

Questions and Answers

Q: What is the Commission on Legal Empowerment of the Poor?

A: The Commission on Legal Empowerment of the Poor is the first global initiative to focus on the link between exclusion, poverty and the law. Launched by a group of developing and developed countries including Canada, Denmark, Egypt, Finland, Guatemala, Norway, Sweden, South Africa, Tanzania and the United Kingdom, it is an independent Commission that has been hosted by the United Nations Development Programme (UNDP) in New York.

Co-chaired by former U.S. Secretary of State Madeleine Albright and the Peruvian economist Hernando de Soto, it brings together eminent policymakers and practitioners from around the world. The full list of Commission members is at the opening of this report.

Legal empowerment is not about aid, but about helping poor people lift themselves out of poverty by working for policy and institutional reforms that expand their legal opportunities and protections.

Q: How did the Commission come to the number “4 billion” people excluded from the rule of law?

A: The Commission used accepted methods of statistical extrapolation. Studies conducted on the ground in 20 countries since 1998 at the request of the governments of Guatemala, Bolivia, Panama, Honduras, Argentina, Mexico, Haiti, Dominican Republic, El Salvador, Ecuador, Colombia, Peru, Tanzania, Egypt, Albania, The Philippines, Ethiopia, Georgia, Ghana, and Pakistan by the Institute for Liberty and Democracy (ILD). ILD conservatively estimated that between 79% and 90% of the urban and rural population were extralegal. The Commission then applied those results to the 179 developing countries of the world and the former Soviet nations according to the degree of development of their institutional framework and it was found that 85% of the population lived in extralegal areas. Given a population in these 179 countries of 4.9 billion, it was concluded that at least 4.1 billion live in extralegal areas.

Studies by a number of other organizations confirmed this figure. The International Labor Organization, in the 2002 edition of “*Key Indicators of the Labor Market*” estimated that – more than 70% of the workforce in developing countries operates in the informal economy. Taking into account the dependents of these workers, this means that at least 4.3 billion people rely on informal activities for their day-to-day subsistence in these countries.

Q: When the report says excluded from the rule of law what does it really mean?

A: Excluded from the rule of law means that those approximately 4 billion people live their lives without benefiting from the protections and the opportunities that the law can offer, without being able to use the laws and formal institutions that underpin the economy. They live in the informal systems of the world and are unable to use the laws of their country to protect their assets, the business they operate or are unable to benefit

from international labour standards and a functional property rights system.

Q: How does the Legal Empowerment agenda affect the Millennium Development Goals?

A: The Commission believes poverty is man-made, by action and inaction, a failure of public policies and of markets. The Report identified that in rich countries people are more likely to enjoy access to justice and other rights – as workers, businesspeople and owners of property. While the same protections and instruments exist in many developing countries, the overwhelming majority of residents have no way to access them. The Commission feels that by expanding legal protection to include everyone, poor people will be in a better able to lift themselves from poverty. As such, legal empowerment is not a substitute for the MDG agenda and the quest to eradicate poverty; rather, it enriches these efforts with tools and approaches that attack deep and structural causes of poverty and exclusion. An internationally scaled-up effort to meet the MDGs coupled with real commitment to legal empowerment can constitute a powerful and dynamic agenda for an accelerated assault on global poverty, between now and 2015 as well as beyond.

Q: Numerous governmental, non-governmental and multilateral organizations are already working to alleviate poverty worldwide. How is this Commission different?

A: The problems associated with the exclusion of the poor from the rule of law are complex, and there is no “silver bullet.” As such, multiple approaches exist and several organisations are combating these challenges to the human condition.

The Commission on the Legal Empowerment of the Poor has approached the issue of global poverty from a unique perspective: the link between poverty and the inability of the poor to access acceptable, legal structures to protect economic assets and support economic activities. Legal Empowerment’s findings are not designed to replace existing efforts but rather to complement the efforts of other organizations.

Q: Now that the report has been issued what are the next steps to implement the findings?

A: First, the Commission is seeking to publicize the findings of the report. This includes launches in different regions around the world including Africa, Asia, Europe and the Americas. Each launch is designed to start the process of engaging civil society, religious groups, academics and researchers, development practitioners and government official about the content of this report and the vital issues associated with the of legal empowerment of the poor.

Once the Commission’s findings have been widely circulated we will start to examine how to integrate the key recommendations of this report into all aspects of existing development work. The Legal Empowerment agenda must be integrated as a core concern of global multilateral agencies such as the World Bank, UNDP, ILO, FAO and UN HABITAT. In their distinctive ways, these agencies can influence how governments establish and implement the rules that define economic and social protections and opportunities.

Q: What input did you get from people in developing countries?

