

AFRICAN DESCENDANTS, CHRONIC POVERTY AND DISCRIMINATION IN LATIN AMERICA

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Abstract— For many Latin Americans, the 21st century has been a time of unprecedented progress. However, a large population in Latin America, namely African descendants has not benefited much from the impressive economic growth. In fact, they have remained constantly poor since the beginning of this century. This paper aims to explore the question of why African descendants in Latin America suffer from persistent chronic poverty with a specific focus on African descendants living in Brazil. The first section of this paper explains what chronic poverty is, and the drivers of chronic poverty. Then, a case study of Brazil is presented to identify the main causes that lead to African descendants' persistent chronic poverty. Furthermore, the paper highlights the role racial discrimination plays in limiting the range of opportunities available to African descendants and in ensuring the persistence of chronic poverty in their communities. Finally, the paper discusses what could be done for African descendants to over-come chronic poverty.

Index Terms— Chronic poverty, Latin America, African descendants, Racial discrimination

I. INTRODUCTION

Since the early 1990s Latin America has experienced a decade of one of the most impressive economic growth. During this period, inequality has reduced substantially. The regional Gini coefficient for per capita income has decreased from 0.57 in 2000 to 0.52 in 2012. This sustained economic growth along with a reduction in income inequality has led to a poverty decrease by more than 16 % in a single decade [17].

Despite these advances, one out of five people from Latin America today still remain poor [16]. Economic boom alone don't wipe out poverty, many people are born into poverty and never escaped their poverty status. These people are "chronic poor". The chronic poor have not benefitted much from the impressive growth rate of the 1990's and many have fallen into the cracks of social assistant system [16]. This persistent poverty is mostly attributed to the high levels of inequality in the region, much of which is associated with race and ethnicity, which gives people little chance to escape their chronic poverty status.

Although there has been much concern about the widespread chronic poverty in Latin America in general,

African descendants are often marginalized as part of a legacy of colonialism and have been invisible in relation to development. Not until recently, the presence and status of African descendants in the Latin America did not gain much attention from economists, policy makers, and the international community. Consequently, there has been a lack of national and international research on African descendants that could be used to address their specific economic conditions and needs. Based on the recent World Bank data, there is an estimate of 150 million African descendants in Latin America, and these citizens account for approximately 40% of the chronic poor in that region [17]. Most African descendants live in areas that are characterized by great disparities between wealth and poverty, and a disproportionate amount of African descendants suffer a lack of infrastructure and utilities, low income, no health service, lack of education, and high unemployment rate. Furthermore, since African descendant populations in Latin America are marginalized economically, socially and institutionally, there are only a few development programs that specifically target to their needs. While most development agencies argue that their mandate is to help the marginalized, African descendants do not usually benefit from general development programs [12].

This paper is not intended to provide an exhaustive account of how African descendants experience chronic poverty, rather it is designed to explore how racial discrimination functions as a major contributing factor in the chronic poverty that are faced by African descendants in Latin America. The study also highlights the need for further research and for more accurate quantitative and qualitative data regarding the inequalities that are confronted by those African descendants living in chronic poverty. These information will be useful in contributing to the improvement of poverty reduction strategies to over-come African descendants' chronic poverty in the region.

II. WHAT IS CHRONIC POVERTY?

There are three distinguishing features of chronic poverty. First, chronic poverty is an extended duration of absolute poverty. Chronically poor people are those who always, or usually living below the poverty line. For them, poverty may last for years, or persist through generations [4]. This is different from transitorily poor, who move in and out of

poverty, or only occasionally fall below poverty line. Second, according to Amartya Sen, poverty is the deprivation of basic human functionings. Functionings refers to “beings” and “doings” that an individual is able to do and has reason to value [2]. Chronic poverty is not just having a low income. It is about multidimensional deprivation, such as hunger, lack of education, lack of clean water, having no access to health services, social isolation and exploitation [4]. It is this combination of capability deprivation, low levels of material assets and social or political marginality that keeps people poor over a long period of time. Third, it is hypothesized that a significant proportion of people experiencing chronic poor are severely poor, and that those suffering from extreme poverty have a high probability of experiencing chronic poverty [4].

