
Public-Private Partnerships (PPPs\textsuperscript{1}) represent a public policy tool which has been increasingly popular in developed countries and, as with many other economic policy instruments originated there, has been adopted by developing countries in response to pressures from multilateral and bilateral agencies (Ahmed & Ali 2004, Jamali 2004). Nowadays, the concept of PPPs has been increasingly used as a rhetoric scheme in order to rename public-private mixed enterprises—a model that is not that new or innovative—formerly recognized as ‘privatization’ or ‘corporatization’ (Wettenhall 2003). Privatizations in the form of concessions in the areas of basic public services are increasingly affecting the poorest segments of society (Barja & Urquiola, 2001). Doubtful experiences of concessions that usually involve transnational corporations (TNCs) have made the concept of PPPs more appropriate in cases where private companies take over public services. In the past few years, PPPs that include civil society and/or communities have been recognized as actually improving service provision for the poor also where international operators provide basic services (Franceys & Weitz, 2003). The current focus of the development community on the Millennium Development Goals (MDGs) and poverty reduction has directed the spotlight towards the poor groups of society; not only as beneficiaries but also as active actors in the development process.

This paper contributes with an analysis of the inclusion and participation of marginalized groups in a PPP in the city of David in the Republic of Panama. Is it possible for marginalized groups of society to participate and become empowered through a PPP project? Are partnerships arrangements where \textit{all} actors benefit? Does this include socially excluded or marginalized groups? Even though the partnership started with the specific development objective of improving the service of solid waste management (SWM) for the city, the process conducted the poor groups to develop organizational, negotiation and action-taking capabilities. The PPP gave them the opportunity to voice their necessities, struggles and meanings, not only to politicians but also to the other members of civil society. Two types of

\textsuperscript{1} In this paper PPPs will be defined as the voluntary cooperation between public and private actors, including civil society and communities, with the purpose of coordinating and pooling organizational, technical and financial resources in order to achieve basic public services.
relationships evolved from the interactions in workshops and meetings: a) identification with other members of the partnership which have similar needs and opinions and b) networking relationships with other members of society, the private sector and state/municipality officials. Even though the political and societal elites do not see scavengers and illegal settlers as equals, the two marginalized groups have realized that their participation in the project was important as members of society. This perception contributed to a better self-image and recognition of their rights as citizens, which triggered their desire to organize as a group and to achieve collective action. However, this process of agency was obstructed by the structures represented in the local political institutions.

The case depicted in this paper is based on a PPP formed during 2004 sponsored by UNDP Panama. It is a tripartite partnership with actors from the public sector, the private sector and civil society (including formalized and informal groups—scavengers and illegal settlers). At the time of the last interviews in August 2005, the partnership was still ongoing and waiting for financial resources to continue. PPPs are highly complicated arrangements that require time to develop. In the case of basic public services, PPPs are not only a way to achieve material benefits in the form of service provision for the poorest groups of society. The process of participation and inclusion of these groups along with the perception of being accepted as a part of society, can contribute to intangible benefits at internal (confidence, self-worth), organizational (collective action in the same group and with other marginalized groups) and social levels (networking and interaction with other non-poor groups of society).

This paper initiates with a review of the origin of PPPs and the ambiguity of the term ‘partnership’. It continues with the theoretical considerations of participation and power applied to marginal groups and related to the concept of empowerment. For this analysis an agency-structure approach is considered in order to shed light into the interactions of marginalized groups with other actors participating in PPPs and how the role of structures furthers or inhibits popular agency. The case examines the situation of illegal settlers and scavengers (pepenedores) in the city of David and the process of inclusion of these groups in the PPP. Finally the empowerment of these groups is analyzed in relation to the theoretical framework.

The case is based on secondary data sources such as newspaper articles, mission reports, concept notes and workshop documents available from 2004 to 2006. Primary sources include bilateral interviews with all actors, conversations during workshops and visits, focus group interviews with recycling workers and illegal settlers, and direct observation in the landfill and the informal settlements in April and August 2005.
What does partnership mean?