A: The Commission on Legal Empowerment of the Poor drew from lessons learned during the National Consultations it held in 22 countries worldwide. The process was designed to ensure that policy recommendations were grounded in local experience and would build national and regional ownership of the legal empowerment recommendations and agenda. This process fostered a dialogue between stakeholders and featured the participation of local academics, NGOs, senior government officials and other relevant actors. Drawing from lessons learned during the National Consultation process, the legal empowerment agenda can be seen as a tool for supplementing the existing efforts initiated by multi-lateral organizations, local and regional governments and civil society.

Q: Is there a clear link between poverty and the informal economy?

A: Yes, in the developed world, there is a large formal sector and a small informal sector. The reverse is true in poor countries: there is a small formal sector and a large informal sector. The majority of the economic transactions in the developing world are done outside an officially recognized legal system.

Q: What impact would legal empowerment for the poor have on the present food crisis?

A: There are many reasons for the recent global escalation in food prices and the groups most affected by the crisis are the poor and the vulnerable. The Commission's members believe that in order to reduce long-term vulnerability, legal empowerment of the poor is vital. Studies in Latin America, Asia and Africa show that by providing legal recognition and asset security to the poor can lead to increased productivity. Only when the poor have legal protection for their property, security of tenure and access to affordable credit will they make the necessary investments for increased growth and productivity.

Q: What is the link between poverty and the rule of law?

A: Billions of people worldwide, particularly in developing countries, lack legal protection of their economic assets and transactions. Securing the right to property for individuals and securing the right of local communities to manage and use land and natural resources according to their needs and priorities can be key catalysts for improving livelihoods and stimulating economic development for and by the poor. Legal inclusion is essential for people living in poverty -- in what economists refer to as the "informal sector" -- to protect them against oppression, create economic opportunities, and enable them to benefit from functional laws.

Q: What has been the role of the UNDP in the developing of this report? And what will be its role moving forward?

A: The Commission on Legal Empowerment of the Poor is an independent commission. United Nations Development Programme (UNDP) has served as host to the Commission on Legal Empowerment of the Poor.

The Commission calls on UNDP to establish and lead a global steering committee to ensure broad ownership and follow-up of the Legal Empowerment agenda. Empowerment of the poor must become a core mission for regional political organizations, regional banks and regional United Nations institutions. These organizations can work closely with national leaders both to assist governments engaged in reform and to exert a normative influence on governments less willing to embrace reform.

Q: What is the role of civil society in the Legal Empowerment of the Poor?

A: Civil Society and community based organizations, can contribute by connecting the poor to political institutions at every level, advocating better representation for the poor, organizing support for reform agendas, and serving as independent auditors of the political system.

Q: Does the Commission's report speak to issues of good governance?

A: Yes, good governance – in the form of institutions that establish a predictable, impartial, and consistently enforced set of rules – is crucial for achieving a more just, a more prosperous, and a more sustainable society.

The exclusion of the poor from the rule of law, has the effect of undermining public trust in formal institutions and the legitimacy of the government. The Commission feels that when legal protection is extended to all citizens, then more members of the society develop a stake in the maintenance of a peaceful social order and the stability of the local government. Increasing each citizen's stake in the greater good of the society is at the heart of effective and successful governance.

Q: Does the report address the needs of Women?

A: Yes, in most developing countries poverty has a gender dimension, and Legal Empowerment can help drive gender equality. Women are particularly likely to be excluded from the rule of law. In addition, informal and traditional norms and institutions often discriminate women.

Within the area of labour rights, the challenge is to ensure that ILO labour standards, which promote equality of opportunity and treatment, are effectively extended to the informal sector. Additionally, within the context of property rights, it is essential that nations develop laws that don't exclude women, but works to include and protect them. Much of the misery in the developing world is due to statutory and customary property systems, which disenfranchise women. Women often face barriers to owning, using, transferring or inheriting property. These realities leave women increasingly vulnerable to abuse and exploitation.

Since women constitute a disproportionate number of the poor, including and protecting the needs of women is essential in the advancement of the Legal Empowerment agenda.

Q: Does the report address the needs of indigenous peoples?

A: Yes, indigenous peoples comprise a disproportionate number of the worlds poor, for this reason addressing the structures that exclude them from the rule of law is an important element of the Commission's work.

Indigenous peoples have been forced into informal work by the loss of their traditional lands, relocation without compensation and other impositions upon their traditional systems. The Commission believes that legal empowerment must include the recognition of a variety of land tenures, including customary rights, indigenous peoples' rights and group rights.

Q: What is the role of the religious and faith based community, in championing the Legal Empowerment agenda?

A: Religious communities and indigenous spiritual traditions can play a unique and vital part in translating the moral imperatives of Legal Empowerment into concrete action. As was articulated during a commissions meeting with members of the faith-based community, "religious leaders have the trust of the people." In a world where the poor have developed skepticism for politicians and their promises, this "trust" can be invaluable in championing the needs of some of the most vulnerable citizens of the planet.