It is, however, important to notice that these three features built upon each other. Poverty that is both severe and multi-dimensional but does not last for a long duration of time is by nature not chronic poverty. The chronically poor are the ones that experience severe and multi-dimensional poverty that persist for a long time, which could be many years, an entire life or even across generations [5].

III. WHAT ARE THE DRIVERS OF CHRONIC POVERTY THAT ARE FACED BY AFRICAN-DESCENDANTS

Race and ethnicity are strongly linked to prevailing structures of inequality in the Latin America region, and are likely to be predictors of chronic poverty. There are almost four times as many African descendants in Latin America than indigenous people, yet the poverty and discrimination they suffer are largely ignored, despite the fact that they are just as severe, or even worse than what is faced by other chronic poor populations in Latin America [14]. Many studies have shown that over 90% of the descendants of slaves brought from Africa to Latin America during the colonial times are considered chronically poor today [11]. They only have access to the most poorly paid jobs, have very low levels of formal education, lack of access to basic services, and also face severe racial inequality and discrimination that impacts all aspects of their economic and social life.

According to McKay and Lawson, the characteristics most commonly associated with chronic poverty may be the same as the causes of poverty in general, which include low paid labor, lack of human capital, location of residence, racial discrimination and lack of ownership of physical assets [1]. But poverty can become chronic when these factors are more intense and lasting, or when they come in combinations. Some of these factors are drivers of chronic poverty, and they push vulnerable non-poor and transitory poor people into poverty. Others act as maintainers of chronic poverty, they operate in order to keep poor people poor [4].

Moreover, instead of born into chronic poverty, people could also slide into chronic poverty after severe shocks that they cannot recover from. These may include injury, environmental disaster, conflict, collapse of market, or the

IV. CASE STUDY OF BRAZIL

Three and half centuries of slavery-based economy has endowed Brazil with the largest African descendant population in the hemisphere. A legacy of social discrimination against African descendants has turned Brazil into a deeply unequal society, probably one of the most unequal in the world [11]. It is fragmented along regional and racial lines as well as extreme inequalities in the distribution of income. According to the Inter-American Development Bank, the economy of Brazil could expand by over one third if African descendants were fully included in the workforce of their nations. In Brazil, African descendants represent 48% of the total population, but their economic participation is only 20 percent of GDP [15]. Unemployment is 50% higher among African descendants than whites, and for those who are employed earns less than half of what whites earn. Besides, 78% of African descendants live below the poverty line compared to 40% of the white population. If we classify African descendants separate with the rest of the population, the Human Development Index (HDI) of the African descendant part would rank 101, while the rest of the population would rank 46 [15]. Hence, it is obvious that the exclusion of African descendants in Brazil harms development prospects for the nation as a whole.

Having mentioned the possible drivers of chronic poverty of African descendants in the previous section, the causes of such persistent chronic poverty that were suffered by African descendants varies from region to region. Differing combinations of structural factors, life style factors and idiosyncratic factors create and maintain the poverty of some while giving others the chance to escape it [3]. Despite this heterogeneity, we can still identify four main traps that underpin persistent chronic poverty that are faced by African descendants in Brazil.

First, the exclusion of economic and social rights of African descendants plays an important role in the persistence of their chronic poverty status. Many studies has shown that the socio-economic system in Brazil serves to limit most African descendants' employment and income potential which leads this population to the low-wage and low-skilled end of the spectrum [13]. Conventionally, education is a key factor in gaining access to good employments and well-paid jobs, but for African descendants the racial discrimination practiced by employers and institutions works against this [12]. For African

descendants, racial exclusion serves as a barrier to high income, and low income levels limit their access to goods and services as well as opportunities. In general, poverty has affected their ability to acquire good education and limit their academic attainment. Poorly educated people who are also discriminated against do not get well-paid jobs, which in turn do not provide extra income needed to support the next generation. This creates a vicious cycle of low income, low education and low social standing of African descendant populations, and it is very difficult for these people to escape from the trap.

