



THE HUMAN RIGHTS INSTITUTE



University of
Connecticut

Economic Rights Working Paper Series

**Human Rights and National Poverty Reduction Strategies:
Conceptual framework for human rights analysis of poverty re-
duction strategies and reviews of Guatemala, Liberia and Nepal**

Sakiko Fukuda-Parr
The New School

Working Paper 2

April 2007

The Human Rights Institute
University of Connecticut
Thomas J. Dodd Research Center
405 Babbidge Road, U-1205
Storrs, CT, 06269, USA

Email: humanrights@uconn.edu
Tel: 860-486-8739
Fax: 860-486-6332
<http://www.humanrights.uconn.edu/>

Abstract

Poverty is an important human rights concern. Human rights are claims that people have for social arrangements to guarantee their substantive freedoms; poverty reflects failures in these social arrangements and in the actions of duty bearers. It is the poorest people in society — those with low incomes, education, insecure health, and political power — who are most vulnerable to severe abuse of their human rights in multiple areas. At the same time, it is lack of human rights protection that leaves people vulnerable to falling into economic and social destitution. Poverty is both a cause and consequence of human rights abuse and lack of protection. Yet human rights agendas are rarely explicitly built into national strategies for poverty reduction.

This paper is a consolidated report of a study commissioned by OHCHR on developing a conceptual framework for integrating human rights into national strategies for poverty reduction and identifying operational priorities. It builds on and takes further the 2003 OHCHR conceptual framework on human rights and poverty reduction strategies authored by Hunt, Nowak and Osmani. It incorporates a human rights analysis of poverty reduction policies of Guatemala, Liberia and Nepal.

The paper argues that human rights perspectives contribute new approaches in normative, analytical and instrumental dimensions of poverty reduction strategies. First, it brings a strong and explicit normative framework legitimized by the backing of international law that emphasize principles of equality, non-discrimination and concern for the most vulnerable, and a social justice agenda to policy priorities. Second, human rights perspectives introduce new analyses to the causes of poverty - focussing on institutionalized discrimination, lack of political voice, institutional failures to guarantee human rights including weak protection for civil and political rights. Third, human rights have instrumental (not just intrinsic) value for poverty reduction; human rights empower poor people through the power of legal protection for human rights — civil, political, economic, social and cultural — of poor people as well as through the power of ideas that legitimize the claims of poor people to surmount obstacles in their lives.

The Economic Rights Working Paper Series of the University of Connecticut Human Rights Institute is an effort to gather the most recent work on Economic Rights. This paper is work in progress. The authors remain copyright holders of this paper.

This working paper is indexed on RePEc, <http://repec.org/>

TABLE OF CONTENTS

INTRODUCTION

PART I: OVERLAPS AND DIFFERENCES BETWEEN THE HUMAN RIGHTS AND DEVELOPMENT PERSPECTIVES ON POVERTY CONCEPT AND POVERTY REDUCTION STRATEGIES

CONCEPT OF POVERTY

Perspectives in the development community – from economic to human centered approaches

Human rights perspective on poverty

NATIONAL POVERTY REDUCTION STRATEGIES

Normative framework

Analysis of poverty trends and causes – who are the poor and why?

Policy priorities

Policy tools

Process of policy formulation and implementation

COMMON CONCERNS, COMPLEMENTARY TOOLS AND DIFFERENCES OVER PRIORITIES

PART II: HUMAN RIGHTS ASSESSMENT OF POVERTY REDUCTION STRATEGIES IN GUATEMALA, LIBERIA AND NEPAL

HUMAN RIGHTS AND POOR PEOPLE

Poverty Trends and progressive realisation and meeting minimum thresholds of ESCR

Severe Violations of Human Rights and poverty as cause and consequence

IDENTITY BASED DISCRIMINATION, HORIZONTAL INEQUALITY AND VIOLENT CONFLICT.

GOVERNMENT POLICY EFFORT

(A) Guatemala

(B) Liberia

(C) Nepal

STATE ACCOUNTABILITY, CAPACITY AND NON-STATE ACTORS
International community

PART III: OPERATIONAL PRIORITIES

FUNCTIONS OF HUMAN RIGHTS ORGANISATIONS

HUMAN RIGHTS PRIORITIES RELATED TO POVERTY

CONCLUSIONS: PRIORITY ISSUES FOR HUMAN RIGHTS ASSESSMENT OF PRS

Matrices and Tables

Matrix 1: Comparing Human rights and development perspectives on poverty - Normative principles, analytical approaches, policy priorities, policy tools and implementation tools

Matrix 2: Mapping institutional functions and tools

Table 1: Realisation of economic and social rights: meeting minimum thresholds in human outcomes in Guatemala, Liberia, Nepal (2004

Table 2: Equal rights, discrimination and narrowing disparities - Guatemala, Liberia and Nepal

Table 3: Disparities in income and human poverty – Guatemala, Liberia and Nepal

Table 4: Guatemala budget HR Expenditure: 2005 through 2007

Table 5 - Liberia budget HR Expenditure: 2004/05 through 2006/07

Table 6 - Nepal Budget HR Expenditure: 2004/05 through 2006/07

Table 7: Internal versus External Financing of HR Spending (% of GDP)¹

Table 8: ODA to Liberia, Guatemala and Nepal

Table 9: “Shadow Budget” Sector Funding Breakdown (2004-2007)

Annex I

Tables 1 – 6 Guatemala

¹ IMF figures from IMF World Economic Outlook

Tables 1 – 6 Liberia

Tables 1 – 6 Nepal

Annex II

Budget Expenditure for Human Rights: Methodology

Annex III

Human Rights Framework and the PRSP

INTRODUCTION²

In congratulating Muhammad Yunus who pioneered micro-credit schemes for poor people on receiving the 2006 Nobel Peace Prize, the UN High Commissioner for Human Rights Louise Arbour remarked, 'he took on poverty as a denial of human rights'.³

Poverty is a central human rights concern because it is a denial of human dignity and freedoms. As Yunus put it when interviewed for his Nobel Prize, 'There is no self respect and status when you are burdened with poverty'. Or as OHCHR explains, 'Poverty erodes or nullifies economic and social rights such as the right to health, adequate housing, food and safe water, and the right to education. The same is true of civil and political rights, such as the right to a fair trial, political participation and security of the person.'⁴

If poverty is a human rights concern, do national strategies for poverty reduction advance human rights of poor people? Poverty reduction strategies are public policy strategies that build on economic and social science concepts and on development practice where human rights principles and practice have been largely absent. Are human rights principles respected and incorporated in these efforts? Economists and social scientists do not make much use of human rights principles in developing national policy frameworks, and rely on economic and social science concepts and methodology for their analyses. At the same time, the human rights community whose work has historically focussed on civil and political rights has only recently taken up poverty issues in the last decade, so conceptual, analytical and operational approaches are only beginning to emerge.

In the last decade, many poverty reduction initiatives have been launched under the banner of 'human rights based approach to development' and several development agencies such as UNICEF have incorporated this concept as one of (though not always the main) their policy principles. The UN system has developed a 'Common Understanding' on the human rights approach to development, reflected in many UN Common Country Strategies (UNCCS).⁵ The donor community in the OECD DAC has recently adopted a policy framework for integrating human rights in development cooperation.⁶ While the literature and practice have built up, many gaps remain in integrating human rights agenda in strategies for development and poverty reduction.

One of the important gaps is a conceptually grounded strategy with clear operational priorities for pursuing human rights agendas in poverty reduction strategies at the country level. It is in this context that the Office of the High Commissioner for Human Rights initiated a study to develop a conceptual framework for a human rights analysis of

² This report was submitted to the UNOHCHR. It does not reflect the official position of that organization.

³ OHCHR website 13.10.06

⁴ OHCHR website on Poverty. www.ohchr.org/english/issues/poverty/

⁵ UN Common Country Understanding

⁶ DAC, 2007

national poverty reduction strategies and carry out an analysis in three countries.⁷ This paper is the consolidated report of this study and incorporates four elements: the concept paper of October 2006, and country visit reports for Guatemala, Liberia and Nepal. It thus draws on the work of the members of the country study team: Juan-Alberto Fuentes, Arjuna Parakrama, Viet Tu Tran, and Sally-Anne Way; background papers by Graham Brown on horizontal inequalities and conflict; and supporting research inputs from Nikken Cullman and Carol Messineo. This study also builds on and extends the work that has been underway in OHCHR since the 1990s on human rights perspectives on poverty including: 'Human Rights and Poverty Reduction' led by Hunt, Nowak, and Osmani;⁸ 'Human Rights, Health and Poverty Reduction Strategies' led by Hunt⁹.

The paper argues that integrating human rights into poverty reduction strategies brings a strong normative framework emphasizing principles of equality, non-discrimination and concern for the most vulnerable, and a social justice agenda to policy priorities. It would also bring a new perspective on poverty focussing on poverty as a cause of human rights violations and the absence of social arrangements to guarantee rights as a cause of poverty. It would bring new approaches to analysis of causes of poverty focussing on institutionalized discrimination, lack of political voice, institutional failures to guarantee human rights including weak protection for civil and political rights as causes of poverty. It also brings new dimensions to the analysis of economic and social policy against human rights agendas for pursuing social justice.

The paper highlights the findings of the analysis of the poverty reduction strategies of Guatemala, Liberia and Nepal which assessed economic policy, social policy and governance reforms, focussing particularly on budgets and challenges of horizontal inequalities (political, social and economic exclusion of ethnic and other identity based groups) as root causes of armed conflict. The study finds that while the three countries are vastly different, there are some common issues starting with inadequate attention to equity and distributional issues overall, especially identity based exclusion and their potential for renewal of violent conflict. In particular these strategies are weak on: pro-poor growth to increase incomes of poor people and relies on migration and remittances for poverty reduction; attention to the regional and group based allocation of social investments; investment in strengthening the judiciary; attention to land conflicts involving historically oppressed groups; and proactive measures to remove historically entrenched discrimination such as through affirmative action policies.

The paper is structured in three parts. Part I aims to clarify the conceptual differences and similarities between the poverty human rights approach and the development approach to poverty. Part II presents an analysis of human rights issues in poverty reduction strategies of Guatemala, Liberia and Nepal. Part III addresses the institutional and operational issue of the strategic priorities for human rights organisations in addressing poverty and in furthering the realisation of human rights of poor people.

⁷ This report is a personal report of the author and does not reflect the position of the UN OHCHR.

⁸ OHCHR, 2004.

⁹WHO, 2005

PART I:

OVERLAPS AND DIFFERENCES BETWEEN THE HUMAN RIGHTS AND DEVELOPMENT APPROACHES TO POVERTY

Human rights and human development are close enough in motivation and concern to be congruous and compatible, and they are different enough in strategy and design to supplement each other fruitfully'.¹⁰

This conclusion from the UNDP 2000 Human Development Report on human rights repeated in the 2004 OHCHR concept document on poverty makes clear that although human rights and human development may share a common motivation, they are distinct concepts and should not be conflated as one and the same thing. Similarly, the denial of human rights and human development should not be conflated. A casual remark such as 'poverty is a violation of human rights' adds confusion rather than clarity. The quote by Louise Arbour at the beginning of this paper clearly states 'poverty *as* a denial of human rights', not 'is'.

In this paper, the term poverty will be used to refer to a human condition in characterized by deprivations below defined thresholds in multiple dimensions of human life that are important for well being. Most definitions focus on deprivations in income and other resources and conditions necessary for a decent standard of living, lack of education and access to information, lack of nutrition, ill-health, lack of political voice and being denied respect and equality. Most of these are conditions that can be measured by standard socio-economic indicators. In contrast, human rights are claims that people have on society for social arrangements that ensure a life a dignity and freedom. These rights are defined in the Universal Declaration of Human Rights and in a series of international legal instruments, and entrenched in national legislation through which citizens are guaranteed enforcement.¹¹

Human rights and poverty overlap because they are both concepts of meeting minimum thresholds of acceptable conditions in their lives. There is a very substantial overlap on the aspects of human life that would be included in poverty concepts such as basic human capabilities for a tolerable life and human rights.¹² We now explore further the concept of poverty and strategies for poverty eradication to the similarities and differences between the development and human rights approaches. The first section on concepts reviews three perspectives on poverty, the human centred and economic perspectives

¹⁰ UNDP, 2000. Human Development Report 2000. Human Rights and Human Development', p.19. And quoted in OHCHR, Human Rights and Poverty Reduction, A Conceptual Framework, 2004. p. 13. This chapter of the Human Development Report was mainly written by Amartya Sen.

¹¹ For some, rights derived from law while for others such as Sen, law does not matter as rights depend on ethical principles that derive from 'public reasoning'. See Mahal and Marks, 2006, 'Goals and Instruments of Poverty Reduction: Economic and Human Rights Perspectives on children's Rights and Development Strategies'. Paper submitted to UNICEF, November 2006.

¹² See Mahal and Marks 2006 for a comparison of capabilities and UDH.

which are currently used in the development community, and the human rights perspective. The second section reviews how these three perspectives would be reflected in poverty eradication strategies, specifically their normative frameworks, policy priorities, and policy tools. The aim is to identify the key areas where human rights perspectives would enrich poverty reduction strategies.

CONCEPT OF POVERTY

*Perspectives in the development community – from economic to human centered approaches*¹³

In the development community, economists and other social scientists have had a rich debate about the concept of poverty and diverse approaches have been proposed. The conventional approach to poverty in both developed and developing countries has been the income perspective, focussing on lack of income as the central problem, and using measures of poverty using headcount of individuals consuming or earning below a certain minimum threshold. Recently, there has been a substantial shift towards a broader concept of multidimensional deprivation as ‘people centred’ approaches gained influence.

In the 1990s a lively debate emerged challenging these conventional concepts with alternative perspectives. One was the *participatory approach* pioneered by Robert Chambers¹⁴ and further developed by Deepa Narayan and others in the landmark publication *Voices of the Poor*¹⁵ which emphasized the contextual nature of poverty – that the particular form it takes depends on situations that people find themselves in, and that people themselves define poverty differently and identify people as ‘poor’ according to different criteria. This approach also emphasized the central role of ‘participation’ or human agency in addressing poverty, and worked on the sustainable livelihoods approach to poverty reduction. Another perspective that emerged, particularly in Europe, was the concept of *social exclusion* which addressed the fact that poor people not only had low incomes but were systematically not participating in basic social activities including employment but also in other spheres such as family and community life. Finally, a leading concept that emerged was the *capability approach* developed by Amartya Sen, Martha Nussbaum and others in which development is defined as an expansion of human capabilities or the freedom to live a life a person values.¹⁶ In this perspective, poverty is defined as the lack of basic capabilities needed to achieve a minimally tolerable life such

¹³ I refer to the development community to set it apart from the ‘human rights community’. It includes all those who work on problems of development affecting poor people and countries, encompassing academics and practitioners; economists and other social scientists; NGOs, national governments and donor agencies. The human rights community, on the other hand works on problems of human rights encompassing academics and practitioners but they tend to be lawyers rather than economists, and involve human rights NGOs rather than development NGOs, ministries of justice rather than economy, and ministries of foreign affairs in donor countries rather than aid agencies, and in the multilateral system, the UNOHCHR rather than World Bank, IMF, UNDP, UNICEF, UNIFEM, etc.

¹⁴ See for example, Chambers, 1997

¹⁵ Narayan et al, 2000

¹⁶ This approach forms the basis of the UNDP Human Development Reports.

as being well nourished, avoiding preventable morbidity. The UNDP Human Development Report introduced a new term 'human poverty' to distinguish it from 'income poverty', and developed the Human Poverty Index (HPI), a multidimensional non-income based measure of poverty which incorporates indicators for nutrition, access to water, illiteracy and likelihood of dying before age 40.¹⁷ The participation and capability approaches differ in their theoretical origins but share a common concern with people, both as beneficiaries and actors in development. These two approaches can be referred to as the 'people centered' perspectives.

The people centred perspectives have also opened the way for considering much broader set of issues as causes of poverty. Both the participation and capability approaches emphasized the importance of human agency, what poor people can do themselves, and the importance of 'empowerment' as both an end and a strategy for poverty reduction. As a strategy, these perspectives recognize the importance of economic growth, but also emphasize institutionalized structures in society as root causes of poverty. The World Development Report 2000/01 (WDR),¹⁸ the World Bank flagship publication, concludes that people are poor because they are powerless. This implies paying attention to political and institutional processes in poverty reduction strategies, and to the importance of 'empowerment' by which poor people would gain access not only to resources such as credit, schooling, or community wood lots, but the political freedom to hold authorities to account, and to have a say in decisions that affected their lives. According to this logic, poverty reduction strategies need to take account of these political and institutional obstacles that people face.

Another dimension of human well being that began to be explicitly recognized is security – or freedom from fear - an issue that is explored in the three country studies covered in this report. Studies by social scientists such as Moser¹⁹ drew attention to the impact of violence and poverty while violence against women both in domestic and in public contexts became a focus of feminist movements. The concept of 'human security' emerged as an important part of global debates on poverty and development cooperation.²⁰ This concept is broad and covers both freedom from physical violence (such as torture or murder) and freedom from economic insecurity (such as sudden loss of a job).²¹ It is important for conceptual and policy debates on poverty as it brings in two new elements to the debate: vulnerability to downside risks that could arise from diverse causes from war to earthquakes to global financial instability; and vulnerability to physical harm from such causes as war and social conflict.

¹⁷ First introduced in HDR 1996 and refined in 1997. See UNDP, 1997. Human Development Report. 1997. The HPI was developed by Sen and Anand. See Fukuda-Parr, 2007

¹⁸ World Bank, 2000. World Development Report 2000/01

¹⁹ Moser, Caroline. 2004

²⁰ For example, security is one of the three pillars of the agenda proposed by the World Development Report 2000/01; human security is the centerpiece of Japan's development cooperation policy.

²¹ See UNDP, 1994. Human Development Report – this report played a critical role in the emergence of this concept and provided a definition. Commission on Human Security. 2003. Human Security Now

These conceptual shifts matter for policy because they imply different agendas for poverty reduction. As Ruggeri, Saith and Stewart point out²², the economic perspective focussing on incomes focusses on expanding economic output as a primary means to combating poverty while the capability perspective draws attention to the broad range of obstacles to people achieving basic capabilities, especially through the provision of public goods while the social exclusion perspective focusses on the social processes that exclude. These new human centered perspectives have had significant impact on policy. In particular, they are now explicitly built into the Poverty Reduction Strategy (PRS) concept – the national strategy document agreed with the World Bank and the IMF for HIPC debt relief.²³ However, divergent views on poverty continue to be held among researchers and development practitioners. While there is not much disagreement over the idea that poverty is more than lack of income and is multidimensional, many economists continue to use the income poverty framework on the grounds that economic growth is the primary means to reduce poverty, and that there is strong correlation between income poverty and non-income, human deprivations. Moreover, while the evolution of the World Bank WDRs and the new PRS concept reflects a significant conceptual shift in the organisation, this shift is not always reflected in implementation. A common comment in many evaluations of the PRS is that the policy framework is not much different from the Policy Framework Papers that formed the basis of structural adjustment programs, that participation is not seriously implemented, and that the growth strategy is not pro-poor.²⁴

Human rights and poverty

These recent evolutions have brought the development perspective on poverty closer to human rights concerns because these concepts share a common commitment to human freedom and dignity as the basic objective. The 2003 OHCHR publication on the conceptual framework for linking human rights and poverty argues that there is a substantial equivalence between poverty as failure to achieve basic capabilities and failures to fulfil basic human rights because the basic capabilities and basic human rights in question overlap.²⁵

The same paper identifies the following principles as key features of a human rights approach to poverty reduction:

1. Overriding concern with human freedom and dignity
2. Participation
3. Non-discrimination and equality
4. Empowering the poor
5. Accountability
6. Recognition of national and international human rights normative framework
7. Obligations of progressive realisation

²² Ruggeri Laderchi, Saith and Stewart, 2003

²³ See Klugman, Overview of A Sourcebook for Poverty Reduction Strategies. World Bank, 2002.

²⁴ Hermale, 2005

²⁵ OHCHR 2003 by Hunt, Nowak and Osmani also argues that the range of capabilities and human rights in question are those that are constrained by availability of resources.