The United Nations calls partnerships with business and civil society ‘A new growth industry’ (Witte & Reinicke 2005). While Danida (2004) argues that partnerships lead to better contributions to sustainable development and poverty reduction than to what single actors can achieve alone. Mohiddin (1998) proposes a definition of partnership as the ‘...highest stage of working relationship between different people brought together by commitment to common objectives, bonded by long experience of working together, and sustained by subscription to common visions.’ According to Fowler (2000), the concept of partnership has the ensuing characteristics: “…long term, shared responsibility, reciprocal obligation, equality, mutuality and balance of power”. Furthermore, Mohiddin (1998) adds the terms “…trust, respect and ownership”, while Brinkerhoff (1999) adds the expressions “equality of decision making and mutual influence”. Another important concept is ‘mutuality’ which refers to the “…influence that can be exercised over policy issues and management decisions and in relation to determining the lines of accountability” (Hauck and Land 2000). However, these positive definitions contain a severe handicap for the political status of the partners. Martens’ (2003) study concludes that the equal status of the actors involved in partnerships “implicitly downgrades the role of governments …and upgrades the (political) status of private actors, in particular of the transnational corporations involved in these cooperation models”.

Terminology bias

Common objectives and visions are at the core of public-private partnerships. However, that means that all the actors need to agree with this common goal. Every partner has its own agenda: the private companies aim for profits, the local government officials have a political interest, while each member of civil society has a certain area urged to be addressed (Coulson, 2005). Not only requires long-term relations to achieve successful partnerships, the terms ‘balance of power’, ‘equality’ or ‘equality of decision making and mutual influence’ do not match PPPs where local governments, the private sector and civil society or communities—both formal and informal groups—participate. In this case, marginalized groups such as residents of illegal settlements or scavengers are rarely considered equal due to their illegal or informal status as perceived by society. Even in the ranks of civil society most groups are well-established organizations lead by highly educated professionals or academics. This in contrast to informal waste pickers who have their workplace in city dumps.
or landfills or illegal settlers who live in primitive shacks struggling for land tenure and connection to basic services that the other members of society take for granted. They are not organized and do not have the bargaining power other groups of society—such as trade unions—have achieved.

In the case of mutuality, it is a great challenge for weaker members in a partnership to influence policy issues or management decisions, and the concepts of accountability or transparency are many times ignored by municipal officials in developing countries. Corruption and rent-seeking behavior is widespread and all parts of society are aware of it. This awareness has also played a part in the broad sentiment of distrust toward public servants, especially in connection to the political context, hence contributing to erode the conceptions of trust and respect aforementioned by Mohiddin. This is actually one of the main hurdles to PPPs in developing countries. Researchers in North-South cooperation (Fowler 2000; Saxby 1999) have consequently recommended other terms to replace the intrinsic bias of the expression ‘partnership’. Wettenhall (2003, p. 88) prefers the term ‘mix’ or ‘alliance’ which is the term adopted in the Spanish translation to PPPs: Alianzas Público Privadas (APPs).

Why PPPs emerged?
In the 1980s PPPs were an acronym used in reference to urban development projects in the United States and the United Kingdom. In the 1990s, the lack of financial resources available to provide services to the population brought PPPs as an alternative method to accomplish this goal (Greve 2005). In developing countries, PPPs were embraced due to the lack of capacity of local governments to provide most basic services—such as water, electricity, transport, sanitation, solid waste management, primary health care and education. The rationale behind the traditional form of PPPs is that private companies can bring an advantage in terms of access to financial resources, knowledge of technologies, managerial efficiency and entrepreneurial spirit, while the public sector brings their local knowledge, social responsibility and environmental awareness; and conjunctly collaborate towards a common goal (Kumar & Jayasankar 2004).

Recent studies of PPPs or Private Sector Participation (PSP) in solid waste management—and other basic services such as water and sanitation—in developing countries have concentrated in the technical (Kaseva & Mbuligwe 2005), financial/contractual (Massoud et al. 2003) and economical aspects, including employment issues (ILO 2001, Bakker et al.
2000). Theoretical considerations of SWM and PPPs have also been analyzed (Ahmed & Ali 2004). UNDP (1999, 2000) was one of the first organizations to consider the consequences of PPPs in poor communities and groups of society and defines PPPs as a broad variety of possible relationships between the public and the private sectors for a cooperative provision of infrastructure services (UNDP 1999). The consequences of urbanization in developing countries and service provision for the poor has also been researched (Blore 1999), more specifically in the areas of water and sanitation (Sohail 2002a, 2002b). Although participation of civil society and communities is a key success factor for PPPs, researchers have recognized that governmental capabilities to collaborate with civil society—and with the private sector as well—at local level can become a major hurdle. One of the major obstacles for PPPs that include informal groups of society is the reluctance of local municipality officials to collaborate and recognize these groups (Baud et al. 2001).

