DAC Network on Poverty Reduction

PRO-POOR GROWTH AND HUMAN RIGHTS: FUTURE EXPLORATION OF THE CONCEPTUAL AND OPERATIONAL LINKAGES

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This document is for DISCUSSION and DECISION under item V of the agenda of the meeting of the DAC Network on Poverty Reduction (POVNET) [DCD/DAC/POVNET/A(2009)7].

The document explores the need and value of better connecting DAC work on human rights and pro-poor growth in ways that strengthen synergies. It invites POVNET to consider the themes and modalities for engaging in such joint work. An initial proposal would be to prepare a joint seminar on opportunities and challenges in bringing together human rights and pro-poor growth perspectives in operational ways.

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I. Introduction and Background

1. The DAC Governance Network’s (GOVNET) Human Rights Task Team commissioned a survey of economists working on pro-poor growth to explore the “Conceptual and operational interfaces between human rights and pro-poor growth”\(^1\). The aim is to begin to build the foundations for effective collaboration between these different constituencies for sustainable, pro-poor development. The preliminary findings were presented at the last meeting of the DAC Network on Poverty Reduction (POVNET) in March 2009 [DCD/DAC/POVNET/RD(2009)3/RD1], and both Networks have now reviewed the full report.

2. The survey recognises that human rights and pro-poor growth strategies can be complementary and there are real development gains to be made by developing a shared agenda and common understanding. The challenge at the nexus of PPG and HR is that for too long policymakers and practitioners working on pro-poor growth and human rights have operated in different worlds in many development agencies and in academia. There is a need to promote dialogue and engagement between practitioners and academics working on pro-poor growth and human rights and to ensure a focus on empirical evidence, to move beyond misconceptions and to develop a knowledge base. Some of the main obstacles to effectively integrating HR and PPG identified in the survey are a) a lack of understanding of each other’s languages and, b) consequently, of the concepts and agendas.

II. A Collaborative Human Rights and Pro-poor Growth Agenda: Levers for Economic, Social and Political Development

3. The greatest opportunity for taking forward an integrated approach is moving the debate towards the operational implications of integrating HR and PPG and demonstrating the added value of this, while recognising that practitioners in both fields also have a responsibility to promote cross-fertilization. Building an evidence base through research and evaluation based on the combined experience and expertise of professionals in both fields will require finding an operational balance between principle and reality, an ability to handle shared challenges jointly and a focus on common strengths. It is proposed that the two Networks collaborate to set out the development gains of a collaborative agenda on human rights and pro-poor growth:

- **A joint seminar** with practitioners, policy makers and academics from partner governments, Southern institutes and donor agencies to lay the foundation for dialogue; and

- **The identification of operational entry points** to explore the opportunities and challenges at the nexus of human rights and pro-poor growth and build the evidence base to develop shared policies and approaches for more effective interventions.

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\(^1\) “Conceptual and operational interfaces between human rights and pro-poor growth”, August 2009, was commissioned by the GOVNET Human Rights Task Team with the Overseas development Institute (ODI), Marta Foresti and Bhavna Sharma, with Kate Higgins and Pilar Domingo as part of the follow up to the *Action-oriented Policy Paper on Human Rights and Development (AOPP)*, 200, “to build shared understanding of the links between human rights obligations and development priorities through dialogue”. 


4. A seminar on human rights and growth would allow experts in these communities to: i) identify opportunities and challenges in developing a collaborative agenda for pro-poor growth and human rights, beyond the conceptual level; ii) consider strong entry points for operational engagement; and iii) sow the seeds of multidisciplinary dialogue and information exchange to move beyond institutional barriers to empower the agendas of HR and PPG to achieve better results for the poor.

III. Operational Entry Points for Integrating HR and PPG

5. The following entry points identified through the survey constitute real opportunities for taking this agenda forward to achieve collaboration and change. In considering these, it is important to recall that the underlying principle for working on HR in development is that to ensure power, voice and participation, poor people should be seen as rights-holders while state institutions are duty-bearers. This perspective already characterises some of the work underway in POVNET on empowerment. This list of possible entry points is covered in more detail in the survey, and additional evidence would needed to about how human rights can reinforce pro-poor growth policies and practice.

i) **Specific rights:** Economic and Social rights, in particular, could be entry points for a collaborative agenda. Labour rights, land rights and rights to health and education were all identified by the economists surveyed as being growth oriented with the potential for enhancing PPG. Labour rights and employment policies that set the minimum standards for employment and a decent standard of living are all potentially key. Rights to a decent standard of living and labour rights imply that people should expect to be employed in such a manner that they earn a sufficient salary in order to be able to live and that their work does not damage their health. By supporting and nurturing the workforce it will become more productive, better trained and increasingly qualified, representing direct investments in the economy and growth. Specific attention needs to be paid to the role of women and young people in the economy, investing in their skills and improving their access to markets and jobs.

- **Land, property and inheritance** rights have also been identified as increasingly important for growth and PPG in particular. The emphasis here is on protecting the poor and most vulnerable who are most at risk of losing assets such as land and property as a result of natural and man-made crises, discriminatory practices or lack of mechanisms to enforce their rights. In practice, what is needed, but often lacking, is effective access to legal services, information provision and assistance and support for litigation and other legal processes. Land and property rights increase stability and certainty in the state and market place, which are important conditions for growth and investment.