8. Core obligations and the international minimum standard
9. Obligations of international assistance and cooperation

Features 1-4 in the above list align with the key elements of the capability and participation perspectives on poverty. First, freedom and dignity of the individual is the key objective that motivates the capability approach.²⁶ Second, participation is the key concern in the ‘participation perspective’ on poverty that is also a core concern in the capability perspective. And ‘participation’ in these perspectives refers to people having a say in decisions that affect their lives just as it does in the human rights perspective. Third, non-discrimination and equality are central concerns of both the capability and participation perspectives that are concerned with the well being and the agency of each and every individual. However, non-discrimination is more strongly emphasized as a key concern in the human rights perspective than in the other perspectives. Equality is also a core concern which is interpreted differently in the human rights perspective, emphasizing equality rather than equity interpreted as equality of opportunities. These three features are core normative values in each of the three perspectives which share a common motivation. The capability perspective, in particular, shares an explicit commitment to human freedom and dignity.²⁷ At the same time, it should be recognized that these three principles are not explicit in the income perspective of poverty. While not incompatible with the income perspective, these principles can be overlooked.

Features 5-9 listed above are quite distinctive to the human rights perspective and have not been part of the other perspectives. These distinctive features apply to the *means* rather than the *ends* of poverty reduction. We elaborate on each of these features below.

Accountability: This concept is increasingly emphasized as an important feature of good governance. Yet the accountability has distinct meaning in human rights; rights carry correlate obligations on the part of ‘duty bearers’. Accordingly, the state and other duty bearers are accountable for taking action to secure human rights of poor people. PRS should therefore be evaluated as a set of policy measures and priorities that respond to government and their partners’ human rights obligations.

The Maastricht Principles which have now become widely accepted as a step forward in defining the nature of obligations of duty bearers identify three dimensions:

- To respect: meaning that the state must not interfere directly with people realising their rights. For example, the state must not ban children from attending school since right to education is a human right. Policies such as cutting budget allocations that require closing down schools would be such interference;
- To protect: meaning that the state must stop others from interfering with people’s rights. For example, parents may not allow their daughters to attend school in which case the state has a duty to intervene.

²⁶ UNDP, 2000 and OHCHR 2004. UNDP 2000 in the conceptual chapter contributed by Amartya Sen emphasizes freedom as the ‘common motivation’ while OHCHR 2004 refers to this as the ‘bridge’ between poverty and human rights.

²⁷ OHCHR 2004; see Human Development Report 2000 chapter 1.

- To fulfil: meaning the state must build the legislation, institutions and norms to make rights realization possible. For example the state must build schools, train teachers.

Another set of widely accepted concept regarding the scope of state obligations is that they include:

- Obligations of result: meaning that the state has obligations to achieve improvements in human outcomes, such as more children realizing their right to be educated; and
- Obligations of conduct: meaning that the state has obligations to make adequate efforts to achieve improvements, such as by adopting positive measures to promote expansion of schooling.

While national governments have the primary responsibility for formulating national poverty reduction strategies, they can neither formulate nor implement effective strategies without partnership of other actors. Political power is in the hands of other state actors such as the military and political parties in the legislature, the independent judiciary, and other independent bodies such as a human rights commission. The private sector also wields political and economic power, as do the international donors. The civil society and media are also powerful players who influence and shape public opinion.

Recognition of a national and international human rights normative framework: This is also recognized in the other perspectives but not explicitly as legal obligations like in the human rights perspective.

Obligations for progressive realisation: This is the principle that recognizes that due to resource and other constraints, certain rights can not be realized here and now but over time, and that over this time, priorities have to be set in pursuing different sets of rights. But this provision also emphasizes the state obligation to make adequate progress, and not go backwards, or the principle of non-retrogression.

Core obligations for immediate action to achieve minimum levels

This principle further qualifies state obligations and recognizes that states have ‘core’ obligations to achieve full realization of some essential minimum levels of certain rights. These include in particular the obligation to take immediate action to remove discrimination and to make efforts to achieve minimum levels.

International assistance and cooperation

This is touched upon as an important part of a poverty reduction strategy in all perspectives, but takes on a different rationale in the human rights perspective as a matter of obligation. These obligations include cooperation to developing countries as well as to an international order that does not stand as an obstacle to development, and are reflected in binding international legal documents including the CESCR and CRC.

NATIONAL POVERTY REDUCTION STRATEGIES – HUMAN RIGHTS AND DEVELOPMENT FRAMEWORKS

In this section we consider how the operational strategies compare – in their normative frameworks, analytical approaches, policy priorities, and policy tools.

Analysis of poverty trends and causes – who are the poor and why?

Most national strategies start with an analysis of who the poor are, where they are, and why they are poor. Development analysis of poverty focuses first and foremost on the incidence of income poverty at the national level and how this has evolved. Growth and other economic trends are analyzed to explain the evolution. The human centered approach places more emphasis on non-income indicators such as education and health as well as disparities such as by geographic region, rural vs. urban, male vs. female, and by ethnicity.

These analyses of poverty from the development perspectives, whether economic or human centred, are relevant to the human rights analysis of poverty. But the human rights perspective would focus on two other issues. The first is group based *discrimination* as a source of inequality, especially discrimination based on race, ethnicity, religion, cultural identity or gender. The second is the *causal relationship between the lack of human rights protection and poverty*. Poverty leaves a person vulnerable to human rights abuse – for example, a girl from a low income household is vulnerable to being trafficked and subsequently kept in bondage, abused of her right to liberty, freedom of movement, security and bodily integrity among others. Studies have documented how land ownership²⁸ and wage employment²⁹ increase women's decision making power within the household. Conversely, lack of human rights protection leaves people vulnerable to falling into poverty; an indigenous person might lose land in a dispute because she cannot defend herself through a legal system that does not operate in the indigenous language. This leads to severe consequences and loss of livelihood. People in remote areas often do not have birth registration documents and are denied citizenship and a place in school.

These examples illustrate how analysis of the causal relationships between human rights abuses and poverty may bring attention to important factors that would be overlooked in the conventional development approaches to poverty analysis. Often, civil and political rights empower poor people to claim their economic and social rights and to move out of poverty. Such analyses broaden the policy agenda for poverty reduction to incorporate issues of civil, political and cultural rights. Such analyses are central to the human rights perspective on poverty but have not been systematically developed and documented to explore the variety of relationships among civil, political, economic, cultural and social rights, as well as between protection of these rights and consequences on income and non-income dimensions of poverty.

²⁸ Bina Agarwal, 1994

²⁹ Naila Kabeer, 2000

Normative framework

Human rights are by definition a set of norms. The perspectives on poverty as outlined in the previous section provide a normative framework that can guide poverty reduction strategies. They define *what* social and human outcomes countries should strive for, and the duties of the state and non-state actors to achieve these *ends*. But they do not tell us *how* these ends could be achieved or whether that would be feasible. Human rights principles are concerned with process as well as outcomes, but the emphasis is on the nature of the process rather than the effectiveness of particular poverty reduction approaches. This is in stark contrast with the development field. Development practitioners – academics, activists and policy makers – focus on the understanding *how rather than what*, on finding the most effective methods for reducing poverty.

In contrast, there has been a strong tradition to shy away from normative questions in the development community. Mainstream economics has claimed to be value neutral and focus on objective analysis.³⁰ Development practitioners also avoid normative issues on the grounds that this is interference in political choices that should be left up to political processes and people of the country. Poverty reduction strategies are intended to be technocratic plans. The international donor community finances much of the public poverty reduction programme in most low income countries where external aid covers almost the totality of investment budget, but they too shy away from normative issues as implying interfering with choices that should be left up to the people of the country. The importance of the capability approach in the development community has been to depart from this tendency and bring back an explicit normative framework that defines expanding human freedoms as an end.

Human rights are norms which are in themselves carry the power of ideas to empower. As the 2004 OHCHR concept paper states: ‘One reason why this framework is compelling in the context of poverty reduction is that the norms and values enshrined in it have the potential to empower the poor....The human rights approach to poverty reduction is essentially about such empowerment....The most fundamental way in which empowerment occurs is through the introduction of the concept of rights itself. The rationale of poverty reduction no longer derives merely from the fact that the poor have needs but also from the fact that they have rights – entitlements that give rise to legal obligation on the part of others. Poverty reduction then becomes more than charity, more than a moral obligation – it becomes a legal obligation. This recognition of the existence of legal entitlements of the poor and legal obligations of others toward them is the first step towards empowerment’.³¹

Thus human rights norms are ideas and standards backed by the legitimacy of international commitment and play a unique role in defining poverty reduction as an ethical imperative both at national and global levels.

³⁰ Fukuda-Parr, 2003

³¹ OHCHR, 2004

Policy priorities – the social justice agenda

The human rights agenda in the poverty reduction strategy is driven by the objective to realize human rights of poor people. The human rights in question are not confined to economic and social rights such as right to food and decent work but to the full set of rights including civil, political and cultural rights such as right to security, right to life, the right to freedom of speech, and right to language. The rights in civil, political and cultural domains go beyond the normal reach of poverty reduction strategies. In addition, the agenda is driven by the cross-cutting principles of equality and non-discrimination, empowerment, participation, and accountability for obligations of immediate action to meet minimum thresholds and progressive realisation beyond those thresholds. These elements overlap largely with the priorities of the human centered agenda of the development community, however, the human rights agenda places strong emphasis on:

- Improving the situation of the poorest and the most vulnerable;
- Combating institutionalized discrimination;
- Empowerment of poor people;
- Emphasis on civil, political and cultural rights issues often overlooked in poverty reduction strategies.

Overall, social justice is the a key objective of the policy agenda.

For economists working in the economic perspective, the main objective is to reduce the incidence of income poverty and accelerate economic growth as the primary means to achieve that objective. How much growth contributes to poverty reduction, and what else is needed in addition to growth, is a matter of debate among development economists. While there is little disagreement that growth contributes to poverty reduction, and that poverty reduction rarely takes place without growth, many economists have pointed out that the link between growth and poverty reduction is not automatic; that growth can have little impact on reducing poverty if the benefits of growth may not accrue to the poor. Economists working in the human centred perspective specifically address this issue and focus on policy priorities to which influence the pattern and nature of the growth process, ensure that ‘pro-poor’ policies are adopted and that the benefits of development reach poor people.

Most of the development community would agree that social investments in education and health are a pillar of poverty reduction. But in the human centered perspectives, particular priority goes to what the poor people need such as primary health care because health is an end in itself. In the human rights perspective, such investments are prioritized for the most vulnerable and most deprived as a human right in itself and as a means to their empowerment in general.

The policy agenda that has emerged from the advocates of human centred perspective on poverty promotes ‘empowerment’ and ‘participation’; this requires institutional changes so that poor people have more access to economic assets, political voice, while the accountability of authorities is strengthened. In essence, these are elements of a social justice agenda of the human rights approach.

Policy tools

The main policy tools in national poverty reduction strategies are *investment and incentive policies*. Investment includes economic and social infrastructure as well as building institutional capacity. In contrast, the work of human rights workers has at least until now relied on a different set of tools: *legal reforms, litigation for enforcement, and advocacy for social change*. Thus the human rights community has developed methods and approaches of using the court system, documentation of individual cases of rights abuse, to advance the human rights agenda. These methods are used in both national contexts, such as when a human rights NGO helps take a case to court, and when the UN rapporteur documents human rights violations to hold that government to account. The human rights community has also used advocacy and social mobilization, building on the power of ideas, to change behaviour of individuals, and to advocate change in legislation. Naming and shaming on the basis of well documented cases of human rights abuse has been the primary tool in this process. Human rights have advanced because people have mobilized to claim them and make legal changes, and because social behaviour has changed to respect them.

Yet there are important human rights implications of government policy choices in social, economic and governance areas, and these policies are in fact tools for human rights, although they are not conventionally thought of as such.

- Social policies are directly relevant to the fulfilment of economic and social rights such as rights to health and education. For example, where schools are built, where budgets are allocated, whether fees are charged, whether school uniforms are required, whether education is bilingual or only in the dominant language, are all policy choices that directly affect who has access to education and who does not, and whether policies systematically discriminate against certain groups such as women or indigenous people.
- Economic policies are also directly relevant to human rights, although the implications are not often studied. Important innovations in the last decade include a growing number of studies on budgets and their implication for gender equality and women's rights. In a recent publication, Elson carefully documents different budget policy choices for compliance with CEDAW.³² Macroeconomic policies also have significance for human rights. While macroeconomic stability is important for economic growth and that economic growth is important for expanding poor peoples' opportunities, economists do not all agree on such issues concern the role of inflation and employment, who wins and loses from the impact of trade liberalisation, the impact of privatisation, and the impact of public spending on social services. Recent work that explore these linkages contend that these 'neo-liberal' consensus policies in these areas have weakened the capacity of the state to fulfil their human rights obligations. This question of state

³² UNIFEM, 2006.

capacity and fiscal policy is a central to the human rights agenda which will be explored further in this paper.

- Economic policies shape the pattern and process of economic growth and the distributional consequences, and hence to the fulfilment of human rights of poor people. Most poverty reduction strategies say they aim for ‘pro-poor growth’ but some argue that a combination of reforms for market efficiency and social investments would suffice. Several evaluations of PRSPs conclude that they do not adequately include policies to ensure pro-poor growth³³ such as employment generating investments in small scale agriculture and small scale industry. Experience of the last decade has been mixed with respect to growth’s impact on poverty reduction. In many countries, growth has led to increases in incomes of the bottom quintile or decile income group but at a lower rate than for top income groups, leading to greater inequality as in China.
- Governance policies have become an increasingly important feature of PRSPs and of international debates. Governance reforms often focus on institutions that are important for functioning of markets, such as property rights, contracts, licensing regulations. Governance reform is critical to empowering poor people. State institutions are often not accountable to protecting rights of poor people whether it is the police, courts, village budgets, or village schools.

Process of policy formulation and implementation

There is growing attention to people’s participation in the development process and in the formulation of poverty reduction strategies, and is an important innovation in moving these strategies closer to human rights concerns. Participation is one of the pillars of the World Bank concept of PRSPs. The PRS guidelines recommend broad based consultations with stakeholders in the formulation, implementation and monitoring of the strategy. Yet implementation has been weak according to most PRS evaluation studies.³⁴ They note that participation has often been approached in a superficial manner, such as by involving international NGOs in order to satisfy a bureaucratic requirement.

However, from the human rights perspective, participation is meaningful only when it involves people having a say in decisions that affect their lives, and where decision makers are accountable to people. Thus while the World Bank guidelines insistence on ‘participation’ is welcome, it does demands consultation and stops short of demanding voice in decision making and accountability of government. Annex II includes a human rights assessment of the World Bank PRSP concept.

COMMON CONCERNS AND MOTIVATION, COMPLEMENTARY TOOLS AND DIFFERENCES OVER PRIORITIES

³³ UNDP, 2003. Hermele 2005.

³⁴ Hermele 2005. Evans 2004.

This section reviewed the human rights and development perspectives on the concept of poverty and on key elements of a poverty reduction strategy. The comparison has identified considerable overlaps but also some differences. These differences include points of tension as well as complementarity that can enrich poverty reduction strategies. The comparison is summarized in Matrix 1.

To recap, human rights and human centred development perspectives on poverty reduction share a common commitment to freedom and dignity in human life. They are therefore fundamentally compatible. They share a policy agenda that emphasizes empowerment and participation, reducing inequality as well as poverty, and social investment and economic growth that are sharply pro-poor. This common priorities of the human rights and human centred development perspectives differ from the economic perspective which emphasizes efficiency.

But the human rights priorities go beyond the human centered development approaches in the pursuit of a *social justice agenda and priorities*. It is concerned with the protection of poor people against the abuse of a whole range of civil, political, economic, social and cultural rights. They bring in concerns with civil, political and cultural rights which are not always part of the poverty reduction agendas.

The tools of operational work that have been developed in the two communities are quite distinct: human rights depends on legal litigation to enforce human rights, legal reforms to protect people, and public advocacy to raise awareness and change behaviour and social institutions. Human rights principles articulate a normative framework with the authority of international law. Human rights communities use tools of international and national law and the tool of advocacy and social mobilization to advance their agendas for human rights of poor people. In contrast the development community uses the tools of public policies in economic, social and governance areas. These policies include incentives, investments, and institutional reforms.

There are also some new frontiers in human rights work that can enrich poverty analysis. First, causal linkages between human rights abuse and poverty are apparent but inadequately studied and documented. Relationships between civil, political and cultural rights and poverty would be particularly important areas to explore. Second, economic and social policies such as macroeconomic policies and fiscal policies have not been conventionally considered tools of human rights but can effectively play that role.

There are also differences that may create inconsistencies or tensions. In particular, there may be trade offs between growth which is a means to poverty reduction, and the priority to the poorest and the most vulnerable, to removing discrimination, and to equality. The human rights principles insist on non-retrogression but from the economic point of view, retrogression in one dimension may be traded off for progress in another.³⁵

Because of these differences, human rights perspectives can contribute to current global debates about the effectiveness of national policies for poverty reduction, and the PRS processes in particular. (See annex 1 for review of this process from the human rights

³⁵ See Mahar and Marks, 2006 for a particularly interesting exploration of these tensions.

perspective.) The critique of these papers and processes have raised issues, among others, of participation in the preparation process and the impact on empowering poor people³⁶, the lack of attention to pro-poor growth in the economic agenda³⁷. The normative framework, the analytical perspectives and policy priorities of human rights add new dimensions to these debates.

³⁶ Evans and Piron, 2004. Stewart and Wang, 2003

³⁷ UNDP Evaluation Office, 2003

Matrix 1: Comparing human rights and development perspectives on national strategies for poverty reduction - normative principles, analytical approaches, policy priorities, policy tools and implementation tools

	Human rights perspective	Development perspective: economic	Development perspective: capability approach
Normative principles (Intrinsic value of HR; HR as ends)	Strong: International human rights standards – international law and national constitutions. Accountability of the state, non-state actors and international community.	Weak: Tradition of value neutral economics. National autonomy. Political neutrality of international community.	Strong: Human well being as end
Analysis: trends	Trends as for capability approach but also focus on the poorest and the most vulnerable. Individual case documentation.	Trend: Incidence of income poverty, social indicators, national aggregates.	Trend: Incidence of income poverty, social indicators, national aggregates, disaggregated trends by region, gender, rural/urban, identity groups. Inequality and poverty.
Analysis: Causes	<i>Denial of human rights and poverty as cause and consequence.</i>	Economic and social factors.	Economic, social and political factors, also lack of power and voice.
Policy Priorities (Economic, social and governance policies)	Empowerment of the most deprived and most vulnerable. Equality. Remove discrimination. Protect against severe human rights abuses. Access to justice.	(pro-poor) Economic growth. Stable macroeconomic environment. Social investment not necessarily primary level.	Pro-poor growth. Social investment in basic services first. Access to economic assets, voice and accountability (Empowerment and participation.) Reduce poverty and inequality.
Policy Tools	International law. National law. Advocacy and social mobilisation. <i>[Public policy]</i>	Investments and incentives. Public policies - economic, social and governance.	Investments and incentives. Public policies – economic, social and governance.

PART II:

HUMAN RIGHTS ASSESSMENT OF POVERTY REDUCTION STRATEGIES IN GUATEMALA, LIBERIA AND NEPAL

The study included field visits to Guatemala, Liberia and Nepal. These three countries have very different levels of income, but all they share the challenge of deep and widespread poverty. In all three countries, inequality and discrimination against women and identity groups are pronounced and historically rooted. While all three have been affected by conflict, it has been a decade since the Peace Agreement was signed in Guatemala, but only a year in Nepal and 3 years in Liberia. The history of exclusion of identity groups – ethnic, indigenous and other groups – has been a factor in mobilizing for insurgencies. The need to redress historical exclusion is acknowledged as part of the poverty reduction strategy. The three countries have different national policy instruments for poverty reduction: Guatemala does not have an explicit poverty reduction strategy but has a national development plan and budgets. Liberia has prepared an interim PRSP in accordance with the World Bank/IMF guidelines and as part of the negotiations for HIPC debt relief. Nepal has a medium term planning process that has been accepted by the World Bank and IMF as a PRS process.

The analysis for each country is documented in the 3 companion country reports. The purpose of this section of this report is to highlight key findings in a comparative assessment, and identify key human rights issues in poverty reduction strategies and propose operational priorities. This section presents an analysis of these policy strategies from the human rights perspective on the following:

- Human rights and poor people;
- Identity based discrimination, horizontal inequality and conflict;
- Government policy effort;
- State accountability, capacity and non-state actors;
- Operational priorities.