**Participation and power**

Participation is one of the most influential terms in development cooperation, despite the blurriness of the concept (Mikkelsen 2005). Participation has increasingly been recognized as a policy instrument that has evolved from the project and program level to the area of advocacy (Cornwall 2002). Moreover, Botes & van Rensburg (2000) have also analyzed community participation in relation to social and power structures. Additionally, Mosedale (2005) has discussed the empowerment of women and power relations. Mosse (2003, 2005) has also explored the concept of power and public institutions. Nelson & Wright (1995) refer to a definition of participation that originates from a research study commissioned by the World Bank. Participation was defined as “a process through which stakeholders influence and share control over development initiatives, decisions and resources which affect them” (Nelson & Wright 1995, p. 5). An addendum made by non-Bank participants included the goal of participation as “to reach and engage primary stakeholders in ways that were transformational, not instrumental”. In this context the term ‘transformation’ refers to make communities decide on their own priorities while ‘instrumental’ means to get the people to buy into donor’s projects. Concomitantly, the poor and the excluded are given the status of primary stakeholders.

Nelson & Wright (1995) argue that the participation and empowerment discourse really is about power. The new rhetoric of ‘empowering the poor’ actually means a shift of power from those who traditionally have had monopoly of it, to the weaker groups of society. The
authors distinguish three de-centered models of power. The ‘power to’ model suggests that power can grow with the condition that the individual works at it and it will not necessarily affect negatively other people. Hartsock (1990) sustains that power is not a personal attribute, but a generative process in which people can develop capacities and knowledge in a collective way. Furthermore, power is present in multiple and heterogeneous social relations. In these relations people seek to find ‘more spaces of control’ (Giddens 1984), which will allow them to develop confidence and to change attitudes and behaviors that can alter power discrepancies in the relationships. Rowlands (1992) distinguishes three levels in this process of empowerment: a) the personal level where individuals develop confidence and abilities and break out of the effects of internalized oppression; b) people then go further and develop the ability to negotiate and influence close relationships; and c) then people recognize that collective work will reward in a greater impact than if they worked alone.

The second model ‘power over’ is a continuum of the third level described above. It means to gain access to the political decision-making sphere—e.g. local or central governments, even donors and international development organizations. “The challenge is for the marginalized group to gain treatment as equal partners in a process of development from people in such institutions, so that they have long-term access to resources and decision-making” (Nelson and Wright 1995, p. 9).

The third model is proposed by Ferguson (1990) following the ideas of Foucault. It means that power is subject-less i.e. not exercised by a person or institution, and is a mechanism comprised by discourse, institutions, actors and a flow of events. He sustains that even bureaucrats and development researchers are also part of this system. He also suggests that there is a hidden logic of forming ‘distant clusters’ of power that have the purpose of undermining the resistance of marginalized groups. Rowlands (1992, p. 52) support this argument as she questions that empowerment can depart from those who have ‘power over’ if “any notion of empowerment being given by one group to another hides an attempt to keep control”.

Eyben (2005) adds the models of ‘power with’ and ‘power within’ to this context. These are based in feminism and social movements and are distinguished by the group of subordinates that question the way of the world but have not organized in a strategic way for dread of the consequences. This group of people will try to gain support from others to develop a new way of understanding, or ‘frameworks of meaning’. “Power with is a term that describes
common ground among different interests and the building of collective strength through organization and the development of shared values and strategies.” Eyben (2005, p. 22). The concept of ‘power within’ originated in Freirian principles³ and is related to the individual’s self-worth and sense of identity that determine the power to organize in a collectivity.

At this point in the levels of achieving empowerment it is recognizable that communities as a collectivity can gain ‘power over’ and develop ‘power to’, this empowerment can lead to the expansion of capabilities, capacities, recognition, inclusion and participation in decision-making processes. However, considering Nelson and Wright’s (1995, p. 9) suggestion that ‘power over’ is found as a “finite amount in a closed system”—a zero-sum—then those who gain more power, will do it at the expense of those who have had monopoly control of power, i.e. political and social elites. Chambers (1995, p. 33) also acknowledges this point as he points out the consequences of participation: “as an empowering process implies loss of control and proliferation of local diversity. The powerful are threatened with loss of power”.

