

**Durban Plus One**  
**Opportunities and Challenges for Racial and**  
**Ethnic Inclusion in Development**

The World Bank

Office of Diversity Programs

&

The Latin America and Caribbean Regional Office  
Environmentally and Socially Sustainable Development Unit



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# Acronyms

<b>AFR</b>	Africa Regional Office
<b>CDD</b>	Community Driven Development
<b>ECA</b>	Europe and Central Asia Regional Office
<b>EU</b>	European Union
<b>IAC</b>	Inter-Agency Consultation on Race
<b>IDA</b>	International Development Association
<b>IDB</b>	Inter-American Development Bank
<b>IDF</b>	Institutional Development Fund
<b>LCR</b>	Latin America and Caribbean Regional Office
<b>LCSES</b>	Environmentally and Socially Sustainable Development Unit
<b>MDGs</b>	Millennium Development Goals
<b>NEPAD</b>	New Partnership for Africa's Development
<b>NGO</b>	Nongovernmental Organization
<b>OECD</b>	Organisation for Economic Co-operation and Development
<b>OHCHR</b>	Office of the High Commissioner for Human Rights
<b>PAHO</b>	Pan American Health Organization
<b>PNAD</b>	Pesquisa Nacional por Amostra de Domicilios
<b>PREM</b>	Poverty Reduction and Economic Management Network
<b>PRSP</b>	Poverty Reduction Strategy Papers
<b>UN</b>	United Nations
<b>WCAR</b>	World Conference against Racism, Racial Discrimination Xenophobia and Related Intolerance



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# Foreword

This publication is the result of the World Bank forum, *Durban Plus One: Opportunities and Challenges for Racial and Ethnic Inclusion in Development*, held on December 19, 2002. The forum was organized by the Bank's Office of Diversity Programs and the Latin America and Caribbean Regional Office (LCR), with the collaboration of other regional departments.

The focus of the forum was sharing experiences and taking stock of progress made in incorporating the Durban Program of Action into the work and operations of multilateral organizations, particularly the World Bank, the Inter-American Development Bank (IDB), and the United Nations. Senior managers and staff from the World Bank, IDB, and the Office of the High Commissioner for Human Rights, as well as outside academics, discussed their efforts and lessons learned in bringing excluded people to the forefront of the development agenda and ensuring that financial resources, knowledge, and empowerment opportunities reach excluded people.

Despite unparalleled economic prosperity and technological advances in some countries, widespread poverty and inequality persist and are closely associated with discrimination and social exclusion based on gender, color, culture, ethnicity, and stigmatized illnesses. Indigenous peoples, people of African descent, the Roma population, and many other marginalized communities are among the poorest of the poor, and women in these groups are poorer yet. Empowering these communities and ensuring that they reap the benefits of development is one of the greatest challenges of our age.

Exclusion is not only an economic phenomenon it is also the result of deeply rooted social dynamics and collec-

tive attitudes towards particular social groups. At last there is recognition that development cannot be achieved without addressing this problem. The U.N. World Conference against Racism, Racial Discrimination Xenophobia and Related Intolerance (WCAR) held in Durban, South Africa from August 26 to September 8, 2001, focused the attention of governments, development agencies, and multilateral organizations on the urgency of working to eliminate all forms of discrimination.

Since Durban, the challenge has been to find ways of working toward the inclusion of historically excluded groups. Specifically we ask ourselves: What actions can be undertaken to include poor and excluded groups in local and national development initiatives? How can we help countries and their various social groups overcome social dynamics and collective attitudes of discrimination and exclusion?

In September 2000 the international community agreed to work together to achieve eight Millennium Development Goals, among which are halving poverty, promoting gender equality and empowering women, and drastically reducing the incidence of HIV/AIDS. These aims cannot be met without the proactive inclusion of historically excluded groups. The Millennium Development Goals are not just a call to action to reduce poverty, but an opportunity to empower excluded groups by allowing them to use their own knowledge, skills, and determination to improve their living conditions.

While important strides have been made in overcoming denial, bringing issues to the forefront, and empowering the excluded to become part of the solution, the challenges ahead and the work to address them is far

greater. We are committed to meeting these challenges and undertaking this task with the conviction that poverty and inequity will not be eliminated unless tradi-

tionally excluded peoples can participate fully in the society, the economy, and their own process of development.

*John Redwood*

Director, Environmentally and Socially  
Sustainable Development for Latin America  
and the Caribbean

*Juliana Oyegun*

Director, Diversity Programs

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# Preface

Plenty of evidence suggests that today's development paradigm is changing and its new direction seems to embrace overwhelmingly what we know as society's "normative values." These are values of the "acceptable" and "unacceptable," whose expressions and acceptance may be local, national, or universal.

These values are changing the way economics and finance are practiced and are transforming almost every aspect of our lives. Normative values surface as a societal consensus in the form of customs, norms, principles, rules, regulations, laws, and many other institutional arrangements.

The U.N. World Conference against Racism, Racial Discrimination Xenophobia and Related Intolerance (WCAR) was about our universally accepted normative values. As an economist at the WCAR it was not only a privilege but an eye-opener to see, hear, and feel how these normative values are so interwoven with economic theory, practice, and public policymaking.

Every regional preparatory meeting leading up to the conference brought a different angle to a very complex puzzle. The Africa meeting raised issues of compensation, Latin America those of indigenous peoples and Afro-descendants, the Middle East and Asia those of culture and religion, and so on.

It was an event full of controversy; some justified. Having taken place in South Africa, the WCAR gave a new tone to the political economy of development. For many people the debate and visions expressed at the conference represent a fundamental landmark in improving our understanding of how normative values impact the development process.

We are now aware that development is not a set of technological and physical relationships that need to be optimized. The "human factor"—human awareness, human relations, and human content—is at the core of this paradigmatic transformation toward a truly *empowered development*.

However, human dimensions have to be publicly expressed and acknowledged. They cannot remain implicit, for other people to discover on their own. Accordingly, the aggregated categories of analysis we use in decisionmaking today (such as consumers, producers, traders, poverty, malnutrition, wealth, productivity, comparative advantage, etc.) must be disaggregated in order to know the true impacts of policies, institutional arrangements, and operations. Many of the statements in this report are a sample of such disaggregation.

For example, poverty acquires a new character when one knows that the large or significant majority of the poor are women and that they, in turn, usually belong to marginalized ethnic or indigenous groups. To know these human realities gives real meaning to *development with a human face* and to the challenges of social inclusion.

While in Durban I did not miss—and certainly do not forget even a year later—the sessions allowing those who are discriminated against to speak out and share their personal tribulations. This was not just information but a powerful human experience.

Perhaps the most important aspect of the conference was that it allowed people who were discriminated against to be there, talk to each other, exchange views, and become empowered to speak about, reconcile, honor, and recover their human dignity. These human factors bring new

dimensions to the reality of poverty experienced by minorities, lower castes, indigenous peoples, women, children, and many others. Part of the controversy at the WCAR was related to giving new meaning, color, form, gender, and soul to the very amorphous and abstract concepts of racism and discrimination. In doing so, the conference moved the debate from simplistic economics, finance, development, social structures, and politics to decisionmaking based on a new set of values that go beyond those expressed by profits, productivity, purchasing power, competitiveness, and so on. The debate became one of pardon, reconciliation, sharing, fraternity, caring, loving, and human dignity.

The WCAR recognized that economic development could be both part of the problem and part of the solution. Many at the conference viewed present development outcomes as evidence that development is part of the problem. Thus, heavy criticism was unloaded against national and international economic institutions. However, the majority recognized that economic growth and “development plus” were essential ingredients for making the fight against racism and discrimination real. In this context, the *Durban Plus One* forum held at the World Bank was a key event. The presentations in this document embrace the important principle of addressing minority issues head-on and moving from rhetoric to hard-core development implementation.

But there was more to Durban. Many participants delved into the human, spiritual, ethical, and moral dimensions of our normative values. Large numbers of people (including youth and NGO assemblies) gathered to express, in so many beautiful ways, that the human soul and the human spirit were essential to bringing peace and respect to those who for centuries have suffered all forms of

discrimination. This was the compassionate side of the conference, the part that said “let me assume responsibility and be an instrument of peace and respect for the betterment of mankind.” The Bank statement was probably one of the most humanistic and most clearly embedded in the principle of respect and reconciliation.

Human diversity is not just a moral and ethical imperative. Diversity is essential to any form or fashion of human survival that one can conceive. Regardless of whether a person is on the left or the right of the political spectrum, human transformation will always demand diversity, equality, respect, and dignity. In fact, the power of human transformation rests on these values and principles.

Practicing economics without humanistic vision and principles is simply making promises that will never be fulfilled. In the end, economics and development are a collection of values and can only be effective if we open the door to human values and their normative implications. As World Bank President James D. Wolfensohn has stated so clearly, “*we only live in one world.*” This is not the world of me, me, and me. This is the world of us, together.

Let us unleash the human power in economics and development by putting these principles and values at the service of the voiceless and powerless. Let us search for a new human destiny free from poverty, war, crime, drugs, corruption, disease, hate, discrimination, racism, and xenophobia; a destiny in which hope and human fulfillment is no longer chained by material scarcity.

*Alfredo Sfeir-Younis*  
Senior Advisor

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# Implications of the Durban Conference for the Bank Group

David de Ferranti, Regional Vice President,  
Latin America and the Caribbean Regional Office (LCR)

**T**ODAY THE POPULATION OF LATIN AMERICA and the Caribbean is approximately 500 million people.<sup>1</sup> Of those, 40 million are indigenous<sup>2</sup> and between 80 million and 150 million are of African descent. We only have to walk the streets of the cities and rural areas to realize that they exist, and that they also contribute to the cultural, social, economic, and political life of their countries.