HUMAN RIGHTS AND POOR PEOPLE

Poverty Trends and the progressive realisation and meeting minimum thresholds of ESCR

Level of poverty and available resources: Annex 1 contains key economic and social indicators for each of the three countries including: (i) levels of deprivation; (ii) progress in meeting minimum standards and progressive realisation; (iii) government commitment; and (iv) inequalities and discrimination. Table 1 below selects data from these tables and shows severe levels of human and income poverty in the three countries. What is surprising is that although Guatemala has more than twice the income (GDP per capita PPP) of Nepal and four times the income of Liberia, and the incidence of income poverty

(PPP\$1 a day) the levels of stunting in Guatemala is almost as high. In the context of progressive realisation subject to maximum available resources, it can be argued that the resources of Guatemala as a country should be adequate for a much higher level of progressive realisation of economic and social rights, and the elimination of extreme poverty. Acknowledging the historical legacy and the discrimination against the indigenous people, efforts at universal fulfilment of rights is a major challenge, but the resource constraint in this country is comparatively less heavy. By the country's own standards, 56% of the population lives in extreme poverty. In the context of progress achieved in other countries of the region, some of which share a similar history, Guatemala has the worst social indicators; underweight children under 5 are 23% compared with the sub-regional average of 12%, adult illiteracy at 30.9% compares with the subregional average of 17.5%. In part, these indicators reflect a historical legacy of uneven development. Poverty trend data show that in Guatemala, the income poverty rate fell substantially, from 35% in 1990 to 13% in 2001 but the improvement in human poverty was much slower. The Human Poverty Index (HPI) fell from 35.5% in 1990/95 to 22.9% in 2004. Stunting improved from 57.9% in 1987 to 49.7% in 1995 (ironically during the war) but has not improved since and remained at 49.3% in 2002. The gap between household poverty and stunting in terms of both levels and improvement may reflect allocation of resources in forms of both income and care time within the household that is not reaching children.

Table 1: Realisation of economic and social rights: meeting minimum thresholds in human outcomes in Guatemala, Liberia, Nepal (2004)

Country	HPI value	GDP per capita PPP	Adult illiteracy rate (% ages 15 and older)	Stunting less than - 2 s.d	Year	Income poverty (\$1 day)	Year
Guatemala	22.9	4313	30.9	49.3	2002	13.5	2001
Liberia	..	989(a)	41.1	39.5	1999-00	76.2	2001
Nepal	38.1	1490	51.4	50.5	2001	24.1	2004

Source: UNDP 2006 HDR for HPI except WHO for stunting;
(a) revised current estimate by IMF for 2005 is \$163 in 2005 PPP.

Inequality and group-based discrimination: In all three countries, inequality is high. Income distribution is skewed as shown in Table 2. In all three countries, inequality goes beyond income distribution with consistent gaps in education and health outcomes. The gaps are also consistent between rural and urban populations and across geographical regions in all three countries. These gaps are well documented in Guatemala and Nepal, but in Liberia, data are scarce and it is more difficult to analyse the patterns of inequality.

Poverty is concentrated among identity groups: in Guatemala among the indigenous Mayan population; in Liberia among the non-American Liberian groups; and in Nepal, among the Dalits, and the indigenous ethnic groups. Poverty is also concentrated in two other overlapping categories: in rural rather than urban areas and among women rather than men, and in certain geographical regions. Institutionalized discrimination is a factor that explains these outcomes, as documented in the reports of Human Rights Special

Rapporteurs in several cases. In all three countries, these situations of group-based exclusion and horizontal inequalities are documented and recognized in official national and international analyses of poverty such as the government interim PRS in Liberia, the Five Year Plan (which is also the PRS), as well as in the World Bank poverty analysis and UNDP Human Development Reports.³⁸ All three countries have a historical legacy of elite rule and subordination which continued over the centuries. In all three countries, development efforts were not pro-poor and entrenched inequalities. In all three countries, these patterns of unequal development, reflected in horizontal inequalities and group exclusion are widely believed to be one of the root causes of armed conflict. In Guatemala, power and wealth were concentrated among the Landinos while the indigenous people benefited little from development. In Nepal, complex structures of economic and political hierarchy were reinforced by social norms in categories of caste and ethnicity. Overlapping with these were differentiation between geographic regions ('hill' vs. 'terai') groups. In Liberia, it was the Americo-Liberian settlers of the coast who ruled and controlled the economic resources while the original inhabitants were subordinated. In all three countries, gender discrimination is institutionally entrenched, evident not only in such indicators as literacy but also in the absence of women in decision making positions in government and all sectors of society at all levels. The widespread impunity for rape and other violence against women is another symptom of discrimination and subordination that is apparent in all three countries.

Table 2: Equal rights, discrimination and narrowing disparities - Guatemala Liberia and Nepal

Country	Gini coeff	Richest 10% to poorest 10%
Guatemala	55.1	48.2
Nepal	47.2	15.8

Data for Guatemala: 2002/03; Liberia: no data; Nepal: 2003/04
 Source: UNDP HDR 2006

³⁸ See country studies for specific reference sources.

Table 3: Disparities in income and human poverty – Guatemala, Liberia and Nepal

	Income poverty (national poverty line)	Extreme poverty (national line)	Children underweight for age	Stunting (Less than 2 s.d)	Adult illiteracy rate (% ages 15 and older)
Guatemala					
Male	..	..	22.5	48.6	24.6
Female	..	..	22.9	50.0	36.7
Urban	27.12	6.92	16.2	36.5	
Rural	74.49	93.08	25.9	55.5	
Indigenous	77.32	70.17	30.4	69.5	
Ladino	41.82	29.83	17.5	35.7	
Source	ENCOVI	ENCOVI	ENSMI	ENSMI	HDR

	Income poverty rate (national line)	Income poverty (\$1 day)	Children underweight for age (% under age 5)	Stunting (less than 2 s.d)	Adult illiteracy rate (% ages 15 and older)
Nepal					
Male	..		46.1	49.2	37.3
Female	..		50.5	51.8	65.1
Urban	9.6		33	36.6	
Rural	34.6		49.4	51.5	
Source	MDG	HDR	WHO	WHO	HDR

	Income poverty rate (national line)	Income poverty (\$1 day)	Children underweight for age (% under age 5)	Stunting less than - 2 s.d	Adult illiteracy rate (% ages 15 and older)
Liberia					
Male			7.9	42.1	50
Female			4	36.8	74
Urban			5.7	30.6	
Rural			6.2	44.1	
Greater Monrovia			5.7	30.5	
Source			WHO	WHO	HDR

Severe Violations of Human Rights as cause and consequence of poverty

What are the most severe human rights issues in contemporary society in the three countries? Drawing on mission interviews as well as documentation of UN Human Rights system reports on country situations and visits of special rapporteurs,³⁹

³⁹ OHCHR 2002, OHCHR 2003, OHCHR 2004, OHCHR 2005(a), OHCHR 2005(b), OHCHR 2006(a), OHCHR 2006(b), OHCHR 2006(c), OHCHR 2006(d), OHCHR 2006(e),

international NGOs such as Human Rights Watch and Amnesty, the mission notes serious and systematic abuse of human rights that are widespread.

Guatemala:

- Discrimination against the indigenous Mayan population
- Malnutrition, food insecurity
- Gender based discrimination
- Violence against women including rape and killings
- Evictions of peasants from land
- Impunity in present situation of increasing crime
- Trafficking in children for adoption
- Historical - during 1960-1996 armed conflict but continuing at lower intensity: Killings, maiming, forced conscription, the use of child soldiers, sexual abuse, and other atrocities during conflict.

Liberia:

- Historical - during the 1989-2003 civil war: Kidnappings, maiming, forced conscription, use of child soldiers, sexual abuse and other atrocities committed by both state and rebel forces during the conflict
- Targeting of civilians in conflict, torture and killings
- Impunity for past and present war atrocities
- Collapsed education and health systems
- Food insecurity, hunger, malnutrition
- Gender based discrimination
- Violence against girls and women including female genital mutilation, rape, trial by ordeal
- Trafficking of women, boys and girls for bondage and prostitution
- International human rights standards not respected in national legislation
- Labour conditions of plantation workers
- Repression of Kio, Krahn and Mandingo
- Collapse of the criminal justice apparatus
- Bonded labour
- Denial of citizenship

Nepal:

- Kidnapping, forced conscription, sexual abuse, and torture related to the political insurgency committed by both the state and rebel forces.
- Trafficking of women and children for prostitution and body organs
- Worst forms of child labour
- Bonded labour
- Caste based discrimination against Dalits
- Gender based discrimination
- Religious discrimination
- Violence against women
- Denial of citizenship

- Seclusion of women

Despite the enormous gulf of geography, culture and history that separates these three countries, there is a striking commonality in these lists which all include identity based discrimination, discrimination and sexual violence against women, trafficking, bonded labour, war-related abuses including torture and conscription of children committed by both rebel and state forces, and current failure of state legal and security systems to protect people against severe violations of their human rights.

In all three countries, it is almost invariably poor people – individuals who have low incomes, little education, and little power in society starting at the household level - who are most vulnerable and affected by these situations of human rights abuse including rights to life, liberty, security and bodily integrity. In these countries it is also clear that the vulnerable are from the politically subordinated groups are those whose civil rights are not protected by the State, and whose economic and social rights have been neglected by the State.

In the global context, Guatemala, Liberia and Nepal are some of the most important countries of origin in the international trafficking of women and children for prostitution, bonded domestic work, body parts, or adoption. In these cases, low incomes and lack of education are important drivers as is the failure of the government to protect their rights.

Many of the abuses of rights to life, liberty and bodily integrity are war-related. In all three countries, violations such as targeted killings of civilians and torture, sexual violence against women and children were not only committed by rebel forces but by state security forces. Poor families often found themselves caught in the middle, as rebels engaged in forced conscription or demanded food and lodging, which led them to be classified as rebel sympathizers by the state security forces. As will be elaborated in the section on conflict, poverty and inequality were not necessarily the motivating factors for the insurgency, but rebel leaders could mobilize support on the basis of grievance over entrenched economic, social and political oppression.

Yet in none of these countries did these human rights violations start and end with armed conflict. For example, as the Guatemala report explains, a decade after the 1996 Peace Accord, illegal armed groups and clandestine security organizations that emerged out of counterinsurgency programs created by the state during the civil conflict continue to exist. They have taken new forms yet maintain links to state organizations and officials. Impunity and the dysfunctional security and justice system are a major obstacle to stemming the ever increasing level of social violence in Guatemala (organized crime, common crime, juvenile gangs, illegal, clandestine security bodies and units) that threatens human rights to life, free movement, and security and integrity of person and . According to the National Civilian Police, 4,959 homicides have been reported during 2006.⁴⁰ The response from the state has been poor and the National Civil Police has been unable to stem this rise in criminal violence, and itself is undermined by widespread corruption. The Public Prosecutor and the courts are making little headway as

⁴⁰ Statistics from January to October 2006.

investigations and judicial proceedings languish unless accompanied by extraordinary efforts of individual officials or civil society organisations. In the absence of effective state security machinery, there has been resort to mob lynching and social cleansing.⁴¹ In Liberia, the court system collapsed as a result of the conflict, but the system had many defects before, such as the widespread use of the traditional practice of ‘trial by ordeal’. Many of the human rights abuses that took place during armed conflict were systemic to the societies before the conflict and continue after, taking different forms.

These abuses reflect widespread impunity, and state judicial and security structures that do not provide adequate protection for human rights. Poor people belonging to marginalized identity groups are likely to be least well protected. For example, in Guatemala, those who can afford protection pay for private security guards. In all countries, rape cases are rarely prosecuted and result in a conviction. Land disputes and evictions are sources of tension in all three countries and reflect lack of protection for legal claims to land of indigenous people in Guatemala, Dalits and indigenous people in Nepal, and certain ethnic groups in Liberia. Eviction from land is serious for rural people, leading to loss of livelihood and extreme economic insecurity.

These are just examples of ways in which poverty and the lack of human rights protection reinforce each other, being both a cause and consequence in both directions. While few would disagree with this observation, there is surprisingly little attention paid to these linkages in systematic studies of exclusion. In Nepal, for example, there is a proliferation of studies on ‘social exclusion’ or identity-based discrimination and exclusion from economic, social and political processes. But these studies, mostly sponsored or carried out by the World Bank, UNDP, UK DfID and development agencies do not mention human rights.⁴²

GROUP BASED DISCRIMINATION, HORIZONTAL INEQUALITY AND VIOLENT CONFLICT.⁴³

Addressing horizontal inequality – as an end in itself and to prevent conflict and poverty

Violent conflict affects a significant proportion of poorest countries and is a major source of poverty.⁴⁴ While removing discrimination and combating group based exclusion is an important priority in the human rights agenda, it is also an important element of a conflict prevention agenda. On the one hand, violent conflict is a significant source of poverty as it undermines development. It should however be acknowledged that the relationship is complex; in Nepal and Guatemala, the economy grew, the incidence of income poverty declined, and social indicators improved. The exact distributional impact of armed conflict is far from clear and has not been adequately researched. Nonetheless, the war in

⁴¹ Background note for mission, OHCHR 2006.

⁴² For example, World Bank, 2005a; UNDP 2004.

⁴³ This section draws on Brown, Inequality, Ethnic Diversity and Conflict: Implications for a Human rights poverty reduction strategy, a paper prepared for the OHCHR.

⁴⁴ There is a large volume of literature on these linkages. Humphreys, 2003 provides a good overview.

these countries was certainly a burden on development efforts and destroyed physical and social infrastructure and leaves poor people vulnerable to human rights abuses. At the same time, recent research⁴⁵ identifies horizontal inequalities - group based socio-economic inequalities socio-economic and political exclusion - as one of the correlates of armed conflict. Divided societies where one or more groups are increasingly resentful of those who control the state face higher risks of the resentment finding expression in armed rebellion, or at least being mobilized by rebel leaders who were motivated by other agendas.

Thus addressing group-based discrimination, horizontal inequality and social exclusion (overlapping but distinct concepts) is not only an end in itself as a human rights goal, but is instrumentally important as a means to preventing conflict which in turn reduces risks of both violence and increase in poverty. Both poverty and violence undermine human rights.

The inequality reduction agenda in poverty reduction strategies therefore are not only important as an end in itself but are also instrumentally important for preventing violence. As the Nepal case illustrates, once groups become politically mobilized and make claims on the basis of their grievances related to exclusion, government policy and donor support rush to redress horizontal inequalities whether they are defined geographically, ethnically or by some other identity. But in general, it is often remarked in policy debates on conflict prevention that development and poverty reduction plans are notoriously insensitive to the conflict-horizontal inequality risks.⁴⁶

Horizontal inequality in Guatemala, Liberia and Nepal

Each of the three countries experienced protracted armed conflict. While the historical roots and the proximate political dynamics that led to and shaped the conflict are complex and involve many factors, it is commonly thought that in each of the countries, the high degree of economic and social disparity and a history of political oppression by the ruling elites was one of the significant factors. Guatemala's 36 year war that ended in 1996 was a low intensity conflict that was waged as an ideological war but in which disaffected indigenous people formed the majority of recruits. Nepal's Maoist insurgency was a low intensity conflict which originated in the developmentally most neglected regions (West and Far West) of the country, and the recruits – though not the leadership - came predominantly from among the Dalits, indigenous groups and other marginalized communities. In his review of evidence, Brown⁴⁷ notes that 'there is very strong evidence of a link between processes of social exclusion, ethnic and caste-based horizontal inequalities and the emergence and intensity of the Maoist rebellion, but that this relationship is very complex. While the Maoist movement sought to mobilize – and legitimize – its insurgency by evoking caste discrimination, the empirical evidence suggests that the main *socio-economic* determinant of its mobilizational success was the extent of *regional* inequality between different provinces and districts combined with

⁴⁵See Frances Stewart, 2004 and diverse papers from CRISE, Oxford University.

⁴⁶ World Bank, 2005b

⁴⁷ Graham Brown, 2007. Background note for country mission.

political discontents framed along ethnic rather than caste lines. This is not to say the caste discrimination or inequalities are normatively or objectively unimportant in Nepalese society, but rather than they were less important in the mobilization of the Maoist insurgency than regional and ethnic divisions.’

In Liberia, the overthrow of the Americo-Liberian regime by indigenous leaders in 1980 ushered in the era of political instability that led later to a 14 year full scale civil war (1989-2003) that ended with the 2003 Comprehensive Peace Agreement. The Government of Liberia’s 2007 iPRS states: “The origins of the Liberian conflict can be traced to two broad factors. First, significant portions of society were systematically excluded and marginalized from institutions of political governance and access to key economic assets. The founding constitution was, for example, arguably designed for the needs of the settler population, with less consideration and involvement of the indigenous people. Political power was concentrated essentially in Monrovia and primarily at the Presidency. The over-concentration of power and a closed political system bred corruption, restricted access to the decision making process, limited the space for civil society participation in the process of governance, and fuelled ethnic and class animosities and rivalries over time. Similarly, in the early days, land and property rights of the majority of Liberians were severely limited. Later, marginalization was perpetuated by the urban-biased policies of successive administrations. Most infrastructure and basic services were concentrated in Monrovia and a few other cities. In addition, marginalization of youth and women, gross mismanagement of national resources, and inequalities in the distribution of benefits from were significant problems. The consequence was a high level of resentment towards the ruling class, which in part led to the bloody military coup of 1980 and its initial support among the people.”⁴⁸

Peace agreements in these countries therefore were not just about political and military settlements but redressing development exclusion is a key element. Thus Guatemala’s Firm and Lasting Peace Accord of 1996 is “oriented towards the overcoming causes of the armed confrontation and establishing a basis for new development”.⁴⁹ In Liberia, the 2004 Comprehensive Peace Agreement commits to greater power-sharing and to reversing misrule. In Nepal, the current commitment to democratisation focuses on both greater power sharing to include Dalits and other subordinated castes, Jayantis (indigenous groups), the Mahdesis (plains people) and to address social exclusion.

As the mission’s country report notes, while it is recognized that in Guatemala, positive changes have been registered in socio-economic data in the decade since the Peace Agreement, there is both rising socio-economic inequality, and significant increases in (a) homicides, notably against women and children, the overwhelming majority of which remain unprosecuted, and (b) land disputes and forced eviction of peasants particularly in areas populated by indigenous communities. ‘There appears to be a systemic reluctance to recognize the imminent conflict potential of increasing disparities, continuing repression and gratuitous violence towards indigenous communities, which is combined

⁴⁸ Government of Liberia, Ministry of Planning, 2007. Interim Poverty Reduction Strategy Paper (iPRSP)

⁴⁹ United Nations (2004). Diez años de trabajo en MINUGUA en Guatemala. CD 1: Procedo de paz Misión de Verificación de las Naciones Unidas en Guatemala (MINUGU). Guatemala.

with selective impunity (for the Ladino elites in particular and men in general) that is bound to have violent consequences in the medium term.’ The country report points out that the social tensions that were part of the 36 year conflict have not been resolved, and the present situation is explosive not only because of continuing or increasing socio-economic disparities, but at the local level, political oppression and impunity of the ruling classes leave indigenous poor people vulnerable, lacking human rights protection from the state, leading them to abandon confidence in the state.

In Nepal, the situation is evolving rapidly as political negotiations are underway. The mission met with a variety of political actors including political party officials, associations of indigenous people, NGOs, civil society actors as well as senior government officials. While the political jockeying for power is at centre stage, there is a real risk that the broader agenda of horizontal inequality would not be at the forefront of negotiations including political and social oppression, exclusion from economic opportunities, misrule and impunity. Party platforms of the ‘excluded groups’ tend to emphasize social inclusion but the focus of their demands are for new political structures that assure representation of their groups – whether it is the Mahdesis, Dalits or the Indigenous groups – and underemphasize new policies for reducing discrimination. At local levels, this could translate into continuation of a life where poor people not only face limited economic and social opportunities but no protection from the state for their human rights.

In Liberia, the conflict was a civil war that incurred extensive damage over 14 years to the country’s infrastructure, schools and health facilities, disrupted government administration, and during which the GDP fell 87% from \$1269 in 1980 (2005 prices) to \$163 in 2005⁵⁰. The urgent challenge since the 2004 Peace agreement has been to demobilize soldiers, resettle the internally displaced, and restore basic infrastructure and services and restart the economy. However, there is a risk that unless the economic model of the last century is rethought, the structural problems of a divided society will simply continue. This economy depended on concessions for rubber plantations and iron ore and other mineral extraction as the main economic drivers, leading to concentration of political power and economic assets in the hands of a small elite group.

GOVERNMENT POLICY EFFORT⁵¹

Analysis of government policy effort goes to the heart of the human rights analysis of poverty as it addresses the central question of human rights: how are social arrangements responding to the claims people have to fulfil their rights? Governments are primary duty bearers and are accountable for taking action to respect, protect, and fulfil the rights of poor people. Important areas of policy effort that affect human rights and poverty can be categorized into areas of:

- Economic policy

⁵⁰ Government of Liberia, 2007. iPRS

⁵¹ The budget analysis for all three countries are original calculations done by J.A. Fuentes as part of the mission analysis.