Curtis (1995, p. 115-20) argues that power is increasingly moving to the people because the state has failed in delivering services and development. He has studied how communities organize in specific arrangements that resemble local institutional solutions to problems which have hitherto been perceived as the responsibility of the state. This is due to the low expectations from inhabitants that the state will actually deliver services or infrastructure.

Hickey and Mohan (2004, p. 10-1) argue that participatory approaches cannot achieve the necessary relevance unless they engage with the underlying processes of socio-economic and political change that actually shape the livelihoods of marginalized and poor people. For them is primordial to conduct an analysis of what makes participation difficult for marginal groups in the aspects of state formation, social stratification and political economy. Consequently, for Hickey and Mohan (2004, p. 13) “the proper objective of participation is to ensure the ‘transformation’ of existing development practice and more radically, the social relations, institutional practices and capacity gaps which cause social exclusion”.

In this context the meaning of transformation is related to power. Williams (2004) sustains that transformation do not only means the turnaround of power relations, but the level of bargaining power of the poor within these relations. Participatory approaches can help the

³ Paulo Freire wrote the ‘Pedagogy of the Oppressed’, where he argues that the weariness and ignorance of the poor are a direct outcome of domination at the economic, social and political levels. He argues that this ‘culture of silence’ can be overthrown by education and knowledge that can provoke an upgrading of their self awareness and proclaim the right of voice (Freire 1990).
poor to develop the political capabilities so they can enhance their room for maneuver within local power relations. Masaki (2004, pp. 36-7) supports this viewpoint as he states that “the potential for a ‘transformative’ evolution of ‘participatory’ activities is inherent in the daily flow of social interactions” then it is necessary to pay attention at the micro-level practices of local actors—both super ordnates and subordinates—over time. Power dynamics at this level can provoke that power relations become renegotiated and even modified. Consequently, it is important to comprehend popular agency as immanent social force. He challenges mainstream development practices by arguing that the tendency of researchers to take the side of marginal groups of society only overstates the conventional view of power as an oppressive force. These practices tend to ignore “the fluid, multi-faceted and often fragmented nature of individuals’ identities and enforce the polarized perception of those who have power and those who do not” Masaki (2004, p. 37). Thus, popular agency can have a molding effect on the prevailing social or political structures of society.

Empowerment, Agency and Structure

According to Alsop & Heinsohn (2005, p. 5) empowerment means “enhancing an individual’s or group’s capacity to make choices and transform those choices into desired actions and outcomes”. This transformation of choices into actions or effective choices is influenced by the factors of agency and opportunity structure. Agency refers to the actor’s ability to make meaningful choices, i.e. to envisage options and make a choice. Whereas the opportunity structure is formed by the informal or formal contexts in which the actors function. In Alsop & Heinsohn’s study, asset endowments are used as indicators of agency, these assets can be psychological, informational, organizational, material, social, financial or human. Assets are not easily isolated and they affect the endowment of other assets. This interrelation of assets contributes in the end to the individual or group capacity to make meaningful choices. The concepts of agency and opportunity structure are also applied by Eyben (2005) as episodic agency and dispositional arrangements respectively. A third level known as the overall system or systemic forces constantly shapes the underlying structures. She argues that every time A gets to do B what A wants, A achieves a desired outcome but at the same time confirms “the dispositional arrangements of the game and reinforce(s) and maintain(s) the overall system” (Eyben 2005, p. 23). Accordingly:

Clegg argues, (that) changes in power relations can and do take place. They occur by collective agency, such as social movements, ‘outflanking’ dispositional arrangements through networks and alliances that take advantage of points of instability (Clegg in Eyben 2005, p. 24).
For Nelson & Wright (1995, p. 6), empowerment starts with a society where the different actors try to pursue their own different interest by bargaining with each other in a space of interaction. The challenge is to find a way in which these different parties can come into contact, and to change the attitudes and behavior of those who are used to dominate, and to give the primary stakeholders a chance of voicing their opinions to the world. However, it not only requires a transformation of behaviors, but also a structural transformation. This structural transformation can also be interpreted as the decentralization process mentioned by Osmani (2000, p. 24). He affirms that even if central governments resist decentralization, the correspondence of politics at national and local level is not necessarily accurate, and that some degree of participation at local level can be achieved regardless of national polity. However, it requires that local groups of civil society and especially the poor can empower themselves. The desired up-scaling can take off if the empowerment process can impinge upon national levels and that politicians at the center react and respond to the needs and voices of the poor.