- **Key social and economic rights,** such as rights to health and education, are explicitly linked to growth and PPG. Economies require an educated and healthy population in order to grow. PPG emphasises the role and inclusion of the poor and most vulnerable in growth processes: access to health services and education opportunities are both key in order to improve their productive capabilities and skills sets to engage effectively in the market and growth processes. Human rights can contribute to improving health and education access and outcomes, emphasising universal access for all, and specifically those marginalised and excluded from the level the playing field and help to negotiate and set basic minimum standards of those services (e.g. free primary education), as quality matters too.

ii) **Economic policies:** resource allocation, taxation and social protection programmes were all identified as the main focus areas, and it will be important to take differences between the formal and informal economies into account in their design and application.


**Taxation** could be tackled from an HR perspective in different ways. There is a need to consider whether taxes are progressive, i.e. taking inequalities and income levels into account or regressive, i.e. if poorer segments of society face a greater tax burden in proportion to their income than wealthier groups. A related issue is how to harness the distributional opportunities of progressive tax policies to reduce the burden on poor people and remove some of the barriers to their integration into the economy, and increase government fiscal resources to address inequalities and discrimination. HR also helps to assess if revenues are adequate in relation to the fulfilment of HR obligations; if taxation budgets result in the state’s inability to meet them or make matters worse.

An **analysis of the budget and resource allocations** to geographical areas or services that would benefit the poor and marginalised groups would integrate PPG and HR perspectives. As an illustration, experts interviewed disagreed about how pro-poor China’s poverty reduction and growth efforts were. From an ‘absolute’ perspective, China has made phenomenal progress in reducing the numbers of people living in poverty. From a ‘relative’ perspective, there are concerns with growing inequalities in China, an issue which the country is now very focused on addressing. A more pro-poor or rights focused budget may choose to allocate government resources in those areas or towards those segments of the population previously ignored or marginalised. Similarly, many experts noted that resource allocations to services accessed by the poor (such as public schools and hospitals) were minimal, leading to uneven, interrupted and inferior quality provision of services. HR and PPG frameworks would both place emphasis on progress towards providing equal levels of services, and of a minimum standard, to the poor. Recent experiences in Latin America, e.g. in Paraguay and Ecuador, show that public information, education and transparency play a key role in improved budgetary processes and result in greater allocation on social spending. The emphasis on information was inspired by experience of rights-based budget monitoring.

**Social protection and food policies** are important tools for protecting livelihoods and assets of the poor and vulnerable. This is all the more important during this economic crisis, which places particular emphasis on the state responsibility to protect those most exposed to risk and vulnerable to shocks. Short-term protection of these groups is also needed to avoid further intensification of poverty and running down of productive assets in order to survive, which creates future poverty and increased vulnerability. POVNET has recently shown how social protection contributes to poverty reduction and pro-poor growth. Work is also underway to assess cash transfer programmes and other social protection initiatives from a HR perspective (e.g. cash transfer are the objects of an investigation of the **Special Rapporteur on Extreme Poverty**), but there are other ways in which HR can strengthen social protection and, in turn, secure PPG. HR can also provide the basis for putting in place redress mechanisms and accountability systems in large scale social protection programmes where disputes can arise among competing interest groups.

iii) **Governance** emphasises the relationship between the citizen and the state and how the state can be responsive and accountable to all citizens’ needs, including the poor and vulnerable. Considering the role of the state as regulator is particularly timely as the economic crisis has seen governments all over the world taking on a greater role in the market economy and global financial system. This has implications for developing countries and the role of the government to correct “market failures” and provide common public goods not delivered by the market, including stability and security in fragile states. Many experts pointed to participatory political and economic processes as key to integrating PPG and HR agendas. If government policies are to focus on the poor, then they need to be active participants in policy formulation. Human rights
provide the legitimacy and credibility for demanding a role in participatory processes, while PPG focuses on increasing capacities and opportunities for the poor to participate in growth processes.

- **Service delivery**: the state needs to be able to regulate the provision, access, quality and delivery of public goods and basic services, including to the poor and marginalised. From a human rights perspective, the state has a duty to protect citizens from rights violations and guarantee rights, which include economic and social rights (i.e. basic services). If non-state actors commit rights violations due to insufficient or ineffective regulation, the state is still ultimately responsible. Human rights provide a legal framework with which citizens can raise rights violations and obtain redress.

- **The rule of law and access to justice**: not only must the state guarantee the rule of law, but it must also maintain the monopoly control of violence and monitor the police and security forces. In many developing countries, the poor are made more vulnerable by a lack of security due to the inability or unwillingness of the state to protect them and their property, leaving them vulnerable to attack or inducing risk averse behaviours, which are ultimately anti-growth. At the heart of the HR agenda is the emphasis on protecting vulnerable people and establishing mechanisms for monitoring and redress of HR violations. Access to justice is a key mechanism to integrate both the HR and PPG frameworks.

### IV. The Way Forward: Questions for Discussion

6. Following a review of the study on conceptual and operational linkages and the proposal to join the GOVNET it this endeavour, which specific links and entry points between pro-poor growth and human rights would POVNET members be interested in further exploring and drawing out operational implications?

7. How can we deepen dialogue between economists and human rights practitioners? Would POVNET members be prepared to lead on work with the GOVNET Human Rights Task Team to prepare a joint seminar (to be held in Spring 2010)?