But in too many countries of the region Afro-descendants and indigenous peoples see their opportunities constrained by racial and ethnic discrimination, and their self-esteem diminished. Their illiteracy rates are still too high compared to national averages; in Colombia, for instance, the illiteracy rate of Afro-Colombians is 29 percent compared with a national average of 15 percent. There are other reasons for concern. In the health field, for example, in 1999 a Garifuna organization from Honduras<sup>3</sup> undertook research and found that, despite 93 percent of the Garifuna population being aware of HIV/AIDS and its means of transmission, 19 percent of the Garifuna population was reported infected. Empirical work suggests that today that rate has climbed to about 23 percent in some communities. In Brazil, 17 percent of all Afro-Brazilian children between 10 and 14 years are on the streets, working. In Uruguay, Peru, and Ecuador only

a limited number of indigenous people and Afro-descendants make it to secondary education and only a handful reach the university level.

The deficit of opportunities is too large. Exclusion exacts too high a price for individuals, communities, and the national economy. Exclusion based on racial and ethnic discrimination has such devastating consequences for countries and individuals that we simply cannot ignore it.

The goal of the World Bank in this region is to attack these disparities across and within countries, to bring more people into the economic mainstream, and to promote equal access to the benefits of development regardless of nationality, race, or gender. The countries of the region are, and need to be, in the driver's seat. Our role is to help, and when appropriate encourage them to define action-oriented policies and programs while advancing with this sometimes difficult dialogue, and to provide financial and technical expertise that will help governments implement those policies.

The Regional Prep-Com in Santiago de Chile, held in preparation for the World Conference against Racism, Racial Discrimination Xenophobia and Related Intolerance (WCAR) that took place in Durban, South Africa over a year ago now, was a reminder that racial and ethnic discrimination and xenophobia need to be tackled if development and poverty reduction goals are to be fully achieved.



Photo: Alejandro Lipszyc

Civil society organizations and social movements have played a crucial role in encouraging their governments to be increasingly ready to acknowledge publicly the link between poverty and racial and ethnic prejudices. Within Latin America and the Caribbean, indigenous and Afro-descendant groups are increasingly becoming visible and significant players in the political scene, and in some cases this is already having an impact on national policies.

Santiago and Durban were also an opportunity for multilateral institutions like the World Bank to look at the progress made, to consolidate ongoing initiatives, and to consider fresh ones.

For over ten years we at the World Bank have been engaged in addressing exclusion and inequalities. The progress obtained so far tells us that it is possible to see change. The challenges ahead tell us that there is much more work to do.

During the last decade we have worked and have contributed to progress in at least four areas, and I would like to illustrate this from our own experiences in Latin America and the Caribbean.

Improving data collection is one of the keys to addressing inequalities and exclusion. Traditionally, very little reliable data has been collected on the ethnic and racial dimensions of economic and social development. Together with national statistics offices in the region, we are assisting official data collection agencies to collect disaggregated data by race and ethnicity. As was reported in the recent *Todos Contamos II* Regional Conference on Census and Social Inclusion, at least eight countries of the region are now including ethnic and racial self-identification questions in their national censuses. By the year 2004 we expect another group of countries to join in. More work needs to be done in sharpening the questions addressed to populations of African descent or Afro-descendants. We expect the next round of censuses to embrace this challenge.

In the Latin America and the Caribbean Regional Office we are also working to empower excluded groups. This involves helping to develop their capacities both to improve their livelihoods and to participate fully in policy dialogues at the local, national, and regional levels.

With improvement of livelihoods in mind, the Bank's *Indigenous Peoples Operational Directive (OD 4.10)*, created to protect the cultural, economic, and social livelihoods of indigenous peoples, has indeed made a difference for indigenous communities and for our own ways of working in Latin America. To date, 51 percent of all projects funded by LCR and implemented in or around indigenous areas included Indigenous Peoples Development Strategies and



Photo: Jonathan French

Projects. Out of this 51 percent, 38 percent are dedicated to sustainable management of natural resources, 14 percent to improving agricultural practices, and 17 percent are on social protection. If we take a cut by Country Units, 41 percent of our entire project portfolio in Central America involves indigenous peoples development initiatives, and 22 percent of all our projects in Peru, Bolivia, and Ecuador involve indigenous peoples.

A couple of weeks ago, when he visited the region, our President, Jim Wolfensohn, had a chance to meet with indigenous and Afro-descendant organizations in Brazil and Peru. With great pride, Afro-Peruvians walked us through their culture while making us aware of the serious problems of exclusion and racial discrimination they were under. As our president stated in his debriefing session to staff last week, *“if the indigenous peoples are at the lowest end of the hierarchy, the Afro-Peruvians are even lower; we are try-*

*ing to help them”*.<sup>4</sup> With great dignity and determination indigenous groups shared with us their problems and their very specific proposals and suggestions.

Building capacity for policy dialogue is fundamental. Capacity building programs for Afro-descendants, funded in alliance with British and Dutch financing programs, have helped Uruguay introduce primary education books and materials that help children value the contribution of Afro-descendants to the history of their countries. In Peru, capacity building has helped bring the cultural contribution of Afro-Peruvians more to the awareness of the entire society. Through a number of capacity building investment instruments we are helping to strengthen the capacities of black women in Central America to play a more active leadership role in influencing antipoverty policies, as well as to ensure that organizations of Afro-descendants in the region are included in key, high-profile initiatives such as the Mesoamerican Biological Corridor.

However, it is obvious that more needs to be done. The region has not yet managed to end poverty, redress patterns of exclusion, and exterminate discrimination. Indigenous and Afro-descendants in the Andean region are reviewing our project portfolio to help us identify the gaps and improve the means to respond to their needs more effectively. More broadly in LCR, we are working on reviewing ongoing operations in a number of countries to try to make sure that they reach Afro-descendant communities. Retrofitting is proving to be a valid method to reach excluded groups and communities while projects are in actual implementation, to learn what questions were not asked when designing the project, and to fine-tune project success indicators to include economically and socially excluded groups. The lessons learned are already being incorporated in new operations.

Along with governments, civil society organizations, and communities we are learning how to do our work better.

The challenge is too great to be handled by any one of us, therefore we are working with others. We are an active partner in the Inter-Agency Consultation on Race in Latin America coordinated by the Inter-American Dialogue. This is an initiative where, together with the Inter-American Development Bank (IDB), Pan American Health Organization (PAHO), the Inter-American Agency for Cooperation and Development, and several private development foundations, we are working to expand and strengthen policy dialogue



Photo: Julio Pantoja

with governments of the region regarding exclusion based on racial grounds, coordinate project implementation, and share information, research, and learning in this relatively new ground of poverty and exclusion of Afro-descendants.

We are seeing progress in enlarging diversity within our own working environment. During this fiscal year and in collaboration with the Diversity Team, we had nine Afro-descendant students as summer interns. Placed across the organization, the report from their managers is that their contribution was of high quality. The same is demonstrated by our indigenous staff placed in our resident missions in Ecuador, Mexico, and Honduras. Their presence has made an enormous difference in our projects, in our relationship with indigenous communities, and in our internal dialogue. They bring another perspective and they help us to look at the same problems and opportunities with new eyes.

Despite the obvious progress made, there are still great challenges:

***Ensuring that the Millennium Development Goals are also made relevant to indigenous and Afro-descendant communities***

As most of you know, the Millennium Development Goals (MDGs) represent a commitment for poverty reduction that has been made by governments and the international community. By making use of the disaggregated data being produced in the countries, the analyses generated by our institutions, and the wealth of experience and knowledge residing in the countries, we have the tools to make the objectives of the MDGs a reality. Through them we can open new opportunities for indigenous and Afro-descendants in education, better health, access to employment, and in addressing the gender inequality that afflicts the region. We are working hard in the Bank to support governments to achieve this.

I have confidence that the MDGs also offer an instrument to monitor and report on how we have helped change the prospects of these populations to have more and better opportunities.

***Overcoming what I call the denial of racial and ethnic discrimination in the region***

The work of the champions and focal points inside the organizations is crucial, but many more have to join in. Change involves getting minds and hearts on board and to be aware in every operation, in every policy discussion in the country, and in our headquarters that exclusion based on racial and ethnic grounds is morally unacceptable and economically damaging.

As I mentioned earlier, the challenge of inclusion is enormous. No one can do it alone. To succeed we need to work with countries and governments across regions, networks, and families in our institutions to share knowledge and identify innovative ways to combat exclusion. More than ever before the international community needs to come together and join forces, coordinate efforts. And today more than ever before we need to take notice of—and take advantage of—the views and experiences of com-

munities and local organizations whose experience and knowledge can help inform our debates and that of their governments.

The challenge is one for all of us.

#### Notes

1. *Statistical Year Book For Latin America and the Caribbean 2001*. ECLAC/CEPAL, February 2002. Santiago de Chile, Chile.

2. William Partridge, Jorge Uquillas, and Katherine Johns, 1996, "Including the Excluded: Ethno-development in Latin America," in *Poverty and Inequality; Proceedings from the Annual World Bank Conference on Development in Latin America and the Caribbean*, eds. S. Javed Burki, S. Aiyer and R. Hommes. The World Bank, Latin American and Caribbean Studies.

3. *La Comunidad Garífuna y sus Desafíos en el Siglo XXI*. ODECO/Cooperación Española. April, 2002.

4. Internal Memorandum. December 05, 2002.



## Racial and Ethnic Inclusion in the Development Agenda

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**T**ODAY'S EVENT IS PART OF AN ONGOING PROCESS within the World Bank to follow up on several of the recommendations made at the World Conference against Racism, Racial Discrimination Xenophobia and Related Intolerance held in Durban, South Africa in September 2001. The World Bank was present at this historic conference and has studied closely the Durban Declaration and Program of Action. Hopefully, we can continue to meet (perhaps on an annual basis) to assess progress being made in implementing the Durban Declaration and Program of Action and carry out a full-scale evaluation of our progress in fulfilling parts of the Program relevant to the Bank's mandate as we prepare for what will hopefully be a Durban Plus Five Meeting in 2006.