- Social policy
- Governance policy including access to justice and assurance of right to security and to life.

As reflected in the terms of reference, the study focussed particularly on the analysis of budgets as an instrument of economic and social policy and on the issue of horizontal inequalities as a source of conflict.

(A) Guatemala

In Guatemala, addressing exclusion of indigenous people and gender inequalities has been a commitment of the 1996 Peace Accord, and reflected in a number of other policy documents since as priority objectives. However, a review of government programmes raises serious concerns about implementation of these objectives.

Economic and social policies, budget analysis

Guatemala has adopted all of the relevant international treaties and its domestic legislation includes strong commitments to economic and social rights. However, the record of implementation has shown slow progressive realisation of these rights and reflecting weak social and economic policies.

A detailed analysis of the 2005 budget shows both low levels of expenditures to basic human rights priorities in health and education as well as inadequate prioritization to redress inequality and address the needs of the poorest. Only a small percentage of expenditure goes to the most vulnerable segments of the population in health and education. The proposed budget for 2006 did not improve on the 2005 budget but showed regress.⁵²

Government's stated policy is to undertake special efforts to address inequality. Education is a priority, in part because it is intrinsically valuable, but it is highly correlated with other opportunities such as employment. It is also a correlate of other deprivations; according to WHO data,⁵³ stunting in Guatemala is an astonishing 65.6% for children whose mothers are without education, falling to 46.4% for those with primary education only, and to 18.6% for those with secondary education or more. The education situation is improving with primary education enrolment having reached 93%. Yet expenditures are not yet progressive with 21% of total public expenditures for primary education going to children of the poorest quintile of households, and 11% going to the top quintile. The low level of spending for the top quintile reflects the fact that the wealthiest Guatemalans send their children to private schools where the quality is superior.⁵⁴ Efforts are also being made to introduce bilingual education for children of indigenous groups whose mother tongue is not Spanish. However the country has not adopted, nor is considering, more comprehensive reform programme in key areas such as

⁵² This budget could not be approved by legislature, so the 2005 budget is carried over to 2006.

⁵³ WHO, 2005

⁵⁴ Guatemala country report

education. Similarly, there appears to be no discussion of affirmative action policies to reverse historical exclusion as an option.

Another issue of concern is the distributional impact of economic growth. High levels of poverty and inequality have their roots in the economic structure and the historical model of economic growth that depended on plantation agriculture and small industrial sector. The structure and pattern of economic growth continues to generate little employment to absorb the growing population. The economy has grown at a modest but steady pace, but has not been pro-poor and has not reduced inequality. The reduction in poverty over the last several years is attributed to remittances that have grown rapidly; it doubled from \$1.5 billion to \$3 billion in just 4 years from 2002 to 2004, and is now the single most important source of foreign exchange, and is nearly as large as total export earnings of \$3.4 billion.

This model of growth and dependence on remittances is far from ideal from the human well being perspective. While full analysis of the social impact of migration is required, and while there are many positive developmental impacts, migration is associated with social dislocations and disruptions in communities, and human rights abuses of migrants in foreign countries. In the meanwhile, government economic policies do not reflect a progressive pro-poor growth strategy. More, for example, could be done for agriculture, for example, is the main source of employment (about 40%).

If the government were to be able to live up to its obligations for more rapid pace of realization of social and economic rights through more progressive and proactive social spending and promotion of pro-poor growth, two resources would be needed, fiscal revenues and political support from those who hold power and society at large. The government has very limited fiscal space which will become even more of a challenge in the years to come as revenues will fall with the ratification of the CAFTA-DR which will eliminate tariff revenues and the end of the IETAAP in 2007 which will further reduce the tax base. Guatemala already has a low tax base, at 9.5% of the GDP, lowest in Central America and compares for example with 17.3% in Honduras or 22.7% in Argentina. To raise the tax base and undertake major tax reform will require a major political effort.

Governance policies - Impunity, criminal violence and links to violent conflict

Government response to growing social violence has not been effective, and as noted, state officials and organisations are part of the problem of illegal security forces and gangs whose activities are at the core of the problem. Political debates turn to proposals such as 'social cleansing' which do not recognize or address these core issues. At the same time, the government seems to be turning a blind eye to continuing land disputes and forced eviction of peasants. Some civil society groups informed the mission that there is already a phase of low intensity conflict, or that the past conflict phase has never ended in the 'poverty belt' of the country.

(B) Liberia

Economic and social policy – accountability for progressive realisation of economic and social rights

The mission focussed its analysis on the interim PRS and the budget as poverty reduction policies and as they reflect government accountability for progressive realisation of social and economic rights, with a focus on the human rights agenda of social justice, removing discrimination and reducing inequality in the context of growth and development.

Just 3 years after the end of a 14 year war that incurred extensive damage to economic and social infrastructure and led to major displacements of populations, the country faces an immediate challenge of conflict recovery and peacebuilding as well as economic recovery. The immediate economic objectives are to regenerate the economy which declined by 76% from a per capita GDP level of \$1269 in 1980 to \$163 in 2005 (2005 prices).⁵⁵ The plan's four priorities are Enhancing National Security, Revitalizing the Economy, Strengthening Governance and the Rule of Law, Rehabilitating Infrastructure and Delivering Basic Services.

The Plan makes a strong statement of commitment to redressing the past pattern of development in which political power, but also economic wealth and social opportunities were concentrated in a small elite, accompanied by misrule. Strengthening governance and the rule of law, targeting corruption addresses some of the key issues.

For the human rights agenda, the key issue is to develop an alternative to the pre-war economic model. A return to the pre-war economic model could create the same pattern of concentrated economic power with little benefit to the majority of the population who live in extreme poverty. The pre-war economic growth was not pro-poor. The engine of that growth was natural resource exploitation – rubber, iron ore, timber – organized through concessions to foreign interests. Pre-war Liberia epitomized “elite capture” leading to growing resentment against the ruling elite, resulting in lawlessness/looting of resources and eventually a coup d’etat in 1980. Elite capture continued through the rule of Doe, and on into the Civil War which in itself was fueled by resource capture, notably diamonds and timber. The decline in GDP began prior to the war, in the 1980s, due to serious economic mismanagement.

Without conceptualizing a new economic model, this history could repeat itself, leading to renewed elite capture. The investment programme and fiscal policies need to promote a pattern of growth that is pro-poor. While the iPRS emphasize social investments (education and health), investments will be needed that would increase the productive capacity of the mass of people who are engaged in smallholder agriculture, small scale trading and small scale manufacturing. Three important elements of a pro-poor growth strategy would be:

⁵⁵ IMF, 2006

- Investment in agriculture to improve incomes, consumption and nutrition of the majority of the population who are still in the rural areas. Nor should this be seen as an equity strategy only; current levels of smallholder productivity are extremely low signaling potential for rapid increase and recovery. Smallholder agriculture is a source of sustained growth and is not an alternative to, but a complement to the other sectors. Actions such as the development of rural roads could be an intervention with high multiplier effects. Support of small landholders is justified in terms of reducing poverty, but creating a large mass of small and medium “farmers” is also justified as a social and political basis for stability and democracy, both in the short (by generating expectations) and long term (by meeting those expectations). This would justify the implementation of a massive rural development strategy and could provide a strategic framework for the already considerable amount of foreign aid resources that are being channeled to reintegration and community development.
- As foreign investment in the traditional economic sectors will need to be revitalized, but concession agreements cannot follow the old model. An important element would be to negotiate concessions with a strong standard of *corporate social responsibility - labour rights and conditions in plantations, mining, timber and other extractive industries*. It is often thought that such measures would discourage private investments but experience and studies show that this is usually not the case and cheap labor is usually not the determinant factor in investment decisions.
- The distribution of social investments: at present the mass of the population lives below basic minimum thresholds by any standard definitions. The country has a massive need in these areas so where should limited resources be allocated? The iPRS does not include indications of geographic or other distributive targets. Currently, government sectoral ministries and donors allocate national sectoral programmes to different regions or beneficiary populations. This is in part because of lack of reliable data on basic social indicators. But the situation will soon be remedied as a census, DHS and other surveys will be completed in the coming years. Another problem is the difficulty that government faces in coordinating and tracking activities when donor funding and NGO activities represent the far greater proportion of resources (some 3-4 times in volume). There is an urgent need for *disaggregated data and mapping key social indicators for allocating national budgets and directing donor programmes, and for monitoring progress*. More disaggregated data need to be used for the purposes of planning. The current iPRS does not reflect on disparities for example between rural and urban areas, and between regions of the country. Developing tables disaggregated by county or district, or HDI disaggregated by county would reveal some key disparities. This would be important in the preparation of the full PRS.

The same point emerges from the analysis of the *Human Rights Expenditures in the Liberian Budget: 2005/2006 vs. 2006/2007* which shows a significant increase in spending from a human rights perspective and a critical mass allocated to education, health, and justice. In terms of current US dollars, spending for programs related to

human rights is projected to increase from \$25.6M to \$37.0M, an increase of 45%.⁵⁶ The most notable projected increase in human rights spending is in the area of healthcare, which would receive the equivalent of 1.5% of GDP in 2006/2007 versus 1.1% the previous year. The increase in health expenditure will put it at roughly the same level as education spending, representing the two largest human rights expenditures. The right to justice is the next largest at 1.2% of GDP. However, there is no information on the geographical areas where these allocations would target.

However, as government revenues account for only a fraction of total development expenditures, the international donor community including official and NGO organizations are also accountable to achieving minimum thresholds. Analysis of expenditure allocations is difficult because there is no consolidated budget beyond an accounting of total contributions and disbursements of official donors and some large NGOs.

- *Taxation and state capacity* – Mobilisation of domestic resources is a necessary condition for the state capacity to dispense with its obligations for respecting, protecting and fulfilling human rights. The growth of revenue in 2006 is truly remarkable. Nevertheless, the tax burden is still low (13-14%) and might turn out to be even lower (10%) if the GDP is revised. As policy reform is contemplated, caution is recommended regarding: (i) The *reduction of the corporate tax rate* from 35 to 30 sounds reasonable in a region where other countries apply a maximum rate of 30. This reduction should not be announced and implemented in such a way that could trigger a “race to the bottom” in neighboring countries. An ECOWAS or Mano River Union agreement on this subject could be reached, thereby avoiding this risk. (ii) There is a similar danger with *investment incentives*. Including incentives (restrictive, such as depreciation allowances under certain conditions) in the tax code is reasonable, but there could be an “incentives war” between neighboring countries and, furthermore, an active legislature could be subject to lobbying efforts to include new incentives. A Code of Conduct on Investments and incentives agreed upon with neighboring countries could “lock-in” an initially restrictive incentives scheme. Incentives should also be avoided in concession agreements (timber, mining, plantations). Just as the national labor legislation will be applicable to these sectors, so should the tax code. In certain cases additional taxes (e.g. on royalties) may be justified on the grounds of special rents that are being generated by the activity involved.

Governance policy - Impunity, Conflict, poverty and horizontal inequality

Although systematic state sponsored human rights abuses have stopped, human rights abuses continue and impunity is widespread as the court system is in disarray. Government has undertaken legal reforms in some pressing and critical areas such as rape and violence against women. There is a wide range of areas where domestic law, including the Constitution, is inconsistent with international human rights obligations that the government has entered into. The Law of the Hinterland originally passed in 1945

⁵⁶ Based on GDP figures from IMF World Economic Outlook

then reaffirmed in 2000 includes a number of provisions contrary to human rights principles such as discrimination before the law, limitations on the freedom of labour among many others. It also distinguishes Liberians between those who are 'civilized' and those who are 'uncivilized'. Violence against women and impunity for example for rape is a case in point. Despite significant efforts to bring in new norms, not a single rape case has led to a conviction as of the mission's visit.

In a number of locations, there are conflicts over land arising from both post-war as well as pre-war situations. These are not being resolved decisively and equitably resulting in over a thousand Liberian refugees still remaining in camps in Guinea. This is a human rights concern but in addition, it is a conflict prevention issue as the situation goes beyond individual grievances but constitute an ethnic factor that could escalate tensions and raise risks of further conflict. It also involves complex political dynamics at the local level involving local communities but also figures from the administration calling for a political resolution that transcends local level politics.

(C) Nepal

The Peace Agreement signed in November 2006 commits both parties, "To restructure the state in an inclusive, democratic and progressive way by ending the present centralized and unitary structure of the state in order to address the problems of women, Dalits, Janajatis, Madheshis, the oppressed and neglected, minorities and the backward regions while at the same time ending discrimination based on class, caste, language, sex, culture, religion and region." As Nepal faces a turbulent period in its political life, reversing historical exclusion sits at the top of the agenda of all political which are mobilized along cultural or geographic identity lines and expressing grievance over their past exclusion from political power and disadvantage over economic and social opportunities.

Economic and social policy and accountability for social and economic rights

The Tenth Five Year Plan (2002-2007), the main government policy document and poverty reduction strategy accepted by the World Bank and IMF as a PRSP builds on four pillars: broad based economic growth, social sector and rural infrastructure development, social inclusion and targeted programs for the ultra poor, vulnerable and deprived groups, and good governance. These pillars are being continued in the new interim Plan now under preparation (2007-2010) in the context of recovery from conflict and building sustainable peace. With disaffection with the monopoly of elites over political and economic power now driving identity based political demands, and especially since the Mahdeshi movement came to force in January, the issue of 'social exclusion' has become a paramount concern for government policy process and in the preparation of the interim Plan. Will these political demands and new dialogue lead to policies that will be more effective in realizing the rights of the poorest and the most deprived? What will have to change?

In fact, past Government effort for poverty reduction and progressive realization of social and economic rights has not been insignificant. Compared with other countries of the region (see Annex) Nepal's social sector spending has been reasonable. Government expenditures for poverty reduction and human rights have been rising. An analysis of the Nepalese budget projections for FY 2006/07 compared with the figures for the previous two fiscal years reflects an increase in spending from a human rights perspective, from about a third of the total budget to about 40%. In terms of current Rupees, spending for programs related to human rights is projected to be 56.2 billion NPR, an average annual increase of 34% per year for the last two years, with the largest increases in health and poverty reduction. Education remains the main human rights expenditure at 3.6% of GDP. The only human rights category projected to receive less funding as a percentage of GDP is the right to work, which receives very little funding in all of the years studied (less than 0.1% of GDP). Other categories that seem low are housing and justice, 0.1% and 0.3% of GDP respectively. In addition, spending to combat racial discrimination is almost unnoticeable.

Moreover, in spite of the destruction of physical infrastructure and disruption of social services as government development workers fled to district capitals, Nepal registered significant improvements in key social indicators over the last five years. Income poverty dropped from 34% in 1995 to 24% in 2005, and the HPI declined from 51% in 1995 to 38% in 2004.

However, behind these macro socio-economic data are realities that are major concerns from the perspective of equal rights.

- First, inequality grew rapidly in recent years.⁵⁷ Between 1995/96 and 2003/04, the distance in incomes and expenditures grew between the poor and middle class (lowest and second quartile), between the middle class and the upper middle class (second to third quartile), and the middle class and the rich. Geographic disparities remained high as between rural and urban areas, and between identity groups. Poverty rates are highest among Hill and Terai Dalits and Hill Janjatis and these declined by 21 and 10% respectively, but less than 46% decline for the Upper Castes and 28% for the Newars. From a human rights perspective, achieving equal rights is a priority policy goal to be tracked by reducing inequality and eliminating group based discrimination.
- Second, the economic model that is behind this poverty reduction raises other concerns. Remittances is the single most important source of poverty reduction estimated to account for one third to one half of reduction in headcount. Remittances increased from \$203 million in 1995/96 to \$794 in 2003/04 constituting 12% of GDP. Migration has positive impacts, but can also entail significant human costs to the migrant who often works in exploitative conditions outside Nepal, and to the family left behind. In the meantime, while agricultural wages increased presumably due to out migration, agricultural incomes and productivity remained stagnant.

⁵⁷ World Bank, 2006. Nepal: Resilience Amidst Conflict.

- Third, in contrast to income poverty and schooling, the nutrition situation has not improved and the incidence of stunting and wasting have not declined. The reasons are not clear but one might speculate that migration and stagnant agriculture would be factors; cash incomes are not being allocated to household food expenditures or mothers have inadequate time for care as household labour supply declines.

For the process of growth to be pro-poor, much more investments are needed in sectors that are labour intensive and can generate employment for low skilled people, notably in agriculture. Agricultural research, for example has been largely neglected, and the 1995 Agricultural Perspective Plan has not been implemented.

Government officials at local and national levels, aid agency staff, NGO leaders and intellectuals whom the mission met emphasized the need to radically alter the way things were done. The Deputy Chair of the Planning Commission said that the plan was being prepared with a challenge to each sector to address the most unacceptable situations. Others emphasized that what mattered was delivery on the ground, particularly at the local level. Whatever the stated policy, the pervasive structures of hierarchy and deprivations, and the ‘rules of the game’ by which people, communities and the state interact stand in the way of development meeting the greatest needs of those living in extreme poverty and benefiting the ultra poor. For example, not only local government officials but also local staff of donor and NGO in charge of managing local development projects are invariably from elite groups and tend to engage with local elites. Many favour decentralisation involving real devolution as an essential step, though without empowerment of poor people and protection against discrimination, decentralisation could only entrench local hierarchies and oppressive systems. Many characterised the situation as state that is absent for the people.

These concerns are raised in the growing policy dialogue on the root problems of ‘social exclusion’. Civil society and the donor community have played an important role in promoting these debates that involve a broad set of actors. A significant number of excellent studies are being published such as *Unequal Citizens: Gender, Caste and Ethnic Exclusion in Nepal* by the World Bank and UK DfID based on a massive 3 year social science research. From the human rights perspective, it is striking that neither the language nor the principles and standards of human rights are not included in these analyses, and used little in the policy debates. Does this reflect a reluctance to acknowledge that discrimination is an abuse of human rights, and a child dying from wasting has been denied right to life just as she would have been if killed by political violence? Even the term ‘social exclusion’ and ‘social inclusion’ stop short of claiming equal rights and combating discrimination. Given the pervasiveness of discrimination as a source of poverty, focussing on denial of a wide range of rights as a source of poverty would add value to the analysis and policy to focus more sharply on legal protection and a firmer ethical base.

Impunity, conflict, poverty and horizontal inequality

With the conclusion of the Peace Accord, insurgency related human rights abuses are under control, with the presence of the UN Mission and OHCHR monitoring structures. In contrast, the lack of human rights protection for poor people continues, due to the historical weakness of the legal system and in social norms. Some initiatives are underway, such as citizenship certificate campaign and removing obstacles to citizenship such as land ownership. However, this is an area requiring much more proactive action. As the budget analysis shows, allocations for strengthening the judiciary do not appear to be a priority. The institutional structures for human rights monitoring, such as the National Human Rights Commission is poorly funded and staffed with a secretariat of only 3 professionals while the chair of the commission remains vacant. Moreover, the 5 commissioners do not represent the diversity of the country in terms of caste, gender, ethnicity, regional origin.

STATE ACCOUNTABILITY, CAPACITY AND NON-STATE ACTORS

Imperfect obligations

The fulfilment of human rights of poor people often require time and a process of development. This is obvious in such economic and social rights as education where a country with 50% enrolment cannot overnight achieve 100% enrolment without building more schools, training teachers and so on. The same problem applies to civil, political and cultural rights that depend on complex institutional arrangements that need to be developed over time.

In these contexts, the concept of accountability is difficult to apply it is not easy to assign specific responsibility to a specific actor or duty bearer for a specific outcome. If a child is not in school, and her right to education is thus denied, is it because there is no school? Or is it because the teacher rarely bothers to turn up? And if that is the case, is it because he/she is not paid by government? If so, is the government facing a budget/cash flow crisis due to the inability to collect taxes and widespread corruption? Or is it because the community does not bother to monitor the school? Or is it because the parents do not think girls should be educated? Or is it because the school fees imposed as government policy are not affordable? Or is it because there are bandits on the road and the parents fear for her safety? Perhaps there is no single cause, and no single actor responsible. The difficulty of attributing a responsible party for a human rights failure has led some to argue against economic and social rights as human rights altogether. In legal contexts, it has meant difficulty in enforcing rights. Others such as Amartya Sen have argued that such rights are human rights nonetheless, and that the obligations of diverse actors are 'imperfect obligations'.⁵⁸ Diverse duty bearers do have obligations to put in place the necessary social arrangements to respond to the claims of individuals for the fulfilment of their human rights.

In each of these countries, with specific constraints and challenges, is the country's government making adequate effort for removing discrimination and for realization of the socio-economic rights in question?