Political Structure in Panama

Panama is a democratic republic divided into nine provinces, which are formed of a total of seventy-five districts with municipal status (BID 2003). Panama has historically been a highly centralized government system. The Constitutions of 1941 and 1972 have rigorously restricted municipal autonomy, defining the tasks of local governments as essentially administrative. This Constitutional law has overridden the Ley sobre Régimen Municipal of 1973 that grants political autonomy to municipalities. This municipal code authorized municipalities to carry out a variety of functions including public works, public utility services, health and welfare services, planning and urban development, education, street cleaning and the formulation of local development policies. However, all these activities can only be carried out in collaboration with the Ministry of Planning. Lack of funds and trained personnel prevents local government from performing these assigned functions. Central government provides almost all basic services such as water and sanitation, health and education, low-income housing planning and implementation, maintenance of roads and highways (Nickson 1995, 221-5). The only public services that have been privatized in the country are telecommunications and electricity and solid waste management in some districts.

Governors are appointed by the president of the republic but have very limited influence on the municipalities under their jurisdiction area. Mayors were first elected democratically in
1994, before that they were effectively appointed by the president of the republic. Panamanian local government has been described as a ‘weak mayor’ system in which the council holds considerable power. At the sub-municipal level, Panama has a countrywide system of citizen participation that is unique to Latin America. However, this system is also contentious and has been widely criticized as a means of political control and patronage. The system is formed by 588 corregimientos or electoral wards and by neighborhood based administrative units known as corregidurías. The corregimiento is headed by the elected representante (councilor), while the corregiduría is headed by a local representative known as corregidor who is appointed by the mayor with the basic duties of law and order. The junta comunal (community board) is formed by the representante, five local citizens appointed by him, and the corregidor (Nickson 1995, 221-5).

Solid Waste Management (SWM) and the situation in David

Municipal SWM is a major responsibility of local governments that usually occupies between 20% and 50% of municipal budgets in developing countries. SWM is a complex task that requires organization and cooperation between households, communities, private companies and municipal officials (Schübeler 1996). According to Arroyo et al. (1997) SWM is the integral management—with an environmental sense—of solid waste generated by the population. SWM involves the following activities: urban cleaning, waste recovery (at source, during transportation, in the streets and at final destination) and recycling or transformation of materials. In developing countries there are two principal sources of environmental pollution due to deficient or inexistent SWM: at the stage of discharge in the form of illegal dumping on the roadsides, open spaces or rivers and at the stage of final disposal in the landfill.

The municipality of David is located in the West side of Panamá, around 40 km from the Costa Rican border. David is also the capital city of the Chiriquí Province. The municipality is formed by 10 corregimientos and total population is 124,280 persons (Contraloría de la República 2000). The situation of waste in the city of David has always been chaotic. The first major open landfill—popularly known as vertedero— was located north of the city close to the Pan-American Highway only a few meters away from urbanized areas and even schools. Regular burning of collected waste piles provoked high levels of air pollution. Furthermore, leachate produced during rainy seasons contaminated nearby small rivers. The collection process and management of the landfill was first performed directly by the
municipality by the Departamento de Aseo del Municipio de David. At some point in the late 1980s the service of waste collection was deficient, inconsistent and almost absent from some areas of the city. This situation opened the opportunity for some small scale informal operators who collected the garbage from households and drove it to the landfill. In 1993, the municipality decided to move the landfill to the corregimiento of San Pablo Viejo, west of the city. This decision gave the population many expectations that the waste situation of the city will improve. However, the Departamento de Aseo could not cope with the complex activity of solid waste management. In 1999, the Departamento de Aseo was converted into a mixed enterprise called Servicio Municipal de Aseo (SEMA). In this mixed company the municipality of David behold executive control of the board of directives, being the mayor at that time who appointed the members of this board. The private company Servicios Ambientales de Chiriquí, S.A. (SACH, S.A.) was contracted for the activities of collection and transport of solid waste as stated in the contract No. 4 of 30th of April of 1999. SEMA continued with the rest of activities related to the treatment of solid wastes, street sweeping and the management of the landfill in San Pablo Viejo. In 2004, SEMA renounced to carry on with these activities which were contracted further to SACH, S.A. SACH, S.A. collects daily 110 tons of solid wastes from the city of David and surrounding areas—Pedregal, Las Lomas and Chiriquí—, other 25 tons are transported to the landfill in private vehicles. Around four tons per month are hospital waste of which 45% is considered hazardous waste (González 2004).