I would like to follow up on some of the earlier comments made by David de Ferranti and discuss the origins and evolution of the Program of the Latin America and Caribbean Region in relation to Afro-descendant peoples. Before doing so, I would like to recognize Ms. Josefina Stubbs who, since January 2001 (prior to the Durban Conference), has been coordinating LCR's Afro-Descendant Population Program. Josefina has brought great experience, commitment and professionalism to this task and has already achieved results which I would like to briefly share with you today.

I would also like to recognize Mr. Jorge Uquillas, who coordinates our LCR programs on behalf of indigenous peo-

ples. Although I shall be making only passing reference to our work with indigenous peoples, it should be noted that this work predates our current work with Afro-descendant peoples and communities and has greatly influenced our thinking, especially in terms of using various Bank instruments to respond to the special needs and circumstances of historically excluded groups, as is the case with both indigenous peoples and Afro-descendant populations in LCR.

My comments will be brief and what I would like to focus on are five challenges that we face in developing our Afro-Descendant Program in LCR.

One of these challenges is identifying Afro-descendant peoples and communities as subjects of Bank assistance and part of country investment operations and policy dialogue. Afro-descendant peoples—or what be called “peoples of color” (negros, mulattos, pretos, pardos, etc.)—exist in almost all of the LCR countries and are estimated to number anywhere between 80 million and 150 million people and comprise over 30 percent of the region's population. In Brazil the Afro-descendant population comprises 45 percent of the population, in Colombia 20 percent, in Venezuela 10 percent, and in some Caribbean countries, including the Dominican Republic, Guyana, Haiti, and Jamaica, over 50 percent of the population is Afro-descendant.

Nevertheless, it has been extremely difficult for various historical, sociological, and political reasons to get an exact



Photo: Sebastian Szyd

estimate (or even a rough guess) of the Afro-descendant population in the region. One of the reasons for this is that relatively few countries have included questions on race in their national censuses; when they do, the phrasing of the question and the social stigma often attached to race and color frequently leads to an underestimate of the Afro-descendant population.

For this reason the Bank and the IDB have been working closely with national statistics institutes in Latin America and the Caribbean to improve the census identification of the racial and ethnic composition of the region's countries. Two conferences titled "Todos Contamos" ("We All Count") were held in Cartagena, Colombia in October 2000 and in Lima, Peru in October 2002. These conferences brought together census bureau personnel, representatives of indigenous and Afro-descendant organizations, and technical specialists to discuss more systematic ways of including race and ethnic identification in national cen-

suses. Eighteen countries participated in the last Todos Contamos event and both the IDB and the World Bank are now working closely with national census bureaus to hold conferences of a similar type at the national level.

While it is common knowledge that the majority of people of African descent in our region live in conditions of extreme poverty and lack access to basic health, education, water and sanitation, and other services, the household surveys and various other surveys financed by the Bank to measure poverty have only recently begun to disaggregate income and other data in terms of the race and ethnicity of respondents. Therefore, we face the challenge of improving our understanding of the socioeconomic conditions of Afro-descendant populations.

One of the earliest experiences we had in the desegregation of household survey data by ethnicity was a four-country study by two Bank economists, George Psacharopoulos and Harry Patrinos, titled "Indigenous Peoples and Poverty in Latin America" (World Bank, 1995). As a result of this study most of our current poverty assessments in countries with large indigenous populations now disaggregate income, educational, and other data in terms of ethnicity (usually identifying indigenous peoples by whether they speak an indigenous language or self-identify as an indigenous person).

In 1999 we also held a conference at the Bank on the theme of *Social Exclusion and Poverty Reduction in the Latin America and Caribbean Region*. One of the participants in this conference was Dr. Nelson do Valle Silva of the University Research Institute in Rio de Janeiro in Brazil. He had been analyzing a special body of official household survey data in Brazil (called the PNAD) which had demonstrated that persons of color (labeled "pretos" or "pardos" in the Brazilian census) were more likely to have high rates of poverty, indigence, unemployment, and illiteracy than those who self-identified as being noncolored or "white." There are also significant differences in the Brazilian data between Afro-descendant persons and "whites" in terms of average years of schooling (4.4 versus 6.6 years) and in terms of access to both secondary and higher education. In general, the Brazilian data indicate relatively significant differences in terms of poverty and other human development indicators between Afro-descendant and "white" populations, a pattern which we are now finding in household survey studies from other countries such as Colombia and Uruguay.



Photo: Julio Pantoja

Supporting a new generation of Afro-descendant organizations in order to increase their capacity to negotiate with national governments and plan, implement and evaluate poverty reduction and development programs in their communities is the third challenge we face in developing our program in the region.

A growing number of Afro-descendant organizations have emerged to defend the rights and improve the social and economic conditions of their peoples and communities. Our initial contacts with these organizations came through a series of Bank-financed projects in Colombia, Ecuador and Peru. In Colombia, we were introduced to the leaders of a number of Afro-descendant organizations who participated in the Constitutional Reforms of 1991 and the passage of a very important law recognizing the collective lands of the Afro-descendant communities of the Pacific Coast in 1993 as part of the Bank-financed Colombia Natural Resources Management Project. In Ecuador and Peru a number newly formed Afro-descendant organizations also participated in two Bank-financed development projects addressed specifically to the needs of indigenous and Afro-descendant communities.

In June 2000 the Bank joined together with the Inter-American Dialogue, the IDB, the Inter-American Foundation, and PAHO to form an Inter-Agency Consultation on Race in Latin America (IAC). At IAC-sponsored conferences held in Washington in June 2000, 2001, and 2002, we increased our contacts with a wide range of Afro-descendant organizations and became increasingly aware of their need for support to improve their capacity to

lobby their governments and to participate more actively in poverty reduction and other projects financed by the World Bank and other members of the donor community. As a result of these meetings we solicited resources from a Dutch Trust Fund, the British Department for International Development (DFID) and a regional Institutional Development Fund (IDF) program to provide a number of small grants to Afro-descendant organizations for purposes of improving their capacity to lobby and negotiate with their governments in terms of poverty reduction and social inclusion policies and strategies, as well as to plan, implement, and evaluate their self-managed community development programs. The initial evaluations of these programs indicate that they have been highly successful in achieving their stated goals and have been well received by the participating Afro-descendant organizations and communities.

Despite the lack of discriminatory legislation and a popular belief that the LAC countries are “racial democracies,” in many countries there are strongly held attitudes and institutional barriers that make it difficult to target social programs and investments to Afro-descendant people and communities. There is a need to change public attitudes and institutional obstacles that have held back more inclusive social policies for Afro-descendant peoples and communities.

The idea throughout the region seems to be that social programs and policies need to be universalistic and there is no need to focus on specific groups such as Afro-descendants. Generalized social programs targeted at the rural and urban poor, it is often argued, will resolve the historic and current social deficits of these populations (for example in areas of health, education, and social protection).

Nevertheless, the past decade has seen some the first steps toward a public discussion of a more focused and targeted approach to using public policies and programs to reach poor Afro-descendant people, households, and communities. In countries like Brazil, for example, a growing national debate is taking place about “affirmative action” programs for Afro-descendants, especially in the higher education field. We are interested in furthering this discussion by using the MDG framework—now accepted by the World Bank, U.N. agencies, and other development institutions—as a way of measuring the impacts on the poor of development assistance. By disaggregating data on the



*Photo: Alejandro Lipszyc*

MDGs by race and ethnicity and in terms of rates of extreme poverty, access to primary education, infant and maternal health, gender, HIV/AIDS, environmental sustainability and the like, we hope to be able to demonstrate the socioeconomic disparities that exist among Afro-descendants, indigenous peoples, and other marginalized and excluded populations within the national population. The country assistance strategy (CAS) for Colombia, which was recently approved by the Bank's Board, recommends such an MDG exercise in that country in the coming year.

Lastly, a major challenge which we face is incorporating a strong cultural and historical dimension into our work with Afro-descendant populations.

The past couple of decades have seen a large amount of historical research not only on slavery in the Americas, but

also on the post-slavery cultural processes that have evolved among the Afro-descendant populations in the Americas. Many of the Afro-descendant organizations who we have been working with have highlighted the need to not only increase the access of Afro-descendant children and youth to all levels of education, but also to redesign educational curricula to take into account the significant cultural contributions that their ancestors have made to the national societies in which they live. There has also been a growing interest in Afro-Latin and Afro-Caribbean cultural expressions (music, dance, food, folklore, etc.) and the role that they can play in providing "positive identities" for Afro-descendant youth. We are trying to support these cultural initiatives by working closely with our colleagues in the Human Development (LCSHD) Education

Sector (LCSHE) departments who are managing education projects in countries with significant Afro-descendant populations.

We have also become aware in the past couple of years of the presence, especially in the rural areas of several LAC countries, of a number of surviving Afro-descendant communities of “runway” and “rebel slave” communities. These communities, called *quilombos*, *palenques*, *maroons*, and other names, represent the last living vestiges of the descendants of slave populations who rebelled and created autonomous communities in isolated rural areas. Fundamental changes have been taking place in these communities, and we are committed to learning more about these changes and adapting our rural development and other

interventions to them. We are currently providing an IDF grant to the Fundação Palmares in Brazil to assist the remnant *quilombo* communities in that country. We are also working on similar initiatives with rural Afro-descendant communities in the coastal areas of Honduras, Colombia, Peru, and Ecuador.

To close, we face very important challenges in LCR, but are committed to working with our borrower countries and with Afro-descendant organizations and communities to make more inclusive and equitable societies—ones in which we, our children, and our grandchildren will all be proud to live because they have eradicated extreme poverty, discrimination, and exclusion, and provide equal opportunities, respect, and dignity for all.



## The Importance of Economic and Social Inclusion in Reaching the Millennium Development Goals

Gobind Nankani, Vice President,  
Poverty Reduction and Economic  
Management Network (PREM)

**U**NTIL ABOUT A YEAR AGO I was working on Brazil. David de Ferranti and I have on many occasions talked about how it is that a country like Brazil, with a per capita income in the \$4,000 plus range, can have the kind of poverty and inequality that we see. And as you look at the data, of course, it becomes very clear that the relationship between poverty and inequality, on the one hand, and exclusion, on the other hand, is extremely high.