⁵⁸ UNDP 2000

In the case of Guatemala, considering the overall resources in the country, much more proactive policies could be implemented to more rapidly to address extreme poverty and achieve basic rights to food, health, education through more progressive budgetary allocations, pro-poor growth policies, policy reforms and innovations to reach the excluded. But this presupposes that the government has resources to do so. While the government could arguably be considered to have some 'will' to live up to their human rights obligations, the weak tax base and revenue effort (10-11% of GDP and one of the lowest in the subregion) is a major obstacle. There is little that the government can do in face of opposition from other state institutions which hold power, such as the political structures (legislature, parties, power base); the military; and the judiciary. The business community has a central role with respect to supporting fiscal reforms which have proved difficult. There are also qualitative obstacles related to the effectiveness and efficiency of the administration that reflect the need to transform the state from an autocratic/repressive machinery to one that respects, protects and promotes human rights. In this context, it is hard to see the state being able to take on its obligations without the society as a whole establishing a new social contract among citizens, the state, civil society, private sector and other non-state actors.

In the case of Liberia, the government faces enormous obstacles in managing the country's transition to peace and development. The obstacles are not only financial but political, and the legacy of corruption and misrule still affect many parts of the administration as well as the legislature, the judiciary and other state bodies. The international and regional community has been playing an exceptional role in maintaining peace, financing development, and facilitating political reconciliation.

In the case of Nepal, government social policies have been quite progressive but economic policies could be more pro-poor, and governance reforms more proactive. But the future of the country depends much on the political evolution. While political parties and movements are demanding an end to 'social exclusion', it is powersharing that dominate their agendas with little attention to alternative economic and social policies needed to achieve greater equality and realization of human rights. Policy debates on development strategy choices involve NGOs, academics and the international donor community more than political parties and movements. There is a risk that hierarchy and oppression might continue under new political structures.

In all three cases, greater respect for human rights in poverty reduction strategies can only be achieved on the basis of a fundamental underpinned by a renegotiation of the state-citizen relationships. Historical legacies of oppressive and predatory state need to be reversed for the state to play a more developmental role and to protect human rights of all citizens.

Fiscal policies and the budget as a human rights tool
(section authored by J.A. Fuentes)

The budget is one of the most significant tools that a government has to promote the fulfillment of human rights. The mission analysed budget for human rights spending. (see Annex II for methodology) The budgets of Guatemala, Liberia, and Nepal differ greatly in level of detail and explanation of expenditures. However, a classification of expenditures by specific human rights categories is possible given the information provided by the respective Ministries of Finance. When we consider only the Government of Nepal's share of human rights spending, Nepal is only slightly ahead of Liberia (5.3% vs. 5.1% of GDP) and neither are at the level of Guatemala in 2006 (6.8% of GDP).

An important distinction is that Nepal and Guatemala spend more on education than health, yet in Liberia they are roughly equal, possibly as a result of the greater impact of violent conflict in this country as well as foreign partners' priorities. Guatemala allocated almost twice as much to education as health in 2006. The Government of Nepal has done the same, although the Development Budget has dedicated more to health than education. In Liberia, development finance for health is more than twice the amount for education of the period 2003-2007, making it the only of the three countries with more funding going towards health than education.

Health and education are the critical mass of human rights spending in all three countries. These expenditures have consistently comprised between 60 and 75% of human rights spending by the three governments in the years analyzed. Work in Guatemala and justice in Liberia are the only categories that even approach the significance of health or education spending.

In terms of human rights spending as a share of the total budget, Guatemala spends the most (almost half), followed closely by the Government of Nepal. Liberia has dedicated a significantly lower portion of their budget to human rights (around 30%), which is somewhat understandable given the pre NTGL salary arrears and other one time costs they are incurring to eliminate unnecessary and ghost workers from the government payroll.

Table 4: Guatemala budget HR Expenditure: 2005 through 2007

	2005	2006 e/
GDP, current prices National currency (Millions)	234748	261234

	FY 2005	FY 2006	Change	% Change
HR Spending in Billions of Qs				
Culture	222	342	120	54%
Education	5865	7306	1441	25%
Health	2596	3776	1180	45%
Housing	452	1484	1033	229%
Justice	1528	2045	516	34%
Labor	2216	2738	521	24%
Non Discrimination	8	28	19	243%
Women	36	48	11	31%
Total HR	12923	17766	4843	37%
Total Budget Expenditure	30888	36006	5118	17%

	FY 2005	FY 2006	Change	% Change
HR Spending as % of GDP				
Culture	0.1%	0.1%	0	39%
Education	2.5%	2.8%	0	12%
Health	1.1%	1.4%	0	31%
Housing	0.2%	0.6%	0	195%
Justice	0.7%	0.8%	0	20%
Labor	0.9%	1.0%	0	11%
Non Discrimination	0.0%	0.0%	0	208%
Women	0.0%	0.0%	0	18%
Total HR	5.5%	6.8%	0	24%
% of Total budget	41.8%	49.3%	0	18%

	FY 2005	FY 2006	Change	% Change
Internal Security	1522	1683	161	11%
Internal Security as % of GDP	0.6%	0.6%	0	-1%

Table 5 - Liberia budget HR Expenditure: 2004/05 through 2006/07

	2006 e/ 664	2007 e/ 726		
GDP, current prices US\$ (millions)				
HR Spending in US\$ (millions)	FY 2005/06	FY 2006/07	Change	% Change
Culture	0.5	0.7	0.2	38%
Education	8.2	10.9	2.6	32%
Health	7.3	10.9	3.6	50%
Housing	0.1	0.2	0.1	39%
Justice	6.4	8.6	2.1	33%
Labor	0.8	1.8	1.0	123%
Non Discrimination	0.0	0.0	0.0	0%
Women	0.5	0.8	0.3	65%
General HR	1.7	3.2	1.5	85%
Total HR	25.6	37.0	11.4	45%
Total Budget Expenditure	84.1	129.9	45.9	55%

	FY 2005/06	FY 2006/07	Change	% Change
HR Spending as % of GDP				
Culture	0.1%	0.1%	0	26%
Education	1.2%	1.5%	0	21%
Health	1.1%	1.5%	0	37%
Housing	0.0%	0.0%	0	27%
Justice	1.0%	1.2%	0	22%
Labor	0.1%	0.2%	0	104%
Non Discrimination	0.0%	0.0%	0	0%
Women	0.1%	0.1%	0	51%
General HR	0.3%	0.4%	0	69%
Total HR	3.9%	5.1%	0	32%
% of Total budget	30.5%	28.5%	0	-7%

	FY 2005/06	FY 2006/07	Change	% Change
Internal Security	9	5	-4	-43%
Internal Security as % of GDP	1.3%	0.7%	0	-48%

Table 6 - Nepal Budget HR Expenditure: 2004/05 through 2006/07

Total (Government + Development)

	2005	2006	2007
GDP, current prices National currency (Billions)	533.538	582.947	644.094

HR Spending in Rs (1000)	FY 2004/05	FY 2005/06	FY 2006/07	Change	% Change
Culture	1167584	1309002	1536853	227851	17%
Education	17410169	19493364	23172881	3679517	19%
Health	7808506	10152679	17107560	6954881	69%
Housing	260391	448835	749279	300444	67%
Justice a/	1184635	1260988	1816514	555526	44%
Labor	196427	275876	159447	-116429	-42%
Non Discrimination	66199	61623	68100	6477	11%
Poverty A	673757	1083922	2925687	1841765	170%
Poverty B	1130766	1267129	1578595	311466	25%
Women	1199920	1283391	1500240	216849	17%
General HR	2459499	2771003	5622924	2851921	103%
Total HR	33557853	39407812	56238080	16830268	43%
Total Budget Expenditure	102,560,471	112,074,700	143,912,300	31837600	28%

HR Spending as % of GDP	FY 2004/05	FY 2005/06	FY 2006/07	Change	% Change
Culture	0.2%	0.2%	0.2%	0.0001	6%
Education	3.3%	3.3%	3.6%	0.0025	8%
Health	1.5%	1.7%	2.7%	0.0091	53%
Housing	0.0%	0.1%	0.1%	0.0004	51%
Justice	0.2%	0.2%	0.3%	0.0007	30%
Labor	0.0%	0.0%	0.0%	-0.0002	-48%
Non Discrimination	0.0%	0.0%	0.0%	0.0000	0%
Poverty A	0.1%	0.2%	0.5%	0.0027	144%
Poverty B	0.2%	0.2%	0.2%	0.0003	13%
Women	0.2%	0.2%	0.2%	0.0001	6%
General HR	0.5%	0.5%	0.9%	0.0040	84%
Total HR	6.3%	6.8%	8.7%	0.0197	29%
% of Total budget	32.7%	35.2%	39.1%	0.0392	11%

FY 2004/05	FY 2005/06	FY 2006/07	Change	% Change
------------	------------	------------	--------	----------

Internal Security	7376513	8159038	7842939	-316099	-2%
Internal Security as % of GDP	1.4%	1.4%	1.2%	-0.002	-11%

a/ Chargeable Items under Supreme Court and National Election Commission added to Justice
Poverty A: expenditures directed towards poverty reduction
Poverty B: expenditures to support agricultural SMEs

One important conclusion is that year to year comparisons may be useful, but cross-country comparisons and long term trends are more useful. It is also meaningful to evaluate the budgets with and without the context of foreign aid to get a sense of State capacity to meet its human rights obligations. The relative importance of foreign aid is greatest in Liberia, followed by Nepal.

Table 7: Internal versus External Financing of HR Spending (% of GDP)⁵⁹

	Guatemala ^a 2005	Liberia ^b 2004-07	Nepal 2006/07
Education	2.5	2.8	3.6
Internal	2.4	1.5	2.6
External	0.1	1.3	1.0
Health	1.1	6.4	2.7
Internal	0.9	1.5	1.3
External	0.2	4.9	1.4
Total HR	5.5	14.9	8.7
Internal	..	5.1	5.3
External	..	9.8	3.4

Sources: Ministries of Finance, Liberia RFTF (UNDP)

a/ Although capital expenditures are classified in terms of internal vs. external financing, current expenditures outside of the Ministry of Education and the Ministry of Public Health are not; for current expenditures in health and education outside of the Ministry of Education and the Ministry of Public Health, the financing mix was assumed to be similar to the ratios found in the corresponding ministry of the given expenditure

b/ Liberian donor assistance provided does not correspond to fiscal years but rather the cumulative period from 2004 to November 2006 so an annual average was created; internal financing figures are from FY 2006/07

These analyses highlights weak financial capacity of the state capacity and fiscal policy as central issues in considering state accountability for human rights. The issue is particularly visible in Guatemala whose country report states: Governments in Guatemala are severely constrained by the weakness of the state, and should therefore make efforts to strengthen, within a democratic framework and over the long run, the capacity of the state to fulfil its obligations. As the Special Rapporteur on the right to food noted in his report, continuity from one government to the next is crucial. This continuity should include the gradual strengthening of Guatemala's tax base, in addition to institutional reforms to transform the state into one that respects, protects and promotes human rights. This covers a wide range of institutions that must deal with a wide array of issues, extending from police security to bilingual education. The progressive realization of human rights depends crucially on reforming and strengthening the state.

⁵⁹ IMF figures from IMF World Economic Outlook

The fundamental challenge of reforming and strengthening the state, and redefining the relationship between the state and citizens is a challenge not only for Guatemala but also for Liberia and Nepal. These are both countries where the history of state-citizen relationship has been rooted in oppression rather than protection.

International community

The international community can play several roles: as a source of financing, as a source of policy advice, and as a political facilitator. While Guatemala receives aid from bilateral and multilateral sources (see annex) ODA flows are only 0.81% of GNI. The international community has played a key role in the Peace Accord, and continues to have influence. On the other hand, Nepal and Liberia are more aid dependent countries in which almost all of the development budget comes from external sources. ODA in 2005 amounted to 5.8% of GNI in Nepal and a whopping 54% of GNI in Liberia.⁶⁰ In Liberia, an important priority will be for donors and government to develop a ‘shadow budget’ that would incorporate donor financing. This is done in Nepal to the extent that funds flow through government institutions. NGO aid and other funds that flow directly to non-government institutions do not get registered. This makes development management and resource allocation extremely difficult, in a context where inequality – rather than poverty – is an important priority. In Liberia, there is at present no tracking of the geographic or sectoral allocation of donor resources. An attempt to construct such a shadow budget in terms of sectoral allocation is shows very small amounts going to food security and nutrition, in a situation where more than half the population suffers from malnutrition.

In each of the three countries, both government and donor policy response to horizontal inequality as a conflict risk factor has been uneven. In Guatemala, both government and the international community appear to be ignoring the low level tensions and conflicts that continue. In Liberia, the international community acted sharply to put sanctions on ‘blood diamonds’ and timber sales of which were financing the war but does not pay much attention to horizontal inequality as a risk factor. In Nepal, donors are now rushing to the less developed regions now that the conflict had intensified and then abated but during the early period, the insurgency was ignored just as the government was in denial⁶¹.

⁶⁰ DAC/OECD aid statistics

⁶¹ Brown, Background note for the mission.

**Table 8: ODA to Liberia, Guatemala and Nepal (Net ODC receipts in USD Million
a)**

Country	2001	2002	2003	2004	2005	ODI/GNI (%) 2005
Liberia	38	52	107	213	236	54.12
Guatemala	226	248	247	220	254	0.81
Nepal	391	361	463	428	428	5.81
Averages						
LDCs	13 749	18 009	23 844	25 303	25 979	(9.85)
Other LICs	9 349	10 036	9 052	10 628	18 144	(1.61)
LMICs	15 695	17 615	18 197	19 951	39 472	(0.85)
UMICs	1 749	2 455	2 108	2 566	2 771	(0.12)

a) World Bank Atlas
basis.

Source:
www.oecd.org/dac/stats/dac/dcrannex

Table 9 - Liberia: “Shadow Budget” Sector Funding Breakdown (2004-2007)

Peacebuilding	54.0%
Health	8.2%
Multi-Sectoral Activities	8.2%
Protection	8.1%
Governance & Rule of Law	6.4%
Infrastructure	5.7%
Education	3.1%
Agriculture & Food Security	1.8%
Nutrition	1.7%
Water & Sanitation	1.5%
Economic Recovery	0.9%
Coordination	0.4%
Emergency Shelter & NFI	0.1%

Source: UNDP Liberia, Liberia: Draft Donor Profiles,
excludes UNMIL budget

PART III: OPERATIONAL PRIORITIES AND METHODOLOGICAL APPROACHES

What would be the priority for human rights organisations in Guatemala, Liberia, Nepal and elsewhere? How can human rights perspectives add to the current on-going global and national work on poverty reduction strategies that are led by national governments and the international community including donors, researchers and civil society groups? Operational priorities need to be defined in terms of the scale and gravity of human suffering but also by mapping the role of human rights organisations in development work in general, and the role of UNOHCHR in particular.

Mapping Functions of human rights, development and humanitarian organisations

There are many actors working towards poverty reduction including national government, NGOs and community groups, and international development aid agencies and NGOs. These development organisations finance and/or implement development projects from water master plans to micro-credit. In general, human rights organisations are neither funding nor implementing organisations for such development programmes. Human rights organizations in general have played very different roles from development agencies and have focussed on: (i) advocacy; (ii) policy analysis; (iii) monitoring; and (iv) legal procedures to defend rights of individuals.

Should human rights organisations change functions and take on the roles of financing and implementing development projects? While there is no correct answer to this question, for the UNOHCHR in particular, operating in the context of the UN system, it would be difficult to justify taking on these new roles which overlap with other agencies such as World Bank, IMF, UNDP, UNICEF, WFO, UNHCR, UNFPA etc. The only exception would be in capacity building for human rights organisations such as national human rights commissions that require the unique expertise of OHCHR.

Part I of this report compared human rights and development perspectives on poverty and concluded that the human rights perspective on poverty, focussed on human dignity and freedom, overlaps in motivation with the more recent conceptions of poverty used in the development community that has been influenced by the capability perspective and the participation perspective. On the other hand, the human rights perspective differs from the development perspective in the policy priorities which emphasize equality, analytical tools which brings light to human rights protection as a means to poverty reduction, and in the means of implementation which include legal procedures. It also concluded that the power of human rights lay first and foremost in the power of ideas.

It therefore makes sense for OHCHR to focus on:

- policy advocacy for a social justice agenda and abuse of rights of poor people, including economic, social, cultural, civil and political rights, and in so doing

- utilise international human rights standards to which governments have made legal commitments; and
- utilise policy analysis emphasizing causal linkages between rights and poverty.

On implementation, human rights defenders from national and international civil society have brought specific cases to national courts; this may not be the most appropriate role for the OHCHR.

Matrix 2: Mapping institutional functions and tools

	Human rights organisation (OHCHR, Amnesty, etc.)	Development organisation (UNDP, UNICEF, WFP, World Bank, Oxfam, etc.)	Humanitarian organisation (UNHCR, WFP, Save the Children, etc.)
Functions			
Policy advocacy – global and national.	Yes – based on international HR norms.	Yes – based on efficiency and effectiveness criteria.	
Policy analysis and debate on alternatives.	Yes – based on HR/poverty links, and HR normative agenda.	Yes – based on economics, social science and political science analysis.	
Financing and resource mobilisation	No	Yes	Yes
Implementing field projects	No except - capacity development for national human rights institutions; - protection during humanitarian crises.	Yes – investment, capacity development	Yes – intervention in humanitarian crises.
Tools			
Monitoring and reporting	Yes		Yes
Legal procedures	No for OHCHR but Yes for NGOs		
Legal analysis	Yes		
Individual case reporting of violations	Yes	-	
Economic and social policy analysis and relationship to HR	<i>Yes but only beginning such as budget analysis</i>	Yes	
Macro social and economic trends		Yes	Yes

Methodological approaches to identifying human rights priorities related to poverty

Structure: The mission's analysis of human rights and national poverty reduction strategies focussed on three broad questions:

- poor people whose rights are abused – identifying major situations of severe violations of any set of human rights (right to life, security of person, food, education,) that are systematic and linked to poverty and exploring the failures to protect human rights as cause and consequence of poverty;
- accountability of the state and other actors – analysing the links between human rights and:
 - a) economic policy;
 - b) social policy
 - c) governance policy including legal frameworks and judiciary,
 - d) the role of state actors especially the legislature, the military and the judiciary, political parties;
 - e) the role of corporations and other non-state actors;
- accountability of the international community that has a duty to assist.

Budget analysis – human rights expenditures in national budgets

The study has shown the feasibility and usefulness of budget analyses for human rights expenditures in national budgets of Guatemala, Liberia and Nepal. Such analyses have come to be used in several countries but most of them have been focused on specific sets of rights, such as children's rights or women's rights. This is one of the first analyses for rights related to poverty reduction. The methodology, prepared by J.A. Fuentes, is included in the annex.

One of the major obstacles in this analysis is the absence of data on external funding. In countries which are highly aid dependent for development financing, such as Liberia, this is a major gap and highlights the need for donors to acknowledge that unless they provide information, public accountability cannot be established. Another constraint is the absence of disaggregated data.

Armed conflict, human rights and horizontal inequality

Civil war in poor countries is a major challenge; while the number of wars is decreasing globally, it is increasing in sub-Saharan Africa, the world's poorest region, and the research finds that the risk of war is inversely correlated with a country's level of income, rising particularly for countries with incomes less than \$5000.⁶² Human rights of poor people is a particularly critical global issue for several reasons.

⁶² Brown, 2007 note for OHCHR

First, atrocities are inflicted on civilians during civil wars and poor people are particularly vulnerable, from forced recruitment of children as soldiers, to torture to kidnapping and disappearances. More generally, poor people lose their livelihoods due to dislocations. Second, historical exclusion and unequal development, and the discrimination and exclusion from political, economic and social power is often a root cause of many conflicts that mobilize ethnic and other identity groups.

For these reasons, human rights organizations should give high attention to two policy priorities: human rights protection of poor people during and after civil war, and the social justice agenda of human rights in development and poverty reduction as both intrinsically but also instrumentally important as a measure for conflict prevention.

Human rights priorities – Guatemala, Liberia and Nepal

Priority issues that human rights organizations should address include the following.

Guatemala

Part II of this report concluded that the persistence of high levels of extreme poverty and lack of human rights protection to be a core human rights issue.

A. Severe violations of human rights linked to poverty:

- Indigenous people and whose rights are denied in multiple areas, from cultural rights such as right to language as well as social rights such as education and economic rights such as access to justice in land disputes. These rights interact together with the disadvantage of low incomes and low social status in a vicious circle.
- Violence against women - the growing incidence of crime has aggravated violence against women in multiple contexts, from the household to the streets including rape and killings. While victims are not always poor, poor women are particularly vulnerable.
- Trafficking in children - for adoption and other purposes who are most often from poor families.
- Guatemalan migrant workers outside of the country - whose rights are not protected in the country of destination.
- Land disputes and evictions - an important factor in the 35 year conflict, tensions from continuing disputes could give rise to serious political instability.