The process of inclusion

SACH, S.A. is a member of the Global Compact in Panama and in early 2004 approached UNDP Panama with a pledge for technical assistance in order to incorporate all sectors of society to create consciousness of the gravity of the waste problem in the municipality. UNDP Panama then approached PPPUE\(^4\) for advice in the process of participation between civil society, the private company SACH, S.A. and the municipality. In July 2004, PPPUE highlighted two aspects of the partnership process that needed to be strengthened. The first was the inclusion of more civil society organizations, at that time a local NGO (FAS Panama)—which later abandoned the process—was the only civil society representative. The second was the poverty component, since no poor groups of the city were included at that time. UNDP Panama continued to sponsor the process to build up a partnership between the

\(^4\) UNDP’s Public-private Partnerships for the Urban Environment (PPPUE) is a global program that promotes innovative tripartite partnerships between the private and public sectors and civil society. They provide funds to such projects through the Innovative Partnership Grants (IPG).
three groups and arranged 5 workshops from July to November 2004. On November 19, 2004, the Public-Private-Civil Society Partnership for the Integral Management of Solid Wastes in the City of David (Alianza Público-Privada-Sociedad Civil para el Manejo Integral de los Desechos Sólidos en el Municipio de David 2004) was formally created and all actors signed a Letter of Intention. The signing partners from the public sector include the mayor, the governor of the province, two line ministries, the National Environmental Authority (ANAM) and three councilors representing the corregimientos of Pedregal, David and San Pablo Viejo. From civil society the signing partners represented environmentalists, architects and engineers, two university centers, a representative of the recycling workers (pepenedores) and three representatives from three informal settlements in Pedregal.

In April 2005, UNDP sponsored two days of workshops and conducted bilateral meetings with all partners in order to initiate procedures to establish an Executive Unit that will carry on the management decisions in case the project received funds from PPPUE. A difficulty surged during the meeting with municipality officials. They seemed to be worried about the lack of vehicles in the municipality and that they had to use their private trucks to conduct inspections to the landfill. The mayor suggested that the project administrator should be appointed by him and that possible funds should not be managed by civil society organizations because of the risk of corruption. They mentioned that the Contraloría’s\textsuperscript{5} strict control was the best guarantee for preventing mismanagement of funds. Besides of this attempt to control the project, the municipality was only partially present in the workshops. In contrast, members from civil society, the communities, the scavengers, the private sector and other public institutions participated actively in the second day of workshops (Acevedo 2005).

The participation of the two marginalized groups was not originally considered by the municipality and SACH, S.A. when the idea of a participatory process took form. In the beginning the participation of these two groups was reduced to consultancies. However, they participated actively in all the workshops organized by UNDP and the municipality and during these five workshops were recognized as important actors of the process. Especially the interest of these two groups was indisputable since they did not receive any compensation or remuneration for assisting to all these meetings and workshops.

\textsuperscript{5} The office of the National Public Accountant (Contraloría de la República) has an office in each municipality and has to sign and control all the expenses and income received by municipalities. Each disbursement requires 3 signatures: the mayor, the municipal treasurer and the Contraloría.
Scavengers and Illegal Settlers

These two groups have traditionally being excluded from consultations or projects at local level. Scavengers are not formally organized and have a bad image in the local society. They have their daily workplace at the landfill and in the past this place has been a well known hide-out for thieves and other small criminals. The local police force used to operate raids in the landfill whenever a crime occurred in the city, in many occasions scavengers were arrested and held in detention for several days. During the bilateral interviews they mentioned how the other prisoners harassed them because of their dirty clothes and obnoxious landfill smell. Not only are scavengers a socially excluded group, they are also economically excluded as they practice an informal activity. A very good day of hard work at the landfill under the baking sun and 35° C can bring up to US$35 dollars if they have been so lucky to find different kinds of metals for recycling—like copper, aluminum or iron. However, many days of hard work result in not enough to buy food for their families. The fact that they are part of the informal economy excludes them as well from the social safety nets that are a privilege of the formal working sectors of society. Therefore, they are not covered by the social security system in case they get injured during their work in the landfill—contaminated needles are one of their major fears—or if they develop illness due to the high levels of pollution in their workplace. The combination of juridical, social and economic insecurities has kept the scavengers absent from any active participation or interaction with the rest of society. This has contributed to their self-isolation and a low self-esteem. When they were invited to participate in the PPP they were reluctant to assist to the first meetings. It turned out that they were embarrassed that they did not have any presentable clothes to sit in a table together with municipality officials and other recognized members of society.