I think the policy implications of this link are what the Government of Brazil has been struggling with, and what we in the Bank have been analyzing. And the questions on the minds of many of us here today are: How can we avoid future Brazils? And, in fact, how can we work together to mend the Brazils of today?

What I want to do today is argue that if we take the MDGs as a framework—a framework that the international community and all countries have basically adopted—it is impossible for us to attain those goals unless we have inclusion in a much more systematic fashion going forward. Impossible. And I would suggest at least two ways in which we might try and address the issue of inclusion, particularly drawing on some of the work that my colleagues have been doing in the Poverty Reduction and Economic Management Network.

Now, there are many MDGs. One says that we are committed to halving the number of poor people in the world by 2015. Another would like to ensure that by 2015 children everywhere, both boys and girls, are able to complete a full course of primary schooling. And a third is to eliminate gender disparity at all levels of education by 2015. In order to make the point that inclusion is essential to attaining these goals, I'll talk about the issue of gender disparity and look at a few examples of how much of a difference it makes to incorporate gender inclusion in our work.

There was a very interesting study put out by the Bank's Development Economics Research Group (DECRG) on engendering development that I highly recommend. What it says and proves is that gender discrimination has an extremely negative impact on growth and poverty; or, to put it differently, if you actually have gender equality and access in many areas, you can have a tremendous impact increasing growth and reducing poverty. A few examples:

### **Sub-Saharan Africa**

The analysis shows that child mortality could have been as much as one-quarter less if men and women had equal schooling. So just by giving women the same level of schooling that men have—just by that—you could reduce infant mortality by 25 percent. That's a tremendous gain from inclusion.



Photo: John Isaac

### **Brazil**

Our evidence on child health shows that if you have income in the hands of mothers equal to the income in the hands of fathers, it would make a major difference to the biological growth of children. In fact, it has four times the impact on children's biological growth if the income is in the hands of women as compared to men.

### **India**

The evidence on education shows that children of literate mothers spend two hours more per day studying than the children of illiterate mothers.

You can see what an impact inclusion can make just talking about the gender dimension.

I would like to emphasize that when you think of the growth process, which is important for meeting all of the MDGs, we have to recognize that the kind of growth path we will need going forward must be an inclusive growth path. To give examples of what this means, David de Ferranti referred to a lot of work that has been done in Latin

America. There is, in fact, a study by our colleagues at the IDB that looked at the question of exclusion. It is so stark that I want to share it with you.

The study found that in Bolivia ending exclusion would result in an economic expansion of 37 percent. In other words, the gross domestic product (GDP) would be 37 percent higher if you ended exclusion. In Guatemala the impact would be 14 percent and in Brazil it could expand the economy by 13 percent.

I think that the issue is not really about how important inclusion is, but rather how we should go about—and where we should go about—focusing on the question of inclusion. Before I talk about the two issues that most closely relate to the work we are doing, let me just mention that I think the Brazil example I gave at the outset is an example of a middle-income country where development has taken root. But let me also say that it is very important to look at questions of inclusion in low-income countries. The issue of ensuring inclusion in the low-income countries is fundamental to meeting the MDGs and to avoiding the

kind of experience that Brazil has had in the past with exclusion.

The key question, therefore, is not whether economic and social inclusion is important, but how we might go about doing better on inclusion. I think that there are many answers to this question, but I'd like to focus on two: access to resources and empowerment.

First and foremost, of course, there is the issue of ensuring that there's much greater success at targeting resources to the excluded—not just transfers, but also capital assets such as land and education. I want to give two examples.

The first example that comes to mind is a land titling project in the rainforest-covered Chocó area of Colombia. A land titling program with the Government of Colombia has provided Afro-Colombians—who make up about 90 percent of the population in this area—and indigenous groups titles to land that they have been working on; land covering some 2.4 million hectares. About 100,000 people were given land titles.

The second example comes from a visit to one of the favelas in Rio with Jim Wolfensohn many years back. We were visiting a water and sanitation project in which the Bank had worked with the municipality to provide water in the low-income favela. The most exciting moment in that visit was when a woman came up to Jim Wolfensohn, very excited, to thank him and the mayor. She was most excited by what she was holding in her hand—a water bill with her name on it—because it gave her an identity as far as she was concerned. Of course she loved having the water, but the water bill was actually very important because it would give her the right to many other things that the state offered.

This kind of formalized access is probably something that can have a tremendous impact on inclusion if spread across countries in the world.

In addition to access, empowerment—the issue that David de Ferranti also referred to—is fundamental for inclusion. We have been doing some work in the Bank, and my colleagues in PREM are one of the focal points for this, in finding ways of operationalizing what we mean by empowerment. The way we've done it—and I think we can probably improve this, but it has proven to be a useful framework—is what I want to spend the next few moments on.

We see empowerment as something that involves empowering poor people through four key elements:



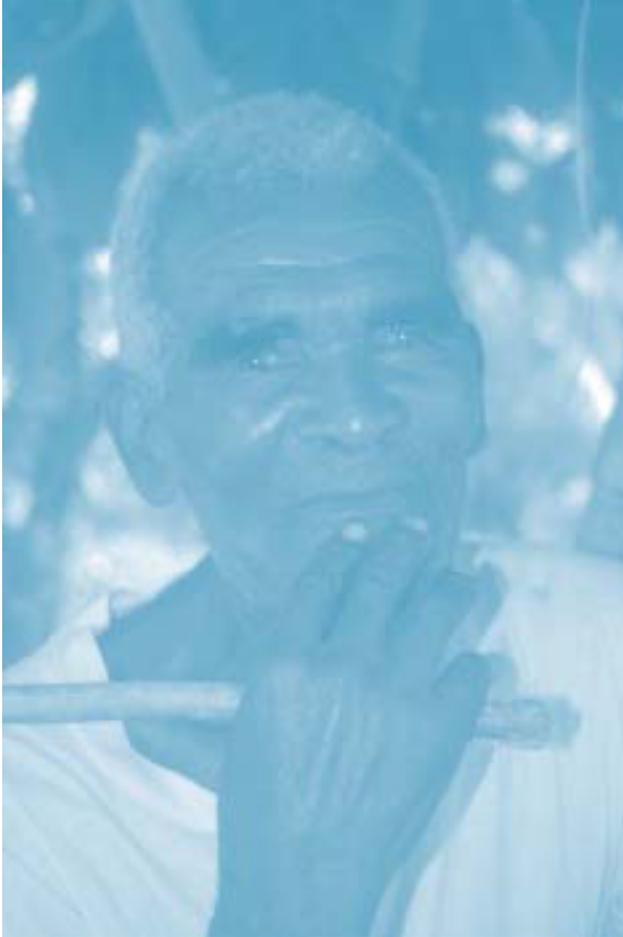
*Photo: Emanuele Santi*

information, accountability, participation, and local capacity. Let me take these briefly in turn.

First let's talk about the power of information. There is absolutely no doubt that the more information that poor people have access to, that excluded people have access to, the more they are able to exercise rights that otherwise go unexercised.

Let's take the example of education expenditures in Uganda. In 1991 only 2 percent of non-wage spending on education reached schools in Uganda. This was considered scandalous. There was a big effort to improve that. By 1995, after a major effort, 20 percent of non-wage expenditures were getting to schools. What happened? The central government began to publicize all the information on how much money each district was getting from the funds that were transferred out of the central government. In other words, people could see how much of that money was actually reaching the districts. The wide availability of information had remarkable results: by 2000 schools in every district in Uganda were receiving 90 percent or more of the outgoing transfers, just by the power of information, transparency, and competition.

We have a lot of useful evidence that participation, the second element, which treats poor people, excluded people, as core producers with authority and control over decisions and resources, is fundamental. In Bangladesh, for example, there is a project in which female education tuition stipends were paid. Part of this money was actually paid directly to schools. The other part of the stipend was simply paid to the girls themselves who were attending schools. They were given savings accounts and then simply



*Photo: Jonathan French*

asked to pay the remainder of the fees from their savings accounts. Of course, they could keep the interest. The very act of having savings accounts and managing those resources was tremendous in increasing the participation they had, and we find that enrollment rates skyrocketed compared to areas in which funds were being transferred directly to the school.

On accountability I will give another example from Brazil, but there is a similar example from Indonesia that you might find interesting. We have seen great differences in rural areas in Brazil in which projects are defined by the communities. In the Indonesian project referred to as the Kecamatan Development Program, the villages choose their projects and design and implement them with technical assistance, obviously, from the state. What we have seen with these participatory methods in Indonesia is that the same projects cost 30 percent less than they do in other areas, and the rates of return are about one-third more than in other areas. This is an example of how leaving the accountability with those who are otherwise excluded makes a big difference to performance.

Finally, on the question of the power of local capacity, here is an example from Bolivia. In 1993 a law of popular participation was approved in Bolivia that created over 300 new municipalities and gave community organizations the power to access information and veto municipal budgets. A survey done a few years later found, however, that the only municipalities in which this power was actually used were those in which poor people's organizations were operating prior to the legislation, and had been encouraged to participate.

The questions we face as we talk about empowerment really have to do with, in our view, the following: How can we increase access to information? How can we increase participation? How can we increase accountability at the grassroots level? How can we improve local capacity at the grassroots level?

Let me close by saying that empowerment really means establishing partnerships with those who are to be included. This means that we need to treat them with respect and dignity, but also tap into their knowledge, energy, skills, motivations, and wisdom.

## Recognizing Marginalization in Europe: The Albanian Roma and Inclusion in Bank Group Operations

Hermine de Soto, Senior Social Scientist,  
Europe and Central Asia (ECA)

■ WAS VERY GLAD TO HEAR that our last speaker ended with the term “empowerment.” I have just come back from Tajikistan from mission, where I was, among other things, disseminating a community-driven development (CDD) report that was written by my Social Development Unit in Europe and Central Asia.