B. Accountability of policy effort:

- Economic policies for pro-poor growth. Guatemala's growth process has not been pro-poor, with poverty reduction modest and relying on migration. Economic policy choices depend on both priorities and analyses. Human rights based analysis of economic policy would contribute to debates about policy choices.

- Fiscal policy. A fundamental constraint to government taking more proactive action against poverty is the fiscal policy which leaves the state too weak to act on a number of fronts.
- Trade policy and its impact on employment and government revenues.
- Social policy including affirmative action for women and indigenous people. Without affirmative action the legacy of exclusion and discrimination is unlikely to be reversed.
- Corruption and involvement of officials in illegal and criminal activities.
- Redefining the role of the state and contract between the state, business sector and citizens.

C. Accountability of the international community

- Advocacy of international human rights standards
- Policy analysis and alternatives in economic and social policy
- Facilitating dialogue on the role of the state and the business sector

Liberia

In the context of post-war recovery and extreme poverty affecting some three quarters of the total population, it is difficult to identify a small set of priorities.

A. Severe violations of human rights linked to poverty:

- Discrimination and violence against women - an issue that has received high level of attention in government and donor policy and action, progress on the ground is slow and impunity continues.
- Severely malnourished children - an issue that has not received adequate attention in the iPRS. The causes of severe malnutrition are unlikely to be due to the war and displacement.
- Land disputes including evictions - a factor in the civil war, this issue has received relatively little policy attention.
- Trafficking in women and children – Liberia is one of the countries of origin of children trafficked for domestic and other work, and for prostitution.

B. Accountability of policy effort

- Economic policy – policies for promoting a pattern of growth that generates employment and is pro-poor; reducing horizontal inequality.
- Economic policy - negotiating concessions with appropriate demands for respecting human rights. This includes plantation workers.
- Governance policy – ending corruption an issue that is receiving the highest political attention and that undermines peoples' confidence in the state.
- Social policy – investment allocations to expand access to social services equitably; reducing horizontal inequality.

C. Accountability of international donors

- Financing – providing adequate financing for meeting minimum thresholds of economic and social rights, and for long term development priorities.
- Policy advocacy – for a human rights agenda of equal rights and pro-poor economic and social policies.

- Monitoring – distributional impacts and trends in disparities as well as poverty, with special attention to horizontal inequality.
- Coordination and transparency – this is particularly important in this highly aid dependent country.

Nepal

The country is going through a very delicate political transition and OHCHR has been playing a central role in maintaining peace and monitoring conflict-related human rights abuses.

A. Severe violations of Human Rights related to poverty

- Caste based discrimination – while discrimination against Dalits is no longer legal, the practice continues. An abuse in itself, this also presents multiple obstacles to fulfillment of other rights such as to education and a decent standard of living.
- Gender based discrimination – gender gaps are marked in education, nutrition, as well as political participation. Gender based violence is systemic.
- Trafficking of women, children and men – Nepal is one of the top 10 countries of origin in international trafficking for sexual exploitation, body parts and domestic work.
- Worst forms of child labour – large proportion of children work outside of the household, including in the seven worst forms of child labour (long distance portering, rag-picking, trafficking, bonded labour, domestic work, mining and carpet weaving).
- Bonded labour – officially banned, the system continues.
- Denial of citizenship – citizenship laws are restrictive, for example for children born to foreign women, and those who do not own land.
- Abuse of Nepali migrants in countries of destination – migrants receive little human rights protection abroad.

B. Accountability of government policy

- Social policy – introducing the language, principles and standards of human rights into current debates about social inclusion.
- Language policy – use of mother tongue in education and justice reforms.
- Economic policy – promotion of pro-poor growth for poverty reduction.
- Economic policy – reducing inequality (vertical and horizontal) not just poverty.

C. Accountability of the international community

- Financing of rapid progress to end extreme poverty.
- Promoting an equity/not just poverty reduction agenda.
- Proactive measures to undermine the structures of discrimination

CONCLUSIONS: PRIORITY ISSUES FOR HUMAN RIGHTS ASSESSMENT OF PRS

This paper has argued that the human rights perspective can strengthen the social justice thrust of national strategies for poverty reduction reinforcing agendas, analyses and tools.

These elements can be useful at the national level in the formulation of national policies and strategies. They can also contribute at the global level to the current policy debates about international economic policies and poverty reduction. Human rights agendas, priorities, international legal standards and analyses could enrich many policy debates, such as global debates over trade policies and their consequences for state capacity to live up to their human rights obligations, or national policy debates over budgetary allocations and aid for achieving MDGs. It also includes the current debates about the World Bank led PRS processes in the development community. PRS is a 'work in progress', subjected to multiple evaluations including by the World Bank itself. Evaluations have focussed particularly in weaknesses in the participatory process of preparation, the pro-poorness of economic policy approaches, and sometimes perverse consequences on empowerment. Human rights principles and commitments can open space for dialogue on policy alternatives that will favour poverty reduction over competing aims such as economic efficiency or military security.

To be effective in the policy advocacy field, human rights organizations would need to become more actively involved in policy dialogues that are currently underway at both national and global levels. This will require better understanding of the language and methods of economic analyses on the part of human rights organisations, and expansion of work on the human rights implications of economic and social policies.

References

- Agarwal, Bina, 1994. *A Field of One's Own: Gender and Land Rights in South Asia*. Cambridge: Cambridge University Press
- Brown, Graham, 2006. Inequality, Ethnic Diversity and Conflict: Implications for a Human rights poverty reduction strategy, a paper prepared for the OHCHR mission.
- Brown, Graham, 2007. "Social Exclusion, Horizontal Inequalities and Conflict in Nepal: Issues and Evidence" Note for OHCHR
- Chambers, Robert 1997. *Whose Reality Counts: Putting the First Last*. London. IT Publications
- Commission on Human Security, 2003. *Human Security Now*. NY. UN Publications
- Elson, Budgeting for Women's Rights, published by UNIFEM, 2006; xxxx
- Alison Evans and Laure-Hélène Piron, 'Politics and the PRSP Approach,' ODI Working Paper 237 (March 2004), http://www.odi.org.uk/publications/working_papers/wp237.pdf.
- Fukuda-Parr, Sakiko. 2003. 'Operationalising Amartya Sen's Ideas on Capabilities, Development, Freedoms and the Shifting Policy focus of the Human Development Approach' *Feminist Economics*, Volume 9 no. 2-3 special issue 'Amartya sen's work and Ideas: A Gender perspective' edited by Agarwal, Humphreys and Robeyns
- Fukuda-Parr, Sakiko. 2007. "From Income to a Multidimensional Measure of Poverty: the Case of the Human Poverty Index". *In Focus*, UNDP/IPC Brazilia
- Government of Liberia, Ministry of Planning, 2007. Interim Poverty Reduction Strategy Paper (iPRSP)
- GTZ, 'Making Poverty Reduction Strategies Work: Good Practices, Issues and Stakeholder Views' (May 2005), http://siteresources.worldbank.org/INTPRS1/Resources/PRSP-Review/gtz_makingprswork.pdf.
- Hermele, Kenneth. 2005 'The Poverty Reduction Strategies: A Survey of the Literature' <http://www.eurodad.org/uploadstore/cms/docs/PRStudyfinalForumSyd.doc>.
- Humphreys, Macartan. 2003. 'Economics and Violent Conflict'. Harvard University. Working paper

IMF, *World Economic Outlook*

IMF, 2006. Liberia: 2006 Article IV consultation and Staff Monitored Progress – Staff Report. country report no. 06/166

Kabeer, Naila. 2000. *The Power to Choose: Bangladeshi Women and Labour Market Decisions in London and Dhaka* London: Verso

Mahal and Marks

Moser, Caroline with C. McIlwaine, 2004. *Encounters with Violence in Latin America: Urban poor perceptions from Colombia and Guatemala*. Routledge

1. Caroline Moser and Andy Norton, *To Claim our Rights: Livelihood security, human rights and sustainable development* (Overseas Development Institute (ODI), 2001), <http://www.odi.org.uk/pppg/publications/books/tcor.pdf>.

Narayan, Deepa, R. Patel, K. Schafft, A. Rademacher, S. Koch-Schulte. 2000. *Voices of the Poor Volumes 1 – 3*. New York, OUP

OECD DAC, 2007. *Action Oriented Policy Paper on Human Rights and Development*. DCD/DAC(2007)15/Final, Paris 23 February, 2007

OHCHR, 2002. Report of the special rapporteur on the situation of human rights and fundamental freedoms of indigenous people – mission to Guatemala. (1-11/09/2002) E/CN4/2002/90.Add.2

OHCHR, 2003. Report of Yakin Erturk, special rapporteur on violence against women, its causes and consequences – mission to Guatemala. E/CN.4/2005/72/Add.3
<http://www.ohchr.org/>

OHCHR, 2004. *Human Rights and Poverty Reduction: A Conceptual Framework* (New York and Geneva, United Nations, 2004),
<http://www.ohchr.org/english/issues/poverty/docs/povertyE.pdf>.

OHCHR, 2004. Report of the independent expert on technical cooperation and advisory services, Ms. Charlotte Abaka A/HRC/4/6

OHCHR, 2005(a). Report of the independent expert on technical cooperation and advisory services, Ms. Charlotte Abaka E/CN.4/2005/119

OHCHR, 2005(b). Report of Doudou Diene, special rapporteur on contemporary forms of racism, racial discrimination, xenophobia and related intolerance – Mission to Guatemala. E/CN.4/2005/18/Add.2 <http://www.ohchr.org>

OHCHR, 2006(a). Report of the special rapporteur on the right to food, Jean Ziegler – Mission to Guatemala. E/CN.4/2006/44/Add.1 <http://www.ohchr.org>

OHCHR, 2006(b). Report of the UN High Commissioner for Human Rights on the Activities of her office in Guatemala E/CN.4/2006/10/Add.1

OHCHR, 2006(c). Report of the UN High Commissioner for Human Rights on the human rights situation and activities of her office, including technical cooperation, in Nepal. E/CN.4/2006/107. <http://www.ohchr.org>

OHCHR, 2006(d). Report of the working group on Enforced or Involuntary Disappearances – Mission to Nepal. E/CN.4/2005/65/Add.1

OHCHR, 2006(e). Report of the independent expert on technical cooperation and advisory services, Ms. Charlotte Abaka E/CN.4/2006/114

Ruggeri Laderchi, Caterina, R. Saith and F. Stewart. 2003. 'Does it Matter that we do not agree on the Definition of Poverty? A Comparison of 4 Approaches', *Oxford Development Studies, Vol 31, no. 3*. Carfax

Frances Stewart and Michael Wang, 'Do PRSPs Empower Poor Countries and Disempower the World Bank or Is It the Other Way Around?', QEH Working Paper Series No. 108 (2003), <http://www.eurodad.org/uploadstore/cms/docs/WBevalMay03.pdf> (now updated in Philip Alston and Mary Robinson eds 2005).

Stewart, Frances. 2004. 'Development and Security' CRISE working paper 3, Queen Elizabeth House, Oxford

United Nations (2004). Diez años de trabajo en MINUGUA en Guatemala. CD 1: Procedo de paz Misión de Verificación de las Naciones Unidas en Guatemala (MINUGU). Guatemala

UNDG, 2003. 'An Assessment of the Role and Experiences of UN Agencies in Poverty Reduction Strategy Papers' (November 2003).

UNDP, 1997. *Human Development Report 1997*

UNDP, 1998. *Human Development Report 1998*

UNDP, 2000. *Human Development Report 2000: Human Rights and Human Development*. OUP for the World Bank

UNDP Evaluation Office, 2003. Evaluation of UNDP's role in the PRSP Process
[www.undp.org/execbrd/pdf/Evaluation%20of%20UNDP's%20role%20in%20the%20PRSP%20process%20\(Vol.1\).pdf](http://www.undp.org/execbrd/pdf/Evaluation%20of%20UNDP's%20role%20in%20the%20PRSP%20process%20(Vol.1).pdf)

UNDP, 2004. *Nepal Human Development Report: Empowerment and Poverty Reduction*.
<http://www.undp.org.np/publication/html/nhdr2004/index.php>

WHO, 2005. "Human Rights, Health and Poverty Reduction Strategies", *Health and Human Rights Publication Series*, No. 5 (April 2005),
http://www.who.int/hhr/news/HHR_PRS_19_12_05.pdf.

World Bank, 2000. *World Development Report 2000/01. Attacking Poverty: Opportunity, Empowerment, Security*. OUP for the World Bank

World Bank, 2002. *Sourcebook on Poverty Reduction Strategy Papers*. World Bank, Washington D.C.

World Bank, 2005(a). *Gender, Caste and Ethnic Exclusion in Nepal* by Lynn Bennett. World Bank

World Bank, 2005(b) *Toward a Conflict-Sensitive Poverty Reduction Strategy: Lessons from a Retrospective Analysis* (30 June 2005), http://www-wds.worldbank.org/external/default/WDSContentServer/IW3P/IB/2005/07/14/000160016_20050714160728/Rendered/PDF/325870White0co1RSP0P08975001public1.pdf.

World Bank, 2006. "Nepal: Resilience Amidst Conflict"

Annex tables

GUATEMALA - Table 1
Realization of economic and social rights: meeting minimum thresholds in human outcomes (2004)

Country	HPI rank	HPI value	GDP per capita PPP	Adult illiteracy rate (% ages 15 and older)	Children underweight for age (% under age 5) a/	Stunting		Year	Income poverty rate (national line) b/	Year	Income poverty (\$1 day) c/	Year	Children of primary school-age who are out-of-school (%) d/	School enrollment, primary (% net) e/
						less than - 3 s.d	less than - 2 s.d							
Guatemala	48	22.9	4313	30.9	23	21.2	49.3	2002	56.2	2001	13.5	2001	...	93
Costa Rica	4	4.4	9481	5.1	5	1.9	6.1	1996	22.0	??	2.2	2001	...	..
El Salvador	32	15.7	5041	..	10	4.4	18.9	2002-03	48.3	??	19.0	2001	6	92
Honduras	37	17.2	2876	20.0	17	9.1	29.2	2001	48.0	1998	20.7	??	6	91
Nicaragua	40	18.0	3634	23.3	10	6.3	20.2	2001	47.9	1998	45.1	2001	6	88
Panama	12	7.9	7278	8.1	7	6.4	18.2	1997	37.3	1998	6.5	2001	1	98
Subregional average	29	14.4	5437	17.5	12.0	8.2	23.7		43.3		17.8		4.8	92.4
Regional average f/			7964										..	..
Source	HDR	HDR	HDR	HDR	HDR	WHO			HDR/WB		HDR/WB		UNESCO	WB

a/ Data refer to the most recent year available during the period 1996-2004

b/ Data refer to the most recent year available during the period 1990-2003

c/ Data refer to the most recent year available during the period 1990-2004

d/ Data refer to 2004; estimated in the case of El Salvador

e/ Data refer to 2004

e/ Latin America and the Caribbean

f/ Middle income

GUATEMALA - Table 2
Progressive realization and no retrogression (outcomes)

Country	HPI rank improvement a/					HPI value improvement					Extreme poverty rate (% below national line) b/		Poverty rate improvement, \$1 a day (PPP) (% of population)		Underweight children improvement (% children under 5)		Stunted children improvement (-2 SD) c/										Net primary enrolment ratio (%)		Adult literacy rate (% ages 15 and older)		
	1990-96 (1997)	1995 (1998)	1998 (2000)	2001 (2003)	2004 (2006)	1990-96 (1997)	1995 (1998)	1998 (2000)	2001 (2003)	2004 (2006)	1990	2004	1990	2001	1981-93	1995-02	1987	1993	1994	1995	1996	1997	1998-99	2001	2002	1990	2002	1990	2004		
Guatemala	46	39	49	43	48	35.5	29.3	29.2	22.9	22.9	41.8	32.3	35	13	33.2	24.2	57.9	..	..	49.7	..	..	46.4	..	49.3	64.0	87.3	61.0	69.1
Costa Rica	5	5	2	4	4	6.6	6.6	4.0	4.4	4.4	9.8	7.5	5	2	2.8	5.1	..	..	..	..	6.1	..	..	..	..	87.3	90.4	93.9	94.9
El Salvador	36	37	34	32	32	28.0	27.8	20.2	17.2	15.7	27.7	22.9	21	19	16.1	11.8	..	23.1	25.5	..	..	..	23.3	..	18.9	72.8	90.4	72.4	..
Honduras	25	25	39	38	37	22.0	21.8	23.3	19.9	17.2	60.6	53.8	38	..	20.6	16.6	..	..	39.6	..	34.1	..	..	29.2	..	89.9	87.4	68.1	80.0
Nicaragua	34	32	41	44	40	27.2	26.2	24.2	24.3	18.0	51.4	42.4	..	45	11.9	9.6	..	22.5	..	..	..	24.9	19.7	20.2	..	72.2	85.5	62.7	76.7
Panama	9	9	8	9	12	11.2	11.1	8.9	7.8	7.9	22.9	16.0	12	7	7	6.8	..	..	..	..	..	18.2	..	..	..	91.5	99.6	89.0	91.9
subregional average	25.8	24.5	28.8	28.3	28.8	21.8	20.5	18.3	16.1	14.4	35.7	29.2	22.2	17.2	15.3	12.4	57.9	22.8	32.5	5	49.7	20.1	21.5	5	29.8	24.7	34.1	79.6	90.1	74.5	82.5
regional average d/											22.5	18.6	11	9	10.3	7.5										87.4	95.5	84.9	90.2		
Source	HDR					HDR					ECLAC		WB MDG		ECLAC		WHO										ECLAC		WB		WB/HDR

a/ HPI-1 rankings based on a different number of observations each year (78,77,85,94,102 successively); year in parentheses refers to year of the HDR

b/ The percentages from 2004 correspond to a projection of the statistics from 2001 or 2002 of each country

c/ Costa Rica 1996 survey includes children 5-6 years

d/ Latin America and the Caribbean

e/ Middle income

GUATEMALA - Table 3
Accountability of Government policy and effort (inputs and progressive realization)

Country	Expenditures for HR priorities		Revenue (% of GDP)								Social allocation ratio		One-year-olds fully immunized (Tuberculosis)		One-year-olds fully immunized (Measles)		Children vaccinated against measles		Physicians per 100,000 people		Children reaching grade 5		Children reaching grade 5 a/	
			Revenue (excluding grants)		Tax Revenue (including ss)		Tax Revenue as (excluding ss)																	
	2000	2004	2000	2004	2000	2004	2000	2004	2000	2004	2000	2004	2000	2004	2000	2004	1990	2002	1990-04	1990	2002	1991	2003	
Guatemala			10.6	10.9	9.7	10.4	9.5	10.1	5.8	6.1	62	98	68	95	68	75		90	52.2	60.8	..	78		
Costa Rica			21.1	22.5	12.3	13.4	11.9	13.0	17.3	18.1	92	90	90	88	90	94		132	84.6	88.7	84	92		
El Salvador			..	16.0	13.0	13.2	10.8	11.5	5.2	7.2	75	94	98	93	98	93		124	69.0	74.3	58	73		
Honduras			17.0	18.2	16.5	17.1	9.2	13.1	70	93	90	90	90	97		57	61.7	68.4	..	..
Nicaragua			25.9	28.2	17.5	19.2	14.5	15.7	8.6	9.0	84	88	82	84	82	98		37	60.2	64.5	44	59		
Panama			23.4	..	16.0	14.4	9.6	8.8	17.4	17.7	97	99	73	99	73	79		150	89.3	91.5	..	84		
subregional average			20.3	19.4	14.3	14.8	12.1	12.7	10.6	11.9	80	94	84	92	84	89		98.3	69.5	74.7	62.0	77.2		
regional average b/			14.4	15.5	11.8	12.9	14.7	14.5					76	93			83.6	88.1	..	..
Source			WB		ECLAC		ECLAC		ECLACb		WHO		WHO		UNICEF		HDR		ECLAC		UNESCO			

a/ Percentage of grade 1 students
b/ Latin America and the Caribbean
c/ Middle income