Residents of illegal settlements share as well many of the juridical and socio-economic insecurities that scavengers confront. In the first place is the situation of land tenure. They have illegally occupied private or municipal property. Most of poor housing is built in a progressive way. Not only access to basic infrastructure services is less than universal, the quality of services is very low. Many basic infrastructure services require a rent contract or property documents to initiate connection procedures. As they do not have any of these documents they cannot connect to these services and in many cases end up connecting

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6 Progressive building means that settlers first build their houses with rudimentary materials and progressively connect legally or illegally to basic public services, as they achieve more services they reconstruct in more solid materials.
illegally to electricity masts or master water tubes. In the illegal settlements we visited we could see children playing in the roads filled with a myriad of cables—locally called telarañas meaning spider webs—illegally connected to the nearby electricity road masts. In one of the communities one child died electrocuted while playing close to these cables. Government policy has been reluctant to ‘reward’ illegal settlers with access to basic services in order to discourage further invasions. However, the difficult circumstances have not reduced the surge of new squatters and the rapid uncontrolled growth of existing ones. Instead public health has been neglected and outbreaks of diseases are constantly feared by the population (Franceys & Weitz 2003). The illegal settlements in David are located nearby the mangrove area where small rivers run into. Solid wastes from the illegal settlements are disposed in these small rivers. This is not only a perfect place to create mosquito reservoirs obstruction of these rivers raises the risks of flooding during the rainy season. Illegal dumpsites are predominantly the place where mosquitoes find adequate breeding places. Piles of wastes on road sides are spread by street dogs, enhancing the health risk for inhabitants.

**Process of empowerment**

The opportunity to participate in a PPP gave these groups a base and occasions to meet, exchange ideas and compare their situations. They became aware of the similarities of the groups and that these common points made them identify as more equals than other actors in the project. This initial networking conducted to further exchange of information and successful experiences that the scavengers and other illegal communities could apply in order to improve their situations.

For example, the leaders of one of the communities took advantage of the new personal contacts made during the workshops and approached the manager of SACH, S.A. They explained their situation of scatter piles of waste on roadsides, how dogs spread all the garbage and the possible health consequences for the children whose playground is actually on the streets. The manager agreed to place garbage containers at no costs on the limits of the area where residents have to walk to deposit the bags in the containers just a few meters from their houses. At the time of the last focus group in August 2005, they were ready to request the company one more container as the first one was being filled rapidly. They explained that they became much more conscious to gather waste and not to deposit it in the nearby

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7 Dengue and dengue hemorrhagic fever are transmitted by the domestic, day-biting mosquito Aedes Aegypti. Infections produce a variety of illness ranging from a nonspecific viral syndrome to severe and fatal hemorrhagic disease (CDC 2006). There was a dengue epidemic in Panama during 1993.
mangrove or illegal dumping sites, thus the amount of garbage collected was enhanced. One of the downsides was that other three neighboring settlements were using the container, thus increasing the amount of waste.

In the case of the pepenedores, they have perceived the alliance as a form of recognition from society. Before the start of the PPP they hide from the police in the case of raids in the landfill. In the focus group discussions they mentioned that now their names are written in a piece of paper together with the names of the mayor and the governor and these means that they are also citizens and have rights—referring to the Letter of Intention signed by all actors. They carry the signed Letter of Intention always in their pockets. One of the first eye opening situations from the first workshops in 2004 occurred when the scavengers asked to the rest of the PPP participants not to be called *pepenedores* since they regarded this term as offensive. They have been referred to as recycling workers since.

They feel also recognized by SACH, S.A., before the project they were not taken into consideration when decisions affected the landfill. Now the manager of SACH, S.A. talks to them and ask them for their opinion in matters related to the landfill. In February 2005, a great fire burned for almost two weeks in the landfill, the scavengers together with SACH, S.A. worked to find a solution for the fire. In this process the company introduced the now sanitary landfill, meaning that a 30cm layer of soil covers the waste. The process has been arranged together with the recycling workers so it allows them to scavenge the materials they find before the machines cover the waste. During the focus group discussions they mentioned that they had approached the manager and had solicited some basic equipments some gloves and boots they could use for their work. They had also approached the Ministry of Health and asked for a regular visit from a nurse to provide vaccinations. At that time the most urgent need were the security equipment and running water. The company also agreed to drive the workers to the workshops related to the PPP.