After I finished with the dissemination workshops I asked the government participants, “What is the message that you would like me to take back to my management?” First they looked down for a while, and after some reflection, they said, “Actually, yes, there would be something we would like you to take back. You know, we have so many good technical projects that work more or less very well. However, we don’t understand why our 1,000-year-old *mahallas* (informal organizations) don’t get empowered in this development process.”

So I came back really invigorated because empowerment and inclusion are, I think, what we have to focus on.

In this presentation, I would like to introduce you to my operational work in Albania where we are working with the Roma and Evgjit communities. Our work with these groups began when we had a poverty reduction strategy. A qualitative poverty assessment and a policy review were also part of that strategy. We found that both our qualitative poverty study and the policy review identified the Roma and Evgjit—a new subcultural group that we discov-

ered in the process of our work—as the most marginalized groups in Albania. This marginalization was especially expressed in terms of very low living standards; both groups are among the poorest in the country and suffer from social exclusion.

According to Mr. Claude Cahn, the Roma are a diverse community of people who live in Europe, the Americas, Asia, and Africa. They are linked especially by mutual recognition as Roma, with historical origins in India, and believed to have left India no later than the tenth century of our common era. Most Roma are native speakers of the Romani language.

Throughout the centuries the Roma have suffered from discrimination and racism. By racism I mean institutional power inequalities, systematic discrimination, denial of resources based on the origin of a group of people, and the categorization of a group of people as naturally inferior on the basis of stereotypical understandings of perceived social and cultural differences. In spite of such systems of inequality, the Roma have retained their unique cultural self-identification. Their designation as an ethnic group is based on their separate language, origin, lifestyle, occupation, women’s dress code, social organization, marriage, residence patterns, and flexible but specific community organization.



Photo: Stan Constantin

The Roma have been in Albania for 600 years, and their existence there coincides with the arrival of the conquering Ottoman Turks. We think that when they came to Albania they adopted some of the informal social organization of the white Albanian population, such as the *fis* (or clans).

Under the socialist regime of Enver Hoxha, an attempt was made to create a uniform Albania by suppressing ethnic and cultural differences. Theoretically then, the Roma enjoyed the same “cradle-to-grave” employment, housing, and free access to social services as other Albanian citizens. The end of socialism marked the beginning of the Roma’s precipitous slide from relative well-being into abject poverty.

Currently the informal institution of the *fis*, which was somewhat diminished under socialism, has now reemerged as a coping mechanism in response to the difficulties of extreme poverty and as the Roma say, “an unreliable government” that the Roma feel does not protect them.

As a minority group, the Roma have had difficulties in establishing and defending their basic rights. A recent EU report identifies the problem of marginalization and social exclusion as particularly severe in Central and Eastern Europe, but also in Western Europe. Presently, the Albanian government has no minority policies that foster social inclusion of Roma communities. In a recent report the government follows traditional perspectives and considers only those minorities that have their own motherland and common characteristics such as religious affiliation, language, culture, customs, and traditions to be national minorities. Thus in Albania only the Greeks, Macedonians,

and Montenegrin Albanians are now considered national minorities.

Under this definition, Roma and Evgjit are considered to only be linguistic minorities or cultural groups—not national ones—and hence, they get no special attention in the distribution of resources. Since Albanian national census data is only disaggregated according to national minorities, there is no census data on the Roma, as was also mentioned this morning by other speakers from case studies from other World Bank regions. Similar to these case studies, we also have to be very careful when we look at statistics in Albania.

According to official records, the ethnic makeup of Albania is 98 percent Albanians and 2 percent others, and the 2 percent others are the recognized national minorities. Roma and Evgjit are included under the Albanian category and are officially an integral part of Albanian society. In everyday life, however, both groups suffer from racism and discrimination caused and exacerbated by low levels of education, high unemployment, poor health, very poor housing conditions, and lack of access to basic public services.

One of the major impediments to developing an effective program to strengthen social and economic development and alleviate poverty for the Roma is the lack of reliable information. We had absolutely no information about these groups. After we realized this problem we initiated a meeting with the donor community in Tirana, Albania, and organized a steering group. Based on the Poverty Reduction Strategies Papers (PRSPs) and on the qualitative poverty assessment, the government and the Roma community decided that the first step in our understanding of the problem would be to conduct a qualitative needs assessment.

Key stakeholders who became interested and bought into the work—and this took almost two years—were the Albanian government, the Roma and Evgjit leadership, the World Bank, the Soros Foundation, the American Embassy, the United Nations Development Programme (UNDP), the European Union (EU), the Friedrich Ebert Foundation, and the Swiss Development Cooperation, which also became the steering group.

What are some of the major policy issues to be considered? We feel that several concrete steps could be taken to alleviate the extreme poverty and foster economic and social integration by supporting cultural identity and diversity.

First, the implementation of policies based on the poverty reduction strategy that promote and sustain economic growth as well as effective education, health, and social protection.

Second, the involvement of the Roma themselves in our proposed actions is of primary importance to ensure a sound foundation for social inclusion and empowerment. Presently, target and support mechanisms and policies are still fragmented and would benefit from a concerted development effort to improve formal livelihoods, increase educational qualifications, and promote employment opportunities.

Then, there are social inclusion policy issues and EU accession. With the Council of Europe directive that prohibits discrimination on the grounds of racial or ethnic origin, the EU calls for the elaboration of new rights and the effective protection by governments for immigrants, asylum seekers, and Roma. Currently, the Albanian government watches what is happening in Europe very closely because it would like to become a member of the EU. It is also because of this that the Roma have gained in policy importance.

Social inclusion is understood in social development as the removal of institutional barriers and the enhancement of incentives to increase the access of diverse individuals and groups to develop opportunities under specific project activities. That is the basic definition that we use in our work with the Roma in Albania.

The needs assessment that is currently in progress assesses how the Roma and the Evgjit are impacted by poverty reduction and social inclusion efforts. The assessment will recommend how these communities can be included. The assessment will also assist the government in formulating policies of inclusion that are in accordance with the EU requirements of accession.

We have discussed the concept paper and the questionnaires that we designed together with the Roma community (190 questions, focus groups, expert interviews, semistructured thematic questions) with the main stakeholders and they added some of their own questions. The main questions that we are going to ask are:

- What are the impacts of Albania's transition to a market economy on the Roma?
- What are the needs of the Roma and Evgjit and what are the key issues and main constraints that impair their livelihood sustainability?



Photo: Stan Constantin

- How do the Roma and Evgjit use their own cultural practices as coping mechanisms and how do they respond to forms of inequality?
- How does the Albanian white community perceive the Roma and Evgjit?
- How can the Roma and Evgjit now subjected to social exclusion be included in society?
- What policies need to be formulated to foster the social inclusion of the Roma and promote community, social cohesion, and Albania's EU integration?
- What kind of CDD assistance programs do Roma identify in the needs assessment as a necessity for empowerment and participation in society?

We have now completed 70 percent of our needs assessment. We are in close contact with the EU Minority Office and the Ministry of Labor, who invited us to assist in the development of the Roma minority strategy. Part of the assistance includes sharing preliminary research data.

Since our engagement the Albanian government has established a minority office within the government and they would like to collaborate with us, especially in gathering systematic qualitative information about the social groups.

At this point, the Roma dilemma leads to some controversial ideas. The Roma would like to have at this "transitional juncture" their own cultural centers where they could teach children their own language. So far, there are no language books and Roma feel that their children can only

develop a strong identity if they can first be somewhat literate in their own language and culture. Children like being educated but they seem to dislike school. Interviews reveal that in Albanian schools Roma children are put in the last row of chairs, don't receive the same attention from teachers as white Albania children do, and are told they are dirty.

Some non-Roma argue that this could initiate a form of segregation. However at this critical juncture of social

change this is what the Roma say they need. As an anthropologist who has comparatively studied sociocultural change and adaptation or maladaptation to modernity for a long time, I firmly believe that if a people's cultural identity is not strengthened in the process of rapid transformation and so-called empowerment, then this would only be a rather artificial social development experiment.

## Overlap between WCAR Action Steps and the Bank's Role

Hans Binswanger, Senior Advisor,  
Office of the Regional Vice President,  
Africa Regional Office (AFR)

I HAD NOT PAID ANY ATTENTION to this conference on racism, until I was suddenly dispatched to go and deal with it. What surprised me is that there is, in fact, an incredibly large overlap between the action agenda summarized in three of the paragraphs of the Durban Declaration and what we do in the Africa region in the World Bank. I think it would be clear that we could certainly benefit in our action programs by taking the racial and human rights dimensions into account much more explicitly and, therefore, making our programs stronger. I have two sets of recommendations: reinforce social analysis in our programs, and form better alliances where information can be shared.

The Durban Declaration outlines, in paragraphs 157 to 159, what is expected from the World Bank. Using these paragraphs as a guiding point, I will elaborate on a couple of the areas we are working on in the Africa region regarding: conflict resolution, community-driven development, market access, technology transfers, health and education, and infrastructure development.

First and foremost, the World Bank has been lobbying for increasing aid flows, especially for Africa. In fiscal year 2002, International Development Association (IDA) approvals for Africa exceeded US\$3 billion for the first time. The IDA fund for providing subsidized credits for

low-income countries has just been replenished, and it now includes a grant window.

We also support the New Partnership for Africa's Development (NEPAD) and work on debt relief. The region has provided debt relief to 20 countries. There are, however, economic constraints that stem from the lack of funds from the Organisation for Economic Co-operation and Development (OECD) member countries.

### Conflict Resolution

In the area of conflict resolution we have a very rapidly expanding program of conflict prevention, for countries in conflict, and for post-conflict reconstruction. We have programs in the Democratic Republic of Congo, Congo, Sierra Leone, and Rwanda. A large multimillion dollar reintegration program for combatants in conflict zones throughout Africa has just been approved. We have also raised \$500 million worth of trust funds.