Similarly, discrimination against African descendants is also striking in the disparity between levels of government services, such as education, infrastructure, and health care. Until recently, Brazil not only lagged behind the development world but much of Latin America in developing its human capital. A big part of the educational gap came from the failure to invest in schools for the children of poor citizens in states, cities, and neighborhoods where the African descendant population predominated [9]. As mentioned before, poverty along with limited access to proper education can hamper African descendants' employment and income opportunity, which will be hard for the population to get out of the chronic poverty. Access to services is thus one of the primary differences between the chronic poor and those who have escaped poverty.

Second, not been able to legalize the traditionally-occupied lands is another important factor that strengthens chronic poverty in the population. For centuries, land holdings represented a refuge for enslavement, and it is an important means of survival of African descendants in a socially and economically exclusionary society [12]. Even with poor economic conditions, African descendants who have land access at least could produce their own food, and provide themselves with basic shelter. Hence, for most African descendants, land represents the only stock of wealth they own and the only transferable asset they could pass to the next generation [12]. However, these ancestral lands in Brazil are now facing large scale economic exploitation, and these land issues are not considered within the right to own property in International Convention on the Elimination of All Forms of Racial Discrimination (ICERD), or the International Covenant on Economic, Social and Cultural Rights (ICESCR). According to the National Institute of Colonization and Agrarian Reform (INCRA), Brazil has a poor land distribution, with high percentage of land being owned by few people. Statistics shows that 1% of the Brazilian population has control over 43% of all productive land [11].

Third, individuals' engagement in the political sphere is also linked to their chronic poor. African descendants do not have a significant voice in the planning, design and implementation of the policies and activities that directly affect

Finally, poverty can put people in a difficult state of mind, and a difficult state of mind can make it more difficult to escape chronic poverty [16]. For instance, people living in regions where the chronic poverty is higher tend to be less optimistic about their future, indicating that location and context may play a role in influencing not only returns to endowments, but also attitudes [17]. Furthermore, the differences in the perceptions about the future economic prospect across socio-economic groups are also striking. The chronic poor are the ones that are most pessimistic about the future, one out of five expecting their economic situation to worsen in the coming year, a rate that is twice as high as people that were never poor and people who successfully exited poverty [17]. In Brazil the racial discrimination might exacerbate this difficult state of mind. African descendants who suffers from discrimination may come to internalize the believe systems which justify their treatment. Discrimination leads to poverty, which in turn leads to a negative state of mind with regard to the future and makes chronic poverty persistent. Discrimination thus has both socio-economic structural and psychological aspects that both need to be understood to effectively lift African descendants out of chronic poverty trap.

V. POLICY RECOMMENDATIONS

Chronic poverty is a complex phenomenon, there is no single approach in which it could be eliminated [17]. From the most recent World Bank report "Left behind" it is shown that economic growth was not sufficient to lift the chronic poor out of poverty. It does not matter how wealthy a nation is, if there are no systematic efforts to help people living in chronic poverty, chronic poverty tends to persist. According to Ana Revenga, Senior Director for poverty at the World Bank Group, to combat chronic poverty, aside from focusing on access to basic services and good jobs, policies must also take into account the very real social and aspirational barriers facing the chronic poor in Latin America [16].

From the case of Brazil, it can be seen that almost all the key traps of chronic poverty that are faced by African descendants are related to racial or ethnic barriers. This suggests that discrimination is at least an important part that both drives and maintains chronic poverty of African

descendants. Thus, policies and development programs that are focused to combat chronic poverty needs to address the issue of racial discrimination. If this remains unaddressed, it will be very easy for most vulnerable to fall through the cracks of social safety nets, no matter how well designed these anti-poverty policies and programs are.