Conclusions

The PPP has been transformational in the way that communities have not only taken action to improve their situation regarding solid waste management, but they have also decided what their priorities are: land tenure, improvement of water service, legal connection to electricity, and better employment possibilities for single mothers. Before the PPP they had already struggled for years to obtain access to water, so they had experience in how to voice their needs to politicians with some degree of success. During the meetings and workshops that
started the process they realized that they could use the contact persons met in the process to access information and possibilities to achieve their priorities. This gave them the confidence to act and change their situation instead of sit and wait for the municipality. In this sense they have achieved a level of power to.

These groups have come closer to the circles of decision making that affect their well-being. Being a part of the PPP has given them the right to nominate members to the Executive Committee that will be formed by representatives of all actors. However, the municipality struggles to keep entire control of the financial and administrative decisions of the project; they do not want to lose control. As mentioned before, local governments in Panama are very weak; especially the tight regulation from the Contraloría makes the entire system heavily bureaucratic and slow. Thus they see more flexibility in managing funds coming from institutions outside central government. It is a paradox that the municipality considers civil society as potentially corrupt and therefore will control the project, while civil society including communities and recycling workers are rather afraid that the mayor will mismanage funds or use them for own political purposes. These two marginalized groups have not become a powerful political group and from the focus group discussions that is not their aim. However, they have taken the first steps to achieve some of the services that are the responsibility of politicians. In such a successful way that other non-organized communities and groups come to them and have requested for advice and information on how they have managed to mobilize. So in a way they have achieved some degree of power over.

In the case of these two groups we can recognize how they have become empowered at different levels. Not only they have gained power within, especially in the case of the recycling workers, the two groups found together during the project and exchanged information and collaborated to negotiate with other members of the PPP, a form of power with and power to as well. They have achieved a level of bargaining power that was not seen before in the city. The participatory approach of the PPP created the possibility of a ‘transformative evolution’ (Masaki 2004, pp.36-7) in these groups.

Applying Alsop & Heinsohn’s (2005) asset endowments as an indication of agency, we can recognize psychological (self-esteem, self-worth, better image and recognition from the rest of civil society in the PPP), informational (exchange of information and lessons learned with other marginalized groups inside and outside the PPP), organizational (recycling workers organize and elect a committee—three committee members participate in all workshops,
organization and mobilization of illegal settlers, mutual support among illegal settlements), material (waste containers, legal water and electricity connections, in the case of the communities), social (interaction with other members of society, support from the formalized civil society, stronger internal social links). From the discussion groups they mentioned the two types of assets they needed the most—besides the regularization of land tenure and basic services—as financial and human in the form of funds to continue the project and employment especially for the single mothers.

The apparent disinterest of the municipality in the last workshop in 2005 created many doubts among the members of civil society and the marginal groups. However, they agreed to give the municipality a ‘vote of trust’ and continued with the process, especially the presence of UNDP was fundamental for this decision. State formation (Hickey & Mohan 2004) at the local level refers to the concept of opportunity structure or dispositional arrangements mentioned before. The lack of capacity of the municipality based on a centralized political structure inhibits the opportunity structure that can enhance popular agency. The chain of participation in a PPP, social inclusion, empowerment, popular agency and opportunity structure are essential for the collective action of marginalized groups of society. A critical success factor for PPP projects at local level is the connection with a structural component that comprises capacity building of municipal governments. Projects that can empower marginal members of society in a weak political structural setting can risk that municipalities will perceive a downgrading of their role as government—that can upgrade the political condition of the other groups of society—provoking a counter-reaction that can slow or obstruct the process (Martens 2003, Rowlands 1992, Chambers 1995).

The project was still waiting for funds from PPPUE in August 2005 and is not guaranteed they will receive funds especially by judging the weakness of the municipality. Nevertheless, one of the goals of such type of project is to build capacity at the level of local governments, which is desperately needed in Panama. In December 2005, the illegal settlement where focus groups were conducted, achieved legal connection to the electricity system (Saldaña 2005). The Inter-American Development Bank has financed and is actually implementing a project that promotes the reform of the municipal regime and formulation of a decentralization policy in Panama (BID 2003).
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