GUATEMALA - Table 4
Equal rights, discrimination and narrowing disparities

Country	Gini coeff	Year	Richest 10% to poorest 10%
Guatemala	55.1	2002	48.2
Costa Rica	49.9	2001	30.0
El Salvador	52.4	2002	57.5
Honduras	53.8	2003	34.2
Nicaragua	43.1	2001	15.5
Panama	56.4	2002	54.7
Subregional average	51.8		40.0
Regional average a/			
Average for countries with similar GDP per capita b/			
Source	WB		

a/ Latin America and the Caribbean

b/ Middle income

GUATEMALA - Table 5
Removing discrimination
(Country specific table showing disaggregated trends for indicators in table 1)

	Income poverty rate (national line)	Income poverty (\$1 day)	Children underweight for age (2 s.d.) a/	Stunting (2 s.d) a/	Adult illiteracy rate (% ages 15 and older)	Literacy (% ages 15-24) b/
Nacional			22.7	49.3		82.2
Male			22.5	48.6	24.6	86.4
Female			22.9	50.0	36.7	78.4
Urban			16.2	36.5		91.3
Rural			25.9	55.5		73.9
Indigenous			30.4	69.5		71.5
Ladino			17.5	35.7		89.5
Metropolitan			15.1	36.1		93.9
North			23.7	61.0		67.6
Northeast			17.7	39.7		79.8
Southeast			26	46.6		83.1
Central			21.7	42.1		87.9
Southwest			28.5	58.5		82.2
Northwest			31.5	68.3		68.4
Petén			18	46.1		78.5
Without education			29.9	65.6		..
Primary education only			21.6	46.4		..
Secondary Education +			8.5	18.6		..
Source	HDR	HDR	ENSMI	ENSMI	HDR	SEGEPLAN

a/ Data refer to the percentage of boys/girls 3 to 59 months old under international reference mean (NCHS/CDC/WHO)

b/ Elaboration on data from ENS89 and Censos Nacionales XI de Poblacion and VI de Habitacion 2002

GUATEMALA - Table 7
Top Ten Donors to Guatemala, as Ranked by DAC According to Gross ODA (2004-05 Average)
Net ODA (2004 Constant Dollars)

Donor	1985	1990	1995	2000	2005
1. United States	78.25	117.67	48.83	63.23	36.78
2. Japan	2.94	6.83	29.62	63.47	33.81
3. Spain	--	0.34	10.43	23.05	37.54
4. EC	0.78	14.33	21.62	30.67	29.46
5. Netherlands	5.28	15.95	15.24	16.07	26.01
6. Germany	11.35	22.4	26.44	26.37	18.02
7. Norway	1.4	3.6	15.59	11.35	18.76
8. Sweden	0.04	0.21	6.75	17.96	15.29
9. Canada	2.62	0.87	4	5.4	7.38
10. Austria	3.33	4.51	6.44	6.58	5.69

All Other Country Donors Ranked by 2005 Net ODA

Donor	1985	1990	1995	2000	2005
Switzerland	0.39	1.45	1.22	2.18	5.13
France	1.12	2.57	4.19	2.12	3.33
Belgium	0.47	1.7	3.38	2.21	3.31
Denmark	--	0.16	1.8	7.97	2.2
Ireland	--	--	0.09	0.5	0.74
Finland	--	0.01	0.11	0.23	0.42
Luxembourg	--	0.02	0.03	--	0.29
New Zealand	--	--	0.07	0.05	0.16
United Kingdom	0.03	0.23	0.42	31.11	0.07
Greece	--	--	--	--	0.04
Australia	--	--	0.07	0.03	--
Italy	1.55	19.04	-0.21	-4.08	-1.59

Sources:

OECD.STAT Dataset: Table DAC2a

LIBERIA - Table 1: Realisation of economic and social rights: meeting minimum thresholds in human outcomes (2004)

Country	HPI rank	HPI value	GDP per capita PPP	Adult illiteracy rate (%) a/	Children underweight for age (% under age 5) b/	Stunting		Income poverty (\$1 day) d/	Year	Children of primary school-age out-of-school (%) e/
						less than - 2 s.d	Year			
Liberia f/	..	..	163 a/	41.1	6.8	39.5	1999-00	76.2	2001	34
Benin	90	47.8	1091	56.8	23	30.7	2001	29	1998	..
Burkina Faso	101	58.3	1169	71.5	38	38.8	2003	46.4	2004	59
Cape Verde	43	76	5727	22	..	16.2	1994	..	..	8
Côte d'Ivoire	82	41.5	1551	46.3	17	25.1	1998-99	..	..	43
Gambia	86	44.7	1991	57.5	17	19.2	2000	57.6	1998	24
Ghana	58	33.1	2240	23	22	29.9	2003	39.5	1998	41
Guinea	96	52	2180	..	21	40.9	2000	40	1995	..
Guinea-Bissau	92	48.2	722	55.2	25	30.5	2000	..	..	55
Mali	102	60.2	998	70.5	33	38.2	2001	63.8	1998	53
Mauritania	81	41	1940	57.4	32	34.5	2000-01	46.3	2001	25
Niger	99	56.4	779	81.3	40	39.7	2000	60.6	1995	60
Nigeria	76	40.6	1154	29.2	29	38.3	2003	70.8	2004	38
Senegal	84	44	1713	57.9	23	25.4	2000	22.3	1995	34
Sierra Leone	95	51.9	561	..	27	33.8	2000	70.2	2004	..
Togo	72	39.2	1536	36.5	25	21.7	1998	32.3	1990	..
subregional average	83.8	49.0	1646	50.4	25.3	31.4		50.4		39.5
Source	HDR	HDR	HDR	ADB	HDR	WHO		HDR/WB		UNESCO

a/ Data refer to 2005

b/ Data refer to the most recent year available during the period 1996-2004

c/ Data refer to the most recent year available during the period 1990-2003; data for Niger refer to a year or period other than that specified, differ from the standard

d/ Data refer to the most recent year available during the period 1990-2004

e/ Data refer to 2004 except for Liberia (2000), Cote d'Ivoire (2003) and Guinea Bissau (2001); data are estimates for Gambia and Nigeria

f/ Liberia data from their MDG Report 2004, except for GDP per capita (IMF), and Adult illiteracy (ADB)

h/ Low income

LIBERIA - Table 2: Progressive realization and no retrogression (outcomes)

Country	Poverty rate improvement, \$1 a day (PPP) (% of population)			Underweight children improvement (% children under 5) b/			Stunted children improvement (-2 SD)				Net primary enrolment ratio (%)		Adult literacy rate (% ages 15 and older)	
	1990	2001	2004	1990	2001	2004	1990/94	1995/99	2000/03	2000	1991	2004	1990	2004
Liberia c/	55.1	76.2	..	14.8	6.8	..	..	32.8	39.5	..	32	34.7	..	..
Benin	..	..	31	..	23	..	34	..	30.7	..	41	83	26.4	34.7
Burkina Faso	..	..	27	..	..	38	33.3	36.8	38.8	..	29	40	..	21.8
Cape Verde	..	..	..	..	..	..	16.2	..	..	..	91	92	63.8	..
Cote d'Ivoire	..	15	..	..	..	17	..	25.1	..	..	45	56	38.5	48.7
Gambia	..	..	..	..	17	..	..	30.1	19.2	19.2	48	75	..	..
Ghana	45	..	..	..	..	22	..	25.9	29.9	..	54	58	58.5	57.9
Guinea	..	..	..	27	33	..	29.1	26.1	40.9	40.9	27	64	..	29.5
Guinea-Bissau	..	..	..	..	25	..	..	..	30.5	30.5	38	45	..	..
Mali	..	..	..	..	33	..	..	48.6	38.2	..	21	46	18.8	19
Mauritania	..	26	..	48	32	..	56.9	44	..	..	35	74	34.8	51.2
Niger	..	..	..	..	40	..	39.5	..	39.7	39.7	22	39	11.4	28.7
Nigeria	..	..	71	35	..	29	42.7	..	38.3	..	58	60	48.7	..
Senegal	45	..	..	..	23	..	24.7	22.9	25.4	25.4	43	66	28.4	39.3
Sierra Leone	57	..	..	29	27	..	34.7	..	33.8	33.8	43	..	..	35.1
Togo	..	..	..	..	..	..	..	34	..	..	64	79	44.2	53.2
Subregional average	50.5	39.1	43	30.8	26.0	26.5	34.6	63.5	33.7	31.6	43.2	60.8	37.4	38.1
Source	WB MDG			MDG and WHO			WHO				HDR		WB	WB/HDR

b/ Data from 1999/2000 for Liberia

c/ Liberia data from their MDG Report 2004

d/ Sub-Saharan Africa

e/ Low income

LIBERIA – Table 3: Accountability of Government policy and effort (inputs and progressive realization)

Country	Revenue as % of GDP				Health expenditure (% GDP)		Education expenditure (% GNI)			Children reaching grade 5	
	Total Revenue (excluding grants) a/		Tax Revenue		1995	2002-04	1980	1985	1998-02	1991	2003
	2001	2004	2001	2004							
Liberia e/	11.9	13.7	11.2	12.9	..	1.4	5.7	..	..	..	31.2
Benin	16.2	16.4	13.5	14.6	1.6	2.1	4.2	..	3.3	55	69
Burkina Faso	11.8	12.8	10.2	11.8	1.1	2	2.2	2	1.5	70	76
Cape Verde	21.4	23.2	18.7	20.3	2.8	3.8	..	3.6	4.4	..	91
Cote d'Ivoire	17	..	14.8	..	1.3	1.4	7.2	6.3	4.9	73	88
Gambia	15.1	20.9	13	18.6	2.2	3.3	3.2	3.7	2.7	..	..
Ghana	..	23.8	..	21.7	1.5	2.3	3.1	2.6	4.2	80	63
Guinea	11.3	10.4	9	8.8	1.2	0.9	..	..	1.8	59	82
Guinea-Bissau	16.8	17.2	10.1	8.3	..	3	4	3.2	2.3	..	..
Mali	14.1	17.4	12.3	15.1	1.7	2.3	3.7	3.2	3	70	79
Mauritania	20.7	29.7	12.5	14.9	1.8	2.9	5	7.7	3.6	75	82
Niger	9.3	11.2	8.8	10.8	1.6	2	3.2	..	2.4	62	74
Nigeria	42.1	43.1	16.4	16	0.4	1.2	6.1	1.2	0.7	89	36
Senegal	18	19.2	17.3	18.3	2.5	2.3	4.5	4.2	3.5	85	78
Sierra Leone	14	12.5	13.6	12.2	0.9	1.7	3.5	1.9	1	..	..
Togo	14.8	16.8	..	..	1.6	5.1	5.6	4.9	4.9	48	76
subregional average	17.0	19.2	13.0	14.6	1.6	2.4	4.4	3.7	2.9	69.6	71.2
Source	IMF		IMF		ADB		ADB			UNESCO	

a/ Data refer to 2004, excluding grants, gathered from IMF country documents; Nigerian figure for "Consolidated Govt."

b/ Data refer to the most recent year available during the period 2003-2004

c/ Data refer to the most recent year available during the period 2002-2004

d/ Data refer to the most recent year available during the period 1990-2004

e/ Liberia data from their MDG Report 2004 except for Revenue data, which refers to IMF Country Report No. 06/167

LIBERIA - Table 4: Equal rights, discrimination and narrowing disparities

Country	Gini coeff	Year	Richest 10% to poorest 10%
Liberia	..	..	..
Benin	36.5	2003	9.4
Burkina Faso	39.5	2003	11.6
Cape Verde	..	..	..
Cote d'Ivoire	44.6	2002	16.6
Gambia	50.2	1998	20.2
Ghana	40.8	1998-99	14.1
Guinea	40.3	1994	12.3
Guinea-Bissau	47.0	1993	19.0
Mali	50.5	1994	23.1
Mauritania	39.0	2000	12.0
Niger	50.5	1995	46.0
Nigeria	43.7	2003	17.8
Senegal	41.3	1995	12.8
Sierra Leone	62.9	1989	87.2
Togo	..	..	..
subregional average	45.1		23.2
regional average a/			
average for countries with similar GDP per capita b/			
Source	WB		

a/ Sub-Saharan

Africa

b/ Low income

LIBERIA - Table 5: Removing discrimination:

	Income poverty rate (national line)	Income poverty (\$1 day)	Children underweight for age (% under age 5)	Stunting		Year	Adult illiteracy rate (% ages 15 and older)
				less than - 3 s.d	less than - 2 s.d		
National			6	18.3	39.5	1999-00	
Male			7.9	21.2	42.1	1999-00	50
Female			4	15.3	36.8	1999-00	26
Urban			5.7	11.3	30.6	1999-00	
Rural			6.2	21.9	44.1	1999-00	
Greater Monrovia			5.7	11	30.5	1999-00	
			WHO	WHO			HDR

LIBERIA - Table 6: Top Ten Donors to Liberia, as Ranked by DAC According to Gross ODA (2004-05 Average)

Net ODA (2004 Constant Dollars)

Donor	1985	1990	1995	2000	2005
1. United States	81.38	25.41	14.21	17.31	87.58
2. EC	6.5	11.22	14.09	18.67	52.05
3. Sweden	0.49	0.07	1.49	1.93	14.86
4. United Kingdom	3.57	1.55	2.47	4.39	7.45
5. Norway	0.3	0.22	2.5	0.41	6.39
6. Netherlands	1.42	8.24	6.25	3.05	7.09
7. UNHCR	0.6	0.27	3.75	14.55	13.96
8. Global Fund (GFATM)					8.99
9. Germany	17.41	9.1	2.47	-1.8	1.31
10. UNDP	3.76	3.31	2.14	2.5	4.05
All Other Country Donors Ranked by 2005 Net ODA					
Ireland	0.06	0.1	0.38	0.3	4.24
Denmark	0.56	0.86	-0.02	0.13	3.75
Canada	0.25	0.2	2.24	0.24	2.66
Switzerland	--	0.2	2.89	0.51	3.15
Finland	--	0.46	0.24	0.77	1.67
France	2.69	1.21	0.4	1.16	1.59
Spain	--	0.13	--	--	1.48
Portugal	--	--	--	--	0.57
Belgium	--	0.03	0.1	--	0.5
Austria	--	0.04	0.28	0.06	0.32
Greece	--	--	--	--	0.03
Japan	3.54	8.26	--	0.02	--
Italy	0.82	--	0.11	--	0.02

Source: OECD.STAT Dataset: Table DAC2a

NEPAL - Table 1: Realisation of economic and social rights: meeting minimum thresholds in human outcomes (2004)

Country	HPI value	GDP per capita PPP	Adult illiteracy rate (% ages 15 and older)	Children underweight for age (% under age 5) a/	Stunting		Year	Income poverty rate (national line) b/	Year	Income poverty (\$1 day) c/	Year
					less than - 3 s.d	less than - 2 s.d					
Nepal	38.1	1490	51.4	48	21.3	50.5	2001	30.9	2004	24.1	2004
Afghanistan	..	..	71.9	39	26.5	47.6	1997	..	..	..	..
Bangladesh	44.2	1870	..	48	12.6	40.2	2004	36	2001	49.8	2001
Bhutan	39	1969	53	19	14.5	40	1999	..	..	..	..
India	31.3	3139	39	47	22.6	44.9	1998-99	34.7	2001	28.6	2001
Iran, Islamic Rep. of	16.4	..	23	11	3.8	15.4	1998	..	..	2	1998
Maldives	16.9	4798	3.7	30	10.6	24.8	2001	..	..	..	..
Pakistan	36.3	2225	50.1	38	17.7	36.8	2001	17	2001	32.6	1998
Sri Lanka	17.7	4390	9.3	29	3.5	17	2000	25	2001	5.6	1995
subregional average	30.0	2840.1	37.7	34.3	14.8	35.2		28.7		23.8	
Source	HDR	HDR h/	HDR	HDR	WHO			HDR/WB		HDR/WB	

a/ b/ Data refer to the most recent year available during the period 1996-2004

c/ Data refer to the most recent year available during the period 1990-2004

e/ Data refer to 2004 except for Maldives (2002); national estimate in the case of Pakistan; UNESCO estimate for Sri Lanka

f/ South Asia

g/ Low income

h/ World Bank estimate for Maldives

NEPAL- Table 2: Progressive realization and no retrogression (outcomes)

Country					Poverty rate improvement, \$1 a day (PPP) (% of population)			Underweight children improvement (% children under 5)			Stunted children improvement (-2SD) (%)				Net primary enrolment ratio (%)		Adult literacy rate (% ages 15 and older)	
	1995	1998	2001	2004	1990	2001	2004	1990	2001	2004	1995	1996-99	2001	2004	1991	2004	1990	2004
Nepal	..	51.3	41.9	38.1	33.5	..	24	..	48	..	..	61.1	57.1	..	65 (1998)	78	30.4	48.6
Afghanistan	..	..	..	..	..	..	..	..	41	39	..	47.6	..	..	..	..	..	28.1
Bangladesh	46.5	43.6	42.6	44.2	34	36	..	66	52	48	..	54.6	48.5	40.2	..	94	34.2	..
Bhutan	44.9	..	..	39	..	..	..	..	..	..	..	40.0	..	..	..	..	..	..
India	35.9	34.6	33.1	31.3	..	36	..	64	..	..	..	44.9	..	..	..	90	49.3	61
Iran, Islamic Rep. of	22.2	19.2	16.4	16.4	2	..	..	..	..	..	18.9	15.4	..	..	92	89	63.2	77
Maldives	..	25.4	11.4	16.9	..	..	..	..	30	..	26.9	15.5	24.8	..	..	90	94.8	96.3
Pakistan	46	40.1	40.2	36.3	48	17	..	40	35	..	..	..	36.8	..	33	66	35.4	49.9
Sri Lanka	20.6	20.3	18.3	17.7	4	6	..	..	30	..	..	..	13.9	..	97	88.7	90.7	
Subregional average	36.0	33.5	29.1	30.0	24.3	23.8	24.0	56.7	39.3	43.5	22.9	39.9	36.2	40.2	62.5	86.3	56.6	64.5
Regional average					41	31	..	64	..	45								
Source					WB MDG			WB MDG							WB MDG		WB	WB/HDR

NEPAL - Table 3: Accountability of government policy effort (inputs and progressive realisation)

Country	Revenue as % of GDP						Public expenditure on health (% GDP)		Public expenditure on education (%GDP)		One-year-olds fully immunized (tuberculosis)		One-year-olds fully immunized (measles)		Physicians per 100,000 people		Children reaching grade 5	
	Total Revenue and grants		Total Revenue (excluding grants)		Tax Revenue		2000	2004	1991	2004	1990	2004	1990	2004	1990	2004	1991	2003
	2001	2004	2001	2004	2001	2004												
Nepal	13	14.5	11.4	12.2	9.4	9.7	1.6	1.5	2	3.4	98	85	68	73		21	51	67
Afghanistan	..	11	..	4.5	..	2.8	..	..	..	..	30	78	20	61		..	..	..
Bangladesh	..	..	9	10.2	7.6	8.2	1.6	1.1	1.5	2.2	91	92	82	92		26	..	65
Bhutan	..	..	..	..	..	..	3.5	2.6	..	..	87	92	79	87		5	..	91
India	..	10.2	11.3	10.1	8	6.8	0.9	1.2	3.7	3.3	99	95	91	86		60	..	79
Iran, Islamic Rep. of	..	..	33	27.9	5.8	5.9	2.7	3.1	4.1	4.8	95	99	85	96		45	90	88
Maldives	33	35.2	30.2	34.5	13.7	17	..	5.5	7	8.1	99	98	96	97		92	..	..
Pakistan	15.6	15.8	..	..	10.7	11.1	1	0.7	2.6	2	93	80	76	67		74	..	70
Sri Lanka	17	15.7	16.6	15.3	14.6	13.9	1.8	1.6	3.2	..	84	99	80	96		55	92	..
subregional average	19.7	17.1	18.6	16.4	10.0	9.4	1.9	2.2	3.4	4.0	86	91	75	84		47.3	77.7	76.7
regional average																		
average for countries with similar GDP per capita																		
Source	IMF		IMF		IMF		WRI	HDR	HDR		WHO		WHO		HDR		UNESCO	

NEPAL - Table 4: Equal rights, discrimination and narrowing disparities

Country	Gini coeff	Year	Richest 10% to poorest 10%
Nepal	47.2	2003-04	15.8
Afghanistan	..	..	..
Bangladesh	31.8	2000	6.8
Bhutan	..	..	..
India	32.5	1999-00	7.3
Iran, Islamic Rep. of	43.0	1998	17.2
Maldives	..	..	..
Pakistan	30.6	2002	6.5
Sri Lanka	33.2	1999-00	8.1
subregional average	36.4		10.3
regional average			
average for countries with similar GDP per capita			
Source	WB		