Hence, to tackle chronic poverty, the government should first take efforts to address the issue of structural inequalities. It should prioritize measures to facilitate the full participation of African descendants in all aspects of political, economic, social and cultural life [11]. Special consideration needs to be given to discrimination and marginalization in access to employment, land, the rights to education, health and social security, and law enforcement. The government should strictly conform to Article 2.2 of the International Convention on the Elimination of All forms of Racial Discrimination (ICERD). Furthermore, the government should also enforce the provisions of the 1988 Constitution to protect human rights and should strengthen the impartiality of public officials to ensure all acts are in consistent with international human rights standards [11].

For these anti-discrimination policies to work, institutional innovation and changes as well as careful monitoring are needed to ensure that African descendants are included in the economy, politics and society on equitable terms. Social perceptions regarding African descendants also need to change, requiring a raft of top-down and bottom-up initiatives [13]. Policies that protect African descendants' access to services and resources, such as land, finance and cash transfers will help to over-come chronic poverty but will need to confront centuries old racial discriminations. Thus, aside from prohibition on discrimination, governments also need educate the general public to further understand issues related to the protection of human rights and non-discrimination.

As for international corporations, it is essential for international corporations operating in the region to ensure their activities promote wider opportunity and greater equality across all ethnic divide rather than reinforcing existing patterns of discrimination and inequality [11]. International Organizations, such as UN should hold corporations accountable for the impact of their actions on local communities. To further eliminate racial gaps, it is also necessary for international organizations, governments, NGOs and civil societies to develop targeted African descendants projects to address inequalities in education, health care, and social protection, etc. in order to incorporate African descendants as quickly as possible into the society [15]. Moreover, massive investment is needed for African descendants to over-come chronic poverty and that propel them so far above the poverty line that they are unlikely to fall back. One important improvement that needs to be made is post-primary education, which must be of good quality and give African descendants the skills they need for employment.

Governments need to work with civil societies and private sectors to ensure that African descendants have equitable access to education and the skills they obtain actually match the need of job markets. Another important asset for African descendants to over-come chronic poverty is land. Land-tenure policy reforms are needed to protect the poorest people from the loss of their land and to help them gain access to more land over time [13]. This is essential for those African descendants who rely on farm economy to escape from persistent rural poverty. Having assets such as education and land will help poor African descendants to build resilience to shocks and bring them out of the chronic poverty trap.

However, these anti-discrimination and poverty reduction policies are not uncritically universal models, nor will these policies and actions alone achieve social change that will end chronic poverty for African descendants suffering from racial discrimination. According to the International Council on Human Rights Policy (ICHRP): "When racial and economic discrimination are associated for a long period of time, disadvantage tends to become entrenched over generations and reform is particularly difficult to achieve." Hence, further field-based research needs to be done to understand the difficult context-specific issues in order to develop effective policies and programs that will protect African descendants from racial discrimination and help them to over-come chronic poverty.

VI. CONCLUSION

Chronic poverty faced by African descendants is closely tied to their economic, social and political rights. These rights are severely hampered by racial discrimination on the part of individuals and institutions. African descendants' poorly-paid and low-skilled work profile is the result of years of discrimination and low educational attainments. This study identifies the concept of chronic poverty and explains some of the drivers and causes that lead to persistent chronic poverty endured by African descendants in Brazil, which includes: the exclusion of economic and social rights, unable to legalize traditional-occupied lands, low engagement in the political sphere, and difficult state of mind of most African descendants. However, for African descendants, chronic poverty is not inevitable. The joint effort of strong government institutions, international organizations, civil societies and private sectors to address racial discrimination, provide investment for education and develop targeted African descendants projects could break the chronic poverty trap suffered by African descendants, and hence create conditions to overcome chronic poverty. In order to do so, further field-based research, and more accurate information regarding the causes and consequences of African descendants' chronic poverty are needed.

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