### Community-Driven Development

A third of World Bank lending in Africa goes toward community-driven development. These resources typically go directly to poor communities and to the lowest level of local government. Our CDD agenda in the region also includes capacity building of communities and local gov-

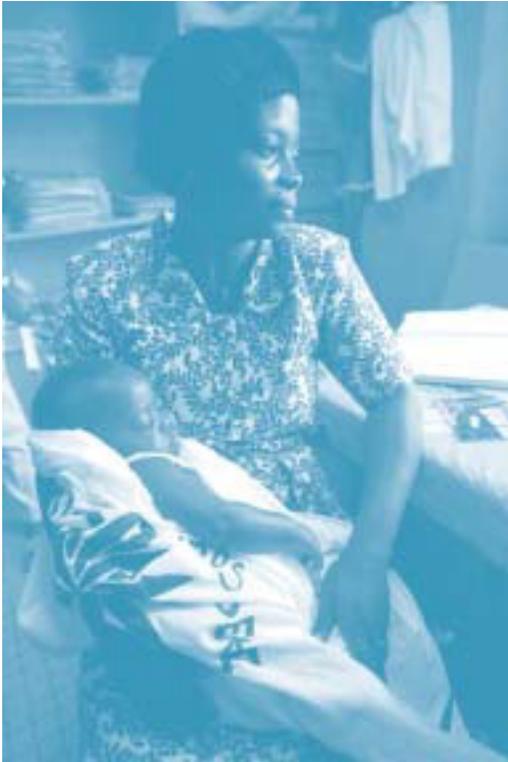


Photo: Ami Vitale

ernments, reform of state institutions in support of decentralization, and reform of sector institutions in support of decentralization, participation, and empowerment. An example of CDD is the ability of parents associations to actively become involved in their children's education by being able to replace teachers who do not perform their job well.

### Market Access

Market access is a big problem for countries in Africa, which are mostly agricultural. You cannot have rural development without agricultural growth, and you cannot have agricultural growth without better access to OECD markets. I think we've been at the forefront of denouncing the adverse effects of the agricultural trade restrictions and subsidies of OECD countries. The World Bank is providing analytical support to African institutions for their participation in the World Trade Organization (WTO) and we are now increasingly focusing on support of real agriculture and food trade, but also on other trade among African

countries. There are, of course, agricultural policy reform problems in some countries, but we are assisting them with these problems.

### Transfer of Technology

The World Bank is, at the moment, leading an effort to reform the financing system for agricultural technology generation and adoption in Africa. As part of our support to NEPAD we are designing a multicountry financing program for this area, to be managed jointly with an African institution, the Forum for African Agricultural Research (FAAR).

### Health, HIV/AIDS, and Education

There already are 62 million people in Africa who have either died become infected, or are orphaned because of the disease. Infection rates are climbing at 3–4 million a year. Now, by any standards in the world, that is ten times the number of people who died in the Holocaust, and it rivals the transatlantic slave trade in terms of impact on that continent. Yet what is the response of the international community and even, for that matter, of the governments themselves? It is extraordinary. U.N. Secretary General Kofi Annan put together a global fund for HIV/AIDS, tuberculosis, and malaria, which should be, even without financing anti-retroviral therapy, funded at \$10 billion dollars a year



Photo: Eric Miller

at the very least; today it has about \$1.8 billion for three or four years. This shows the dramatic unwillingness to pay.

We at the Africa region are trying to reform the way we deal with health by making it less centralized and placing a greater emphasis on community-driven initiatives.

Programs such as Education for All have made education a major focus area in the region.

### **Infrastructure Development**

Infrastructure development continues to be one of the mainstays of the World Bank program in Africa. We had a

relatively successful run with the Chad-Cameroon pipeline and the Bujagali power dam project, and we will continue to support large and complex infrastructure projects such as these. These are very important programs for Africa to develop.

World Bank programs have undergone a radical transformation in the last five to six years. These changes are consistent and supportive of the Durban Declaration against racism, but we are not done; additional focus on specific actions against racism should be explicitly included in our programs.



## Main Issues and Discussions

**D**URING THE COURSE OF THE FORUM, *Durban Plus One: Opportunity and Challenges for Ethnic/Racial Inclusion in Development*, informal discussions took place in which both the attendees and the participants discussed the issues that concerned their work and the implementation of the Durban Program of Action. The following are the main issues and conclusions that were part of said discussions.

### Data Collection

Data collection proved to be an important topic in the discussions following the presentations as well as in the presentations themselves. The collection of disaggregated data on marginalized groups is essential in the development of programs to aid said groups, as well as in their eventual inclusion. To illustrate the importance of census data, Shelton Davis stated that there are between 80 million and 150 million Afro-descendants throughout Latin America and the Caribbean, but that “it has been extremely difficult for various historical, sociological, and political reasons to get an exact estimate (or even a rough guess) of the Afro-descendant population in the region.” Hermine de Soto also addressed the need of data collection on the Roma population in Albania.

### Community-Driven Development

There is a major push in LCR and the Africa region to use the instrument of accountability, one of the four instruments of empowerment, in order to try and work with the local authorities to ensure that as much of its project funds are made available directly to the communities and that these, in turn, have a say in choosing which projects are to be implemented, and in designing and implementing them.

### Land Titles

Land titling is always a difficult issue, but there are ways in which progress is being made. Gobind Nankani recounted his recent trip to a project in India, in the State of Karnataka, in which a unit in the government has been able to establish land titles for poor farmers in an area and computerize all this information. “But when the large landowners woke up to this fact,” explained Mr. Nankani, “it was too late. It was a small unit. They used technology. We talked to the farmers. And I was there and I was able to see basically farmers with very little education get copies of their land titles by requesting this information.”

There is a lot of resistance from vested interests, typically including large landowners, but as Mr. Nankani explained, there are ways of doing these projects, and



Photo: Eric Miller

certain information technology using computers in some parts of the world has worked.

### **Visibility, Exclusion, and Policy Reform**

Those present at the forum expressed the view that invisibility exists that clearly leads to exclusion and that a greater understanding is needed of the dynamics of policy reforms in relation to the affected groups. In Afro-Latin communities, for example, these dynamics were what have brought about programs such as the land titling program in Afro-descendant communities in Colombia. It is also important to internalize the demands of Afro-Latin populations at both the national and international levels. In the Latin America and Caribbean Region the work has begun, but more needs to be done.

There is a consensus that concretization is needed in shaping the message (of the institutions present at the forum) and strengthening civil organizations. Including excluded groups in the development agenda was seen, by some, as not only a technical process, but a political process as well.

As noted by David de Ferranti, “Exclusion exacts too high a price for individuals, communities, and the national economy. Exclusion based on racial and ethnic discrimination has such devastating consequences for countries and individuals that we simply cannot ignore it.”

### **Evaluation of the PRSP Process**

The discussion on the PRSP process was centered on evaluation of the process and possible improvements that could be made to it. Speaking on this issue, Hans Binswanger stated that:

“What is striking is that whenever you go to any one of the countries where the PRSP has been run, there is almost universal buy-in into the process, and I think the agenda is now to strengthen the participation, because these things are going to happen every three years. So we need both to have very strong quantitative and qualitative monitoring of participation in the various elements, and we need to focus on how do we support especially marginal and excluded groups for participation in those things. So I don’t think we are there yet. I think we have good intentions and we’re moving, but think of this like a huge ocean liner that has to be turned around, and it’s not going to happen immediately. It’s not like changing around a small little boat.”

### **Poverty Reduction and Empowerment**

The new World Bank strategy for poverty reduction is based on accelerating investment and growth, the recognition of macroeconomic stability as a precondition, and the need for targeted programs and empowerment. Empowerment is defined as the expansion of assets and capabilities of poor people to participate, negotiate, control or hold accountable the formal and informal institutions that affect their lives. Five key empowerment elements needed to underlie institutional reform were introduced. These are: access to information; access of poor groups to credit, edu-

cation, land, and a predictable flow of fiscal resources; inclusion and participation; accountability; and local organizational capacity.

### **Strengthening of Democratic Institutions and Governance**

Strengthening democratic institutions and governance, as discussed in the forum, were actually two separate headings. The focus of the World Bank in these areas centers on participation and decentralization—participation at the broader policy level but also at the community level. Accountability and governance are pursued with a variety of World Bank instruments, including the dialogue around the PRSPs and the Poverty Reduction Support Credits.

### **Cultural Property**

The World Bank is supporting efforts in this area at a modest level through the Global Environment Facility (GEF) programs.

### **Gender**

Through a number of capacity building investment instruments, World Bank programs are helping to strengthen the capacity of women in the regions. Participants concluded that gender discrimination has an extremely negative impact on growth and poverty.



*Photo: Shehzad Noorani.*



## The IDB's Approach to Economic and Social Inclusion

Mayra Buvinic, Chief, Social Development,  
Inter-American Development Bank (IDB)

LOOKING BACK, THE IMPACT OF THE DURBAN PROCESS has been positive. The issue of discrimination is on the table. Durban has given voice to groups such as the Afro-descendants in Latin America, and it has also resulted in country commitments. Good things have been happening in the region after all. Just two examples. One is affirmative action in Brazil, including government scholarships for universities and the foreign service. Second, just last week in the Mexican Congress a very comprehensive anti-discrimination law was presented by President Fox. So countries have been active in promoting inclusion and I believe that this is the consequence of the Durban process. You (the activists) should all feel very proud of this.

What is social inclusion at the IDB? Or what do we understand by exclusion? We believe that exclusion has a core economic component. But we also recognize that there is a social dimension to exclusion. Exclusion is embodied in social interactions. It has a cumulative effect, disadvantages accumulate, and it has both a spatial and a time or an intergenerational dimension. Exclusion means physical separation, and it usually gets carried over generations. A final key feature is that it is a group phenomenon. It is not only that individuals are excluded, but also groups, and this group feature carries a group identity,

which is one of the “good” features, in a sense, of exclusion. The group identity can lead to activism when groups identify their own exclusion, and this can be very powerful in mobilizing inclusion policies.

What are we trying to do? At the Bank for a number of years now we have a very strong indigenous peoples program, and we have been working on women's and gender issues as well. More recently, however, and in conjunction with Durban, we have broadened our inclusion agenda to encompass Afro-descendants, persons with disabilities, and persons with HIV/AIDS. And we are using a broader umbrella concept of inclusion when we consider all these different groups.