NEPAL - Table 5: Removing discrimination

Country specific table showing disaggregated trends for indicators in table 1

Country	Income poverty rate (national line)	Children underweight for age (% under age 5) - 2 s.d.	Stunting		Adult illiteracy rate (% ages 15 and older)
			less than - 3 s.d	less than - 2 s.d	
National	30.9	48.3	21.3	50.5	51.4
Male	..	46.1	19	49.2	62.7
Female	..	50.5	23.6	51.8	34.9
Urban	9.6	33	11.3	36.6	
Rural	34.6	49.4	22	51.5	
Hill Central	34.5	40.5	23.1	51.7	
Hill Eastern		38.4	18.8	48.7	
Hill Far-West		58.2	26.1	59.1	
Hill Mid-West		55.8	25.3	59.3	
Hill Western		39.8	16.7	47.9	
Mountains Central	32.6	41.7	24.9	60.7	
Mountains East		33	17.6	51.5	
Mountains West		64.1	35.9	66.2	
Terai Central	27.6	58.6	22.9	51.3	
Terai East		43.4	17.3	41.4	
Terai Far-West		45.8	13.8	43.3	
Terai Mid-West		40.7	14.2	36.9	
Terai West		50.5	23.8	53.3	
Source	MDG	WHO	WHO		HDR

NEPAL - Table 6 – Top Ten Donors to Nepal, as Ranked by DAC according to Gross ODA (2004-05 average)
Net ODA (2004 Constant Dollars)

Donor	1985	1990	1995	2000	2003	2004	2005
1. Japan	115.72	70.94	101.89	94.59	64.22	56.43	66.25
2. United Kingdom	35.1	39.48	37.17	30.83	60.79	65.79	60.9
3. IDA	65.85	84.35	78.43	42.68	86.54	45.85	15.51
4. Germany	27.05	44.28	18.75	30.74	69.87	52.55	62.64
5. United States	32.86	22.73	22.51	17.4	38.79	35.37	53.28
6. AsDF	90.91	85.2	51.65	93.35	12.66	-3.72	15.61
7. Denmark	2.55	10.36	26.51	36.6	44.9	34.25	27.11
8. Norway	4.58	13.6	4.97	12.46	22.3	23.02	22.49
9. EC	6.17	5.27	4.7	21.68	18.15	22.14	9.62
10. Switzerland	20.82	21.33	15.54	16.43	15.71	15.66	15.9

All Other Country Donors Ranked by 2005 Net ODA

Netherlands	6.67	8.51	9.63	8.74	10.98	14.1	11.85
Canada	12.75	9.69	4.76	5.15	6.74	7.73	9.24
Finland	8.45	15.94	6.29	7.81	5.84	6.24	8.77
Australia	2.87	1.54	6.68	5.86	3.81	3.76	2.89
New Zealand	0.11	0.16	0.58	0.71	0.92	1.57	1.29
Sweden	--	--	1.74	1.65	1.35	1.05	1.16
Austria	0.22	8.39	1.84	1.9	2.61	1.75	1.06
Luxembourg	--	0.17	0.29	0.44	0.7	1.16	0.67
Ireland	0.06	0.03	0.38	0.22	0.35	0.55	0.51
Spain	--	0.01	0.05	0.06	0.05	0.09	0.11
Italy	2.54	0.14	0.08	0.38	0.3	0.28	0.01
Greece	--	--	--	0.08	0.01	0.01	0.01

Sources:

OECD.STAT Dataset: Table DAC2a

Development Co-operation Directorate, Recipient Aid Chart for Nepal at

http://www.oecd.org/countrylist/0,2578,en_2649_33721_25602317_1_1_1_1,00.html

ANNEX II

Budget Expenditure for Human Rights: Methodology

The budget analysis contained in this report was based on calculations based on the following methodology.

A. Rights Categories

The budgets of Guatemala, Liberia, and Nepal differ greatly in level of detail and explanation of expenditures. However, a classification of expenditures by specific human rights categories is possible given the information provided by the respective Ministries of Finance.

Using ICEFI's Boletines 4 and 5 as a basis, we examine each budget with respect to the following rights categories.

1. The right to health

The International Covenant on ESCR expresses the right to health with guarantees of the following:

- Adequate and timely medical attention (Article 12 and General Observation No.14)
- Attention to children (Article 12)
- The prevention, treatment and control of epidemic, endemic, occupational and other diseases, especially HIV/AIDS, (Article 12 and General Observation No.14)
- Protection of the family as referenced (Article 10)
- Protection of mothers (Article 10 and General Observation No.14)
- Nutrition and protection against hunger (Article 11 and General Observation No.12)
- Protection of the disabled and elderly (General Observations No.5 and 6)
- Protection from accidents and sickness, as well as sanitary and healthy conditions in the workplace (Article 12 and General Observation No.14)
- The right to water, which implies availability, quality and accessibility (Articles 11 and 12, as well as General Observation No.15)
- Health regulations (Article 12 and General Observation)
- Education and information on health issues (Article 12 and General Observation No.14)

- Improvement of all aspects of environmental and industrial hygiene (Article 12 and General Observation No.14)

2. The right to education

In accordance with Article 26 of the Universal Declaration of HR and Article 13 of the International Covenant on ESCR, all people have the right to education and it must be accessible in all forms and levels. The State should be committed to:

- Accessibility at all levels without equal treatment and without the application of physical punishment
- Universal primary education, free and obligatory with a detailed progress plan
- Accessible secondary education, implemented progressively at no cost
- Accessible higher education
- Free fundamental/pre-school education with suitable plans for students of all ages
- A system of scholarships without discrimination to facilitate access to education for underprivileged groups
- Improvement of the material conditions of the educational body
- Technical and professional training
- Education for the handicapped in all ordinary schools at all levels

3. The right to culture

Article 27 of the Universal Declaration of Human Rights includes the right of all people to take part in the cultural life of the community, to enjoy the arts and participate in scientific progress and its benefits. This is also emphasized in the International Covenant on ESCR Article 15, where any State Party to the Covenant must recognize the right of everyone:

- To take part in cultural life;
- To enjoy the benefits of scientific progress and its applications;
- To benefit from the protection of the moral and material interests resulting from any scientific, literary or artistic production of which he is the author.

4. The right to non-discrimination (racial)

The International Convention on the Elimination of All Forms of Racial Discrimination commits all States Party to:

- Undertake a policy of eliminating racial discrimination in all its forms

- Condemn, prohibit, and eliminate discrimination
- Equal treatment before the tribunals and all other entities of the State
- Combat prejudice in the areas of education, culture and information

In addition, the International Labor Organization Convention No.169 on Indigenous and Tribal Peoples commits any State Party to:

- Develop a coordinated and systematic plan to protect the rights of indigenous peoples, with their consultation, and with recognition of their own values and priorities
- Recognize the property and possession rights of indigenous peoples over the lands that they traditionally occupy
- Avoid discrimination as it relates to employment
- Promote the voluntary participation of indigenous peoples in professional training programs
- Extend social security to indigenous peoples
- Assure an education that responds to the necessities of indigenous peoples, taking into account their values and other aspirations
- Facilitate contacts and international cooperation between indigenous peoples

5. The right to adequate housing

Article 11 of the International Covenant on ESCR expresses that everyone has the right to adequate housing. General Observation No.4 of 1991 further explains that the right to housing should be applied without discrimination, to all forms of tenancy and their requirements, construction of housing, and economic accessibility of housing. For its part, General Observation No.7 expresses the norms under for carrying out evictions. With regard to housing, States Party should comply with the following:

- Assure a bearable or reasonable cost of adequate housing for all without discrimination
- Legal security in the possession of housing
- State subsidies for housing
- Housing should be habitable and be constructed far from any health risks and close to basic social services
- Legislation against forced evictions, including guarantees of the following: consultation of those affected, sufficient advance notification of the eviction date, information on evictions including the relevant government representatives, exact identification of the persons affected by the eviction, eviction that does not occur at night or during very bad weather, the offer of legal assistance.

6. The right to work

Articles 23 and 24 of the Universal Declaration of Human Rights present the right of everyone to work in equitable conditions, satisfactory remuneration, the opportunity to join and form trade unions, and a reasonable number of work hours and holidays. Articles 6, 7 and 8 of the International Covenant on ESCR reaffirm these considerations, and General Observation No.5 includes the handicapped, and General Observation No.6 takes into account the elderly. Through these, the State Party should offer:

- Opportunity for everyone, including the handicapped, to gain living by work which is freely chosen or accepted
- A reasonable work schedule
- Periodic paid vacations
- Age minimums for the initiation of employment
- Security and hygiene in the workplace
- Equal opportunity for everyone to be promoted in their employment to an appropriate higher level, subject to no considerations other than those of seniority and competence
- Fair wages and equal remuneration for work of equal value without distinction of any kind
- The right to form trade unions and join the trade union of choice
- The right to strike
- Unemployment insurance
- Paid leave or leave with adequate social security benefits for working mothers during a reasonable period before and after childbirth

7. The rights of women

Article 2 of the Universal Declaration of Human Rights proclaims that everyone should be able to enjoy human rights without any distinction. In addition, the Convention on the Elimination of All Forms of Discrimination Against Women expresses the following rights:

- Freedom from discrimination (Articles 2 and 3)
- Temporary measures to accelerate equality (Article 4 and General Recommendation No.5)
- Modification of the cultural pattern (Article 5)
- Suppression of all forms of traffic in women and exploitation of prostitution of women (Article 6)

- Equality in public and political life at both the national and international levels (Articles 7 and 8, General Recommendations Nos.8 and 23)
- Equality in national laws (Article 9)
- Civil and legal equality (Article 15)
- Nonviolence against women (General Recommendation Nos.12 and 19)
- Equality in education (Article 10)
- Equality in the field of employment (Article 11 and General Recommendation No.13)
- Social security (Article 11)
- Paid maternity leave (Article 11)
- Health, especially as it relates to pregnancy, free if necessary (Article 12 and General Recommendation No.24)
- Programs to fight HIV/AIDS (General Recommendation No.15)
- Social and economic security (Article 13)
- Rural women (Article 14)
- Equality in the rights of the family (Article 16 and General Recommendation No.21)
- Measures for handicapped women (General Recommendation No.18)

8. The right to justice

Articles 7 and 10 of the Universal Declaration of Human Rights express the right of everyone to the protection of the law and the right of everyone charged with a penal offense to be presumed innocent until proven guilty according to law in a public trial. Accordingly, States should have

- Independent and impartial tribunals

Additionally, Articles 13, 14, 15, 17, 18, 19, 20 and 21 of the Universal Declaration of Human Rights as well as Article 15 of the International Covenant on ESCR, commit States to guarantee:

- Freedom of movement and residence within the borders of each state and to leave any country
- Freedom of thought, conscience and religion
- Freedom of opinion and expression
- Freedom of peaceful assembly and association

- Protection of intellectual property
- Universal suffrage
- Asylum
- Nationality
- Property, individual and collective
- Participation in the government of the country

Public expenditure for poverty reduction (generally) and local development/small producers would be difficult to classify using the above categories, so we add the categories “Poverty A” and “Poverty B” respectively for such expenditures. Additional funds allocated for human rights in general (e.g., National Human Rights Commission in Nepal) have been classified under a 10th category, “General HR”. Accordingly, the outline is as follows:

The right to health
 The right to education
 The right to culture
 The right to non-discrimination (racial)
 The right to adequate housing
 The right to work
 The rights of women
 The right to justice
 Poverty A (Nepal only)
 Poverty B (Nepal only)
 General HR

B. The Right to Life and Personal Integrity

The right to life and personal integrity is excluded from the general analysis. Article 6 of the International Covenant on Civil and Political Rights does not explicitly mention police as the protector of the inherent right to life although it does say it should be protected by law. For this reason, internal security (e.g., police) will be added as a footnote, separate from the total human rights expenditure.

C. Expenditures for Multiple Rights Categories

Some expenditures pertain to more than one rights category. For instance, the “Fellowship for Exploited, Dalit and Children of Martyrs including Fund for Girl Education” in Nepal could be classified as an expenditure for the protection / fulfillment / respect of the rights of the women and the right to non-discrimination (racial). In such a case, we have to decide which group is more appropriate even though it is not obvious which group will benefit more from the allocation and both groups will benefit. There are 10 such examples in the case of Nepal, fewer in the case of Guatemala and none for Liberia. The overall impact of these expenditures is negligible, so it should not be considered a distorting factor for any of the rights categories.

D. Context

To express human rights expenditures in context and make cross country comparisons, we divide human rights expenditure by two denominators: GDP and total budget expenditure. GDP figures are taken from the IMF World Economic Outlook, which in some cases are estimates. It should also be noted that in the cases of Liberia and Nepal, where the fiscal year spans two calendar years, we use the GDP figure for the latter of the two calendar years.

E. Timeframe

In order to divulge the progression human rights expenditure (in real terms and in terms of GDP and total expenditure), multiple years are included in the analysis. For Nepal we use three years of information. For Liberia we use only two because of data availability and in the case of Guatemala we use two years because the third year originally included was eliminated because the 2007 that had been considered was not approved.

F. Donor Funded Expenditure

Where possible, donor funded expenditures are separated from the nationally funded expenditures for the purpose of demonstrating the state’s capacity. In the case of the Nepalese “Development Budget”, the figures have been separated from the national budget figures.

II. Comparative Exercise

When we consider only the Government of Nepal’s share of human rights spending, Nepal is only slightly ahead of Liberia (5.3% vs. 5.1% of GDP) and neither are at the level of Guatemala in 2006 (6.8% of GDP).

An important distinction is that Nepal and Guatemala spend more on education than health, yet in Liberia they are roughly equal, possibly as a result of the greater impact of violent conflict in this country as well as foreign partners' priorities. Guatemala allocated almost twice as much to education as health in 2006. The Government of Nepal has done the same, although the Development Budget has dedicated more to health than education. In Liberia, development finance for health is more than twice the amount for education of the period 2003-2007, making it the only of the three countries with more funding going towards health than education.

Health and education are the critical mass of human rights spending in all three countries. These expenditures have consistently comprised between 60 and 75% of human rights spending by the three governments in the years analyzed. Work in Guatemala and justice in Liberia are the only categories that even approach the significance of health or education spending.

In terms of human rights spending as a share of the total budget, Guatemala spends the most (almost half), followed closely by the Government of Nepal. Liberia has dedicated a significantly lower portion of their budget to human rights (around 30%), which is somewhat understandable given the pre NTGL salary arrears and other one time costs they are incurring to eliminate unnecessary and ghost workers from the government payroll.

One important conclusion is that year to year comparisons may be useful, but cross-country comparisons and long term trends are more useful. It is also meaningful to evaluate the budgets with and without the context of foreign aid to get a sense of State capacity to meet its human rights obligations. The relative importance of foreign aid is greatest in Liberia, followed by Nepal.

Table 1: Internal versus External Financing of HR Spending (% of GDP)⁶³

	Guatemala ^a 2005	Liberia ^b 2004-07	Nepal 2006/07
Education	2.5	2.8	3.6
Internal	2.4	1.5	2.6
External	0.1	1.3	1.0
Health	1.1	6.4	2.7
Internal	0.9	1.5	1.3
External	0.2	4.9	1.4

⁶³ IMF figures from IMF World Economic Outlook

Total HR	5.5	14.9	8.7
Internal	..	5.1	5.3
External	..	9.8	3.4

Sources: Ministries of Finance, Liberia RFTF (UNDP)

a/ Although capital expenditures are classified in terms of internal vs. external financing, current expenditures outside of the Ministry of Education and the Ministry of Public Health are not; for current expenditures in health and education outside of the Ministry of Education and the Ministry of Public Health, the financing mix was assumed to be similar to the ratios found in the corresponding ministry of the given expenditure

b/ Liberian donor assistance provided does not correspond to fiscal years but rather the cumulative period from 2004 to November 2006 so an annual average was created; internal financing figures are from FY 2006/07

ANNEX I II

HUMAN RIGHTS FRAMEWORK AND THE PRSP

PRSP

PRS is a new approach to financing poverty reduction launched in 1999 by the World Bank and IMF aimed to improve the effectiveness of poverty reduction strategies themselves as well as of the donor-recipient relationship. Motivated by the experience of the 1980s and 90s conditionality based structural adjustment programmes in which conditionality set for external financing was not effective in introducing policy reform, this approach emphasizes the policy framework as a home grown document that should have broad national support. The new approach calls for papers and processes that are:⁶⁴

- Country driven and owned, predicated on broad based participatory processes for formulation, implementation and monitoring;
- Results-oriented, focussing on outcomes that would benefit the poor;
- Comprehensive in scope, recognizing the multidimensional nature of poverty and measures to attack it;
- Partnership oriented, providing a basis for the active and coordinated participation of development partners (bilateral, multilateral, nongovernmental) in supporting country strategies; and
- Based on a medium- and long-term perspective for poverty reduction, recognizing that sustained poverty reduction cannot be achieved overnight.

This approach foresees four key steps in the process: (i) analysis of who are the poor and why; (ii) setting targets; (iii) prioritizing public action; (iv) monitoring poverty trends and evaluating impact of government programs and policies.

Human rights framework for poverty reduction – key ends and principles

This new policy instrument reflects many of the key aspects of the human rights framework. Human rights perspectives on poverty as described in the previous section provides an explicit normative framework and an accountability framework backed up with international legal instruments on specific rights, particularly though not exclusively Economic, Social and Cultural Rights. This framework identifies key ends and principles of poverty reduction as follows.

Ends:

- Realization of all human rights;
- Equal right of each individual to all human rights;

⁶⁴ Quoted from World Bank, 2002. A sourcebook for poverty reduction strategies. Overview by Klugman, P.3-4.

- Empowerment of poor people.

Principles:

- Participation
- Non-discrimination and equality
- Accountability of government for human rights obligations
- Progressive realisation
- Core obligations to achieve minimum standard

Comparing PRS framework with human rights framework

The PRS framework is new in the development policy context in its strong and explicit emphasis on participation by the people. The guidelines call for attention to distributional impact of policy, and the emphasis on monitoring clearly aims to set up mechanisms for holding government to account. The concept is built around a perspective on poverty that recognizes poverty as not just lack of income but lack of opportunity, lack of capability, low level of security and explicitly states empowerment as an important aspect of poverty reduction. It states, 'Empowerment is the capability of poor people and other excluded groups to participate in, negotiate with, change and hold accountable institutions that affect their well being.'⁶⁵ The PRS as a concept overlaps with the human rights perspective in important ways, particularly in its overall motivation with human well being and empowerment.

However, it is also important to note the differences and where those might become important in policy choices and implementation strategies on the ground as PRS processes and papers become a reality, not just a concept.

Participation – instrumental or intrinsic value? While *participation* is a core principle of the PRS process, the strong justification for this principle is its instrumental rather than intrinsic value. A major conclusion of studies of aid effectiveness of the 1990s was that policy reform that is not home grown is not effectively implemented. One of the current issues in PRS processes is whether broad based participatory process delivers since the country has inadequate capacity to participate meaningfully in policy formulation, implementation and monitoring. There are concerns concerning trade-offs between participatory process and effective policies. In the human rights framework, the choice is more clearly in favour of participation as a principle and for its intrinsic value to society and individuals.

⁶⁵ World Bank 2002, a sourcebook for poverty reduction strategies. Overview by Klugman. P. 3

Objectives – multidimensional poverty and empowerment or realisation of human rights? While the PRS defines poverty as multidimensional and poverty reduction as a process of empowering poor people, it does not use the language of rights and does not refer to human rights. This silence explicitly leaves out the full force of the concept of rights as carrying correlate obligations as explained in the preceding section, not the relevance of international human rights norms. This has a broad range of implications for policy priorities and trade offs in poverty reduction strategies. For instance, how should school building budgets be allocated? Under the human rights perspective that state meeting minimum essential standards and removing discrimination as a state obligation, the highest priorities to the regions with the lowest attainments and to addressing structural causes of discrimination. Under the PRS guidelines, this would not necessarily be the priority.

Government policy – effective means to reduce poverty or human rights obligations? Thus the PRS framework does not acknowledge poverty reduction policies as human rights obligations of government. While the PRS conceptual framework overlaps with the assessment of poverty in the lives of individuals, it does not acknowledge it as a loss of entitlements to social arrangements.

International assistance – a resource requirement or an obligation? Recasting donor-recipient relationship is a major aspect of the new PRS approach. The overall aim is a process is government, or national, ownership. The implicit assumption and expectation is that the government would do more work. But the approach does not reconceptualise the role of the donor other than to recognize that a wider range of policy approaches should be considered. In the human rights perspective, donors are ‘duty bearers’ and have international obligations of assistance as recognized in international human rights law such as in the Covenant on Economic, Social and Cultural Rights