consumer needs and demands are vulnerable to sanctions from consumers. However, this responsiveness to consumer needs breaks down in the case of public services, since there are typically no user fees for these services and governments finance these services out of general revenues. So there is little incentive for providers to improve the quality of services they offer.

This is where empowerment comes in. Empowered citizens and communities can hold the state and service providers accountable for the delivery of basic quality services. Empowerment can be realized through many means: *rights-based entitlements*, in which the state offers citizens the right to information as well as the right to specific social services and basic necessities (such as food, employment, health, and basic education). These rights are legally-enforceable rights (often enshrined in national constitutions), and it therefore becomes a binding obligation of the state to ensure that eligible citizens

receive the information or the specific service being guaranteed. The legal framework sets out the specific roles and responsibilities of implementing authorities – line ministries, specialized agencies or service providers – as well as criteria for beneficiary eligibility and procedures for identification. While many countries provide the right to, say, free and compulsory basic education, safe drinking water and old-age pensions to their citizens, India has probably gone farther than most countries in enacting rights-based social service provision. It has guaranteed – and has often been taken up on these guarantees – the right to information, the right to education, the right to employment, and, more recently, the right to food (with the recent passage of the National Food Security Act). Of course, the mere guarantee of these rights without an adequate provision for these services in the budget is often meaningless, but there is some evidence to suggest that the rights to education and to employment have been taken up quite actively by citizens.

Participatory performance monitoring is another empowering mechanism by which citizens and communities monitor and evaluate the implementation and performance of public services, often according to indicators they themselves have selected, and then demand better performance from service providers. Some of the more commonly-used instruments for participatory performance monitoring are citizen report cards, score cards, and social audits. Citizen report cards enable service users to provide their perceptions and views of service delivery performance, outcomes and relevance. They provide service providers with feedback about the strengths and shortcomings in service delivery and offer an opportunity for remedial action. Social audits of public services are audits of service quality, social service budgets, and citizen access to services by citizen groups. Community score cards are similar, and rely heavily on the participation of community members in the assessment of service quality and performance and negotiating the findings with service providers.

Yet another mechanism of empowerment is *community participation and community-driven development*, where groups of users of services or entire communities

participate in the delivery of services, thereby controlling directly the quantity and quality of services provided. There has been extensive and growing use of this in many developing countries. There are two main modalities of participatory development: community-based development and local decentralization. A recent review of nearly 500 different studies on participatory development by Mansuri and Rao (2013) suggests that the key to success is the distinction between “organic” participation – viz., participation spurred by civic groups – and “induced” or mandated participation – viz., efforts to promote participation by the state. Further, the success of both types of participation is dependent on local capacity – the capacity for collective action.

IV. Empowerment Alone is Not Enough

While empowering citizens and communities can certainly increase the pressure on governments and service providers to be more accountable and transparent, it is unlikely to be sufficient in bringing about improved delivery of public services. For services to improve, the state apparatus – including local governments, the bureaucracy and public service providers – has to change the way it does its business and become more “user friendly”. In some countries, an administrative transformation has not always occurred despite increased activism by civil society. In these countries, the bureaucracy and service-delivery organizations have remained embedded in local patterns of political behavior. Civil society activism often presumes that public mobilization will mobilize the state to respond and reform. But for that to happen, practical issues of institutional redesign and realignment of incentives for service providers also need to be addressed. This may sometimes require far-reaching civil service reform, such as performance-based pay for civil servants and public service providers and allowing local communities to impose sanctions on civil servants assigned to public service provision in those communities (e.g., government school teachers or government health workers).

India is a good case in point to highlight the limits of empowerment. Citizen empowerment in the form of a robust democracy, in which the poor are active participants and provided legally-enforceable rights, participatory performance monitoring, and community-led development have been around for a long time in India, but they have clearly not been enough to guarantee the delivery of basic services. Despite a plethora of social assistance programs, India has lagged appallingly behind most other countries at its level of income (e.g., China, Indonesia, Sri Lanka, and now even Bangladesh) in delivering effective public services to the poor. What has been missing in India is a complementary transformation of the state – especially in the executive, and at the levels of the center, state and local administrations and agencies. It was only in the last decade when the Indian government vastly expanded provisioning of basic services – perhaps owing to the large expansion of budgetary resources that came with the economic growth and economic liberalization of the early 1990s – that citizen and community empowerment began to have a discernable impact on the quality of service delivery. Thus, citizen and community empowerment work only in the presence of governance reforms.

V. Concluding Thoughts

This brief overview highlights some important implications for policy. First, citizens' voice and empowerment can put pressure on the state and on public service providers to improve the delivery of public services (although it is not sufficient by itself). It is therefore important for governments to actively solicit citizen participation and citizen feedback in service delivery.

Second, citizens and communities can be empowered through a variety of mechanisms – rights-based entitlements, participatory performance monitoring (such as citizen report cards, community score cards, and social audits), and community participation and community-driven development.

Third, empowerment by itself is not enough in ensuring improved public services. Empowered citizens and communities – and an active civil society – can put pressure on the state to be more accountable and transparent, but unless there is an administrative transformation of the state, the state apparatus – including the bureaucracy, judiciary and service providers – is unlikely to yield to these pressures. For that to happen, practical issues of institutional redesign and realignment of incentives for service providers also need to be addressed. This may sometimes require far-reaching civil service reform, such as performance-based pay for civil servants and public service providers and allowing local communities to impose sanctions on civil servants assigned to public service provision in those communities (e.g., government school teachers or government health workers).