What is our objective? It is to help governments do intelligent public investments that are designed to correct imbalances in the access excluded groups have to services and products as well as political resources and justice; I want to underline the part on political resources because I think it is very important.

What are some tools? We have an internal action plan to guide the Bank's work in this area. In addition, as part of a process where we are defining institutional strategies for the IDB, we have emphasized both the goal of social inclusion and the need to track how well we fare in terms of this objective. So, we will be held accountable for what we are



Photo: Jonathan French

doing in terms of social inclusion. We also have a new diversity plan.

Inclusion for us is, as I said, is an umbrella concept. We wish to take advantage of the lessons learned from the experiences of different excluded groups. We also wish to help build broad-based support across excluded groups. But this umbrella concept needs to maintain the uniqueness and group identities of indigenous peoples issues as well as the issues faced by Afro-descendants, women, and people with disabilities, among others. I think it will be a big challenge to formulate one inclusion strategy that preserves the individual histories, identities, and diversity of these groups. In addition to helping build a broad base of

support, there is a conceptual basis for this umbrella notion of social inclusion grounded in common features that excluded groups share. And what are they? I will walk you very briefly through several common features and share what we have learned from our experiences that could be useful to other groups.

The first feature—which has already been mentioned here—is that all these groups are invisible in the statistics. We know more about the diversity of our industrial production in Latin America and the Caribbean than we know about the diversity of our peoples. From “Todos Contamos II,” a collaborative event we just had with the World Bank on including race and ethnicity in censuses, as well as from past work with women’s issues, we have learned, first, that when we work with statistics, we need to work with a package of instruments. We cannot rely on just having one statistical instrument, for instance a census that will measure prevalence of these groups. Because what if the census does not give you reliable information? The political cost from one erroneous number could be huge. What is called for is a package of statistical instruments where we combine census information with household survey information and with qualitative measures.

Secondly, we learned that the excluded groups have to be full partners in the design of the statistical instruments that will be used to measure them. It was wonderful to see the constructive dialogue between statisticians and representatives from excluded groups in “Todos Contamos II” and this is a key lesson.

We also learned that we need more than one definition for the excluded. We cannot rely only on self-identification. The IDB supported research by Grupo de Análisis para el Desarrollo (GRADE) in Peru where an index for racial intensity was designed to measure exclusion—scores were assigned from one, being white, to ten, being indigenous or black. They found an interesting, likely very common, effect: the people themselves always ranked themselves as more white than the observers ranked them. When certain ethnic or racial characteristics are not valued in society people will not wish to self-identify themselves as such. So it is very important not to rely only on self-identification to get reliable estimates of the size of excluded populations.

The second shared feature of excluded groups is that they are overrepresented among the poor. This is not new, but what we have learned at the IDB—and this is research

that Claire Nelson, who is here with us today, coordinated—is that targeting the poor alone does not necessarily mean that you reach the excluded. The excluded are poor, but the nature of their poverty is different. So tailored, specific measures are required to reach them. And, very importantly, because poverty is so key to exclusion, there is a need to especially focus on labor market interventions to help bring the excluded into the economic mainstream.

Another typical characteristic shared by excluded groups is that they suffer both stigma and discrimination. Interesting lessons in terms of stigma and discrimination come from research and advocacy of people with HIV/AIDS. Other excluded groups can learn useful lessons from this work. A key insight is that power differences are at the core of stigma. Powerful groups in society are seldom subject of stigma. So to combat stigma and discrimination there is a need to shift power relations by empowering the excluded. People with HIV/AIDS have been very good at empowering themselves and being very strong advocates; other excluded groups could learn from the strategies they have used.

The multiple disadvantage of excluded groups is another shared characteristic. Gender, for example, interacts with and deepens other forms of exclusion. As a result, in terms of gender issues, we need to start shifting from focusing on general gender inequality to striving to increase equality among women, and particularly to focus on the multiple disadvantage of excluded women. This could have potential political costs because we would be losing part of the base of support for gender issues. Our task should be to demonstrate that, by focusing on poor and excluded women, benefits accrue to all women. So we have to build a gender base of solidarity and support.

Exclusion is economics, but exclusion also goes beyond economics. Exclusion has an origin in social relations; exclusion really means intolerance. Inclusive policies need to go beyond welfare; they need to be based in the principle of solidarity and strive to change the culture of societies, promoting both fairness and diversity.



*Photo: Ami Vitale.*



# The Durban Program of Action and Implications for International Financial and Development Institutions

Robert Husbands, Manager, Anti-Discrimination Unit,  
United Nations Office of the High Commissioner  
for Human Rights (OHCHR)

**T**HE WORLD CONFERENCE AGAINST RACISM was, first and foremost, I think, an awareness raising process. Not only were we made aware of the problems faced by Afro-descendants, women, Roma, and other groups, but also of the need to build strategic partnerships and interact with other institutions in order to effectively combat racism and discrimination.

I would like to first address the changes that have taken place at OHCHR, notably the new Commissioner, and later offer what I think are the basic recommendations for cooperation between the World Bank, the OHCHR, and other organizations in terms of implementing the Durban Program of Action. I think that there is a tremendous opportunity for our organizations to work together because, in a sense, the Office of the High Commissioner has the policymakers and the social dialogue with Nongovernmental Organizations (NGOs). But that dialogue and those goals have to be translated into action, and that is really where the World Bank and the regional development banks can make a tremendous difference.

As I already mentioned, we have a new High Commissioner for Human Rights, Sergio Vieira de Mello. He has said publicly that his top three priorities are combating racism, gender discrimination, and protecting civilians in armed conflict. I think that although he may have a slightly

different style from the former High Commissioner, Mary Robinson, he is fully committed to following up on the Durban process.

I would like to really second the presentation made by Hans Binswanger. I thought he made a very interesting observation, and I share it because in a sense I have two hats. I have worked in my career in human rights. I started here in Washington as a civil rights lawyer. Then I went overseas and worked in international development, mainly industrial development, in Africa and Asia. And then I came back to human rights in the International Labour Organization (ILO) and the Office of the High Commissioner. And I can tell you, human rights people have a very limited knowledge of what development banks do, especially the World Bank and regional development banks. I noticed this during the last seven years I have worked with the Office of the High Commissioner, and I was really struck by it.

We've had the benefit of having World Bank experts in two regional seminars we've held in follow-up to Durban: one in Mexico City in July and one in Nairobi in September. And these World Bank experts have really contributed an enormous amount to the richness of these seminars. And so my first recommendation is a very strategic one, which almost mirrors exactly that of Hans, and involves

closing the gap between human rights organizations and development banks.

As the head of my unit, I attend many seminars and events, and find that the information that is shared at these events does not get out to the people it needs to get out to. It does not get out to the members of governments, the Commissioner of Human Rights, or the governments that attend the General Assembly. It just does not get out. And I think that in building strategic partnerships between institutions we should consider this problem and create effective mechanisms to disseminate information.

Now, I was going to tell you a little bit about our programs at UNHCR with regard to the Durban Program of Action and its implementation. Following the WCAR, a working group of people of African descent has been created. It met at the end of November 2002 and plans to meet again in February 2003. We are aware of three countries, Sweden, Norway, and Argentina, that have developed national plans of action to combat racism. We expect that number to rise substantially in the next 6 to 12 months.

With respect to reporting on implementation of the Program of Action, there is a process in place that requires the High Commissioner of Human Rights to report to the Commission for Human Rights and to the General Assembly. The Secretariat also regularly sends out communications requesting information from governments, NGOs, national human rights associations, U.N. bodies and international development institutions such as the World Bank. This information is compiled, and is made available to these institutions. Furthermore, our office prepares an annual consolidated implementation report—the first should be out in January—that is destined for the public.

This year we've had the opportunity to hold two regional seminars, called *Implementation of the Durban Program of Action*, that were an exchange of ideas on how to move forward. This is part of an ongoing political process, and we are planning on holding three more seminars next year, hopefully in Finland, in Eastern Europe at a location to be determined, and probably in Bangkok. We will also be having a joint workshop with the United Nations Educational, Scientific and Cultural Organization (UNESCO) in Paris in February with a view to having a

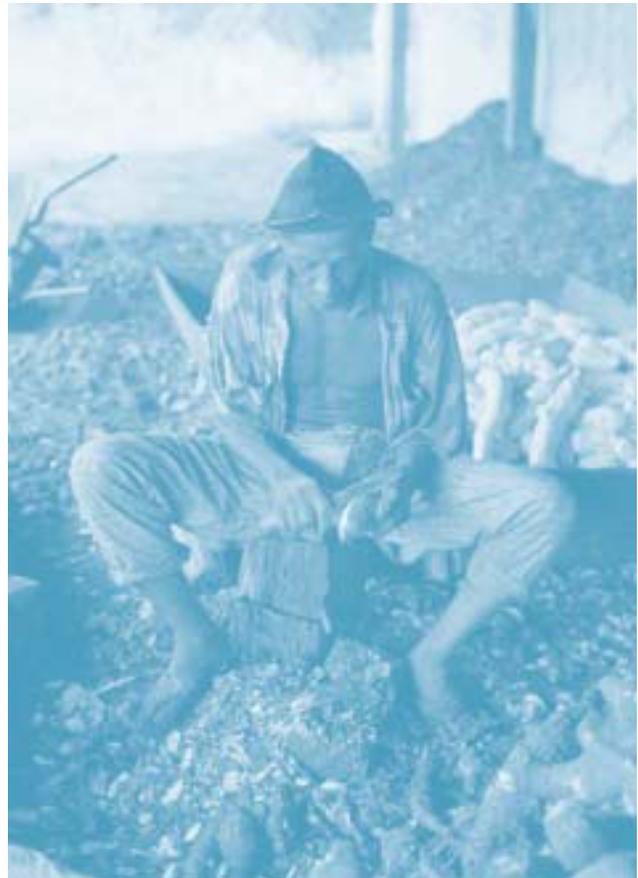


Photo: Alejandro Lipszyc

joint publication out in three languages and with a good distribution worldwide, and will be working with our colleagues and our geographic team for Latin America and the Caribbean on an affirmative action workshop, hopefully to be held in Montevideo in March. In terms of publications, we are developing a publication on best practices and updating our publication on the gender dimension to racial discrimination. Our office is also going to fund some grants programs next year for youth and NGO groups that will be used for human rights education and for national human rights institutions to either put in place or reinforce programs to combat racial discrimination.

# Structural Social Exclusion and Development of Uniform Measures of Race and Poverty Intersection

Lindsay Jones, Institute of Race and Poverty,  
University of Minnesota Law School

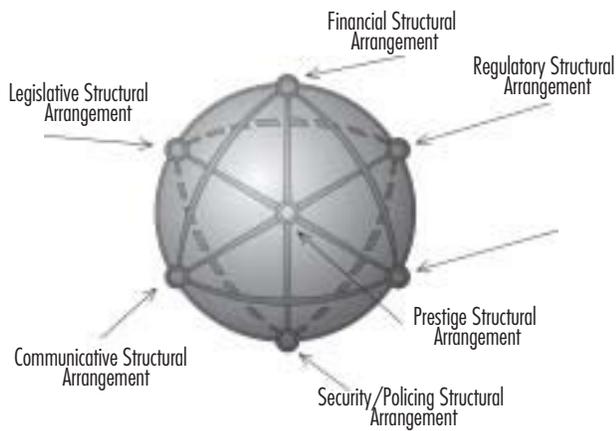
The World Conference Against Racism, Racial Discrimination, Xenophobia and Related Intolerance established a clear global consensus to implement an internationally coordinated strategy to end the scourge of global institutionalized racism. This consensus recognizes three significant insights: (1) race and poverty are interconnected in the manner that the impact of racism is ultimately the deprivation of the comprehensive right to human and social development; (2) the spatial dynamics of social division within societies governed by hierarchical inclusion regimes, and the persistence of disparities in capabilities, particularly in agency and voice, among stratified social groups, creates social tensions that undermine the stability of human and social development; and lastly, (3) that the development of uniform measures of social inclusion is a priority to establishing a monitoring mechanism capable of guiding and aiding the coordination of international human and social development strategies.

I argue that there are two fundamental insights upon which operative understanding must be based in undertaking the development of uniform measures. First, the development of uniform measures to address the interconnection between race and poverty requires a paradigm shift, from the predominant welfare economic frame-

work of measuring human and social development based on a distributive paradigm, to an analytical framework based on a deliberative paradigm. Second, this new welfare economic framework based on a deliberative paradigm must have the utility for addressing the multitude of social division and hierarchical inclusion regimes appearing in the global context.

The model for uniform measures of social inclusion that I propose sets forth a welfare economic framework for evaluating inclusive democracy within an assumed “Global Meta Power Structural Dynamic.” This structural dynamic can be described as a spherical conceptualization of society contained within and shaped by seven “Meta” power structural arrangements that are interactive and interdependent with one another; the most important being the “Prestige Structural Arrangement.” The prestige structural arrangement might be characterized as the predominant value system of a society, comprised of social, cultural, and economic attitudes that are inextricably intertwined. These attitudes influence the distribution of social capabilities and opportunities among distinct and cognizable social groups within the society, to the advantage or disadvantage of particular social groups depending on their level of affinity with the predominant value system. Prestige structural arrangements can be observed at every level of society—

**Diagram 1. Global Meta Power Structural Dynamic Model**



local, national, and international. It manifests in a multitude of complex social divisions and hierarchical inclusion regimes based on intersections of skin color, gender, class, and ethnicity. Ethnicity is complicated by specific culture traits and influences such as language, geography, history, and religion.

While the prestige structural arrangement is the critical pillar upon which societies at all levels are shaped and maintained, it is by no means the only influential power structural arrangement. Four secondary categories of structural arrangements can be observed and may be categorized as legislative, juridical, regulatory, and communicative power structural arrangements. These four secondary power structural arrangements are mutually reinforcing of one another, as are they of the primary power structural axis, and vice versa.

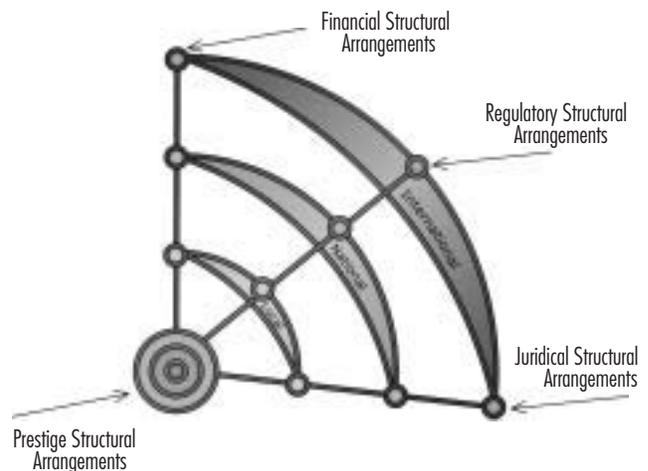
The proposed model assumes that the deconstruction of institutionalized social division and hierarchical inclusion critically relies upon human and social development strategies that deliberately and effectively democratize the Global Meta Power Structural Dynamic. To this extent, the model identifies two outcome measurable goals that are supported by progressive evaluative indicators to guide and evaluate human and social development policies and initiatives. The first outcome measurable goal is the functional equalization of “empowerment voice” and preservation of social group integrity for all distinct and cognizable social groups comprising a society. The second outcome measurable goal is

the establishment of a normative equal protection guarantee to the comprehensive right to human and social development. Whereas the first goal measures the level of inclusion, the second goal measures the level of democracy.

The proposed model also assumes that a social group’s agency and voice capabilities can be evaluated through the qualitative characterization of the capabilities as falling into one of three categories: protest voice, empowerment voice, and transformative voice. These categories are progressive as well as comparative, and can be employed to guide human and social development investments and establish uniform measures to evaluate progress in democratizing the Global Meta Power Structural Dynamic. A social group exhibiting “protest voice” is generally lacking the capability to organize under required institutional forms and command required institutional languages. They are in terms of the vernacular, “socially excluded.” Empowerment voice might be characterized as a social group exhibiting some level of situational capability to access the Global Meta Power Structural Dynamic through its institutional languages and form requirements and directly engage in its mediation processes. While not directly bringing about the democratization of the Global Meta Power Structural Dynamic, protest voice may evolve into “empowerment voice” through increased situational capability gained through receiving human and social development concessions in response to protest visibility.

Ultimately, the democratization of the Global Meta Power Structural Dynamic is dependent on the functional equaliza-

**Diagram 2. Global Meta Power Structural Dynamic Model**



tion of empowerment voice and preservation of social group integrity for all distinct and cognizable social groups comprising a society. The realization of this structural capability within the Global Meta Power Structural Dynamic establishes societal capability for pluralism and understanding of “complex interdependence.” This transcendence signifies the emergence of transformative voice, which might be characterized as a single collective mantra, “democratize the power structures.” Transformative voice seeks to secure social group differences through the functional equalization of their respective agencies and voices for equal consideration and accommodation in the mediation processes of the Global Meta Power Structural Dynamic.

In as much as I am attempting to invoke the transformative voice before this audience, I am calling upon

the community of multilateral development agencies to reflect upon their respective roles within the international financial power structural arrangement and their commitment, both internally and externally, to deconstructing institutionalized social division and hierarchical inclusion. In closing, let me express my sincere appreciation for those who are responsible for this gathering through this metaphorical summary of our mission—Blessed are the hands that come together to weave and transform the segregated quilt into an integrated tapestry, in which the color, texture, and thickness of its individual threads are preserved with integrity, for such is the fabric and swaddling from which our humanity emerges from its infancy and becomes self-actualized.



## Closing Remarks

Aklog Birara, Senior Advisor on Racial Equality,  
Office of Diversity Programs

**T**HERE HAVE BEEN MANY DEVELOPMENTS since the World Conference Against Racism, Racial Discrimination Xenophobia and Related Intolerance (WCAR). Both the World Bank and the Inter-American Development Bank (IDB) have been working to identify and implement programs and projects, drawing from their experiences in supporting indigenous peoples, Afro-descendants, Roma, women, and other victims of discrimination. The purpose of this Durban Plus One forum was threefold: to update participants on the Durban Program of Action; to link race, ethnicity, and diversity to measurable indicators such as the “Millennium Development Goals (MDGs)”; and to stimulate dialogue on operational implications of the WCAR for multilateral institutions.

In terms of the conceptual design and how we arrived at it, you will be pleased to know that we did this in consultation with, and with inputs from, the many folks that you heard here today. We designed the theme and focus by making sure that the nexus between diversity and racial and ethnic exclusion and the linkages with the MDGs were thorough and apparent. I believe this came through as you heard from the various presentations.

A lesson that can be drawn from this forum is that we have moved to action. This was apparent in the presenta-

tions from the operations units in the Bank (AFR, ECA, LCR) and at the IDB. The sensitive issue of ethnic and racial inclusion is no longer a taboo. We can no longer ignore it or hide it. We have placed racial and ethnic inclusion on the radar screen. Moreover, this issue enjoys a strong commitment from the leadership of the Bank Group in general and from the Operations Vice Presidents.

Yet another lesson that can be drawn from this conference is the linkage and relevance of racial and ethnic inclusion to the MDGs. One thing that came through in the presentations is that the MDGs would not make any sense if they exclude anyone based on race or ethnic affiliation.

At the end of the day, exclusion is really about people and their lives. It is about education, health, sanitation, and economic and social opportunity. We are talking about voice and participation. It is about the lives of millions of Afro-descendants in Latin America and the Caribbean, thousands of Roma, a growing number of people impoverished and afflicted with HIV/AIDS, and countless others that are marginalized and excluded throughout the world. In short, we are talking about people. The challenge for all of us is to translate today's discussions into operational results.

