



Social Development

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Editor's Note

With this first issue, the Social Development Division of the IDB's Sustainable Development Department (SDS/SOC) hopes to establish a regular information channel with those interested in social questions as they relate to the Bank's work. SDS/SOC was established in late 1997 with the purpose of strengthening synergies among different technical areas in the social sectors. The Division assists operations by providing technical support to projects and helping to identify new opportunities for Bank action that will improve the well-being of people in Latin America

and the Caribbean. It pays particular attention to women and indigenous groups through the Women in Development Unit and the Indigenous Peoples and Community Development Unit.

The Division also provides technical and conceptual support on early childhood development, health, urban development, violence prevention and control, and the formulation of social policy.

One of the Division's challenges is to address social issues that cut across sectors and which can benefit from different perspectives. Work is currently proceeding on the intergenerational transmission of poverty - a problem that looms large in Latin America and the Caribbean, and which goes largely unaddressed by conventional policies and programs.

Social Development will be published three times a year and will report on the Division's projects, publications, and major events.

By informing others about our activities, we hope to generate dialogue and foster greater contact and collaboration with others dedicated to economic development and social progress. Ultimately, we aim to enrich and make more effective the work that we do.

Intergenerational Transmission of Poverty Study

A life cycle of social problems often begins with a disadvantaged childhood, followed by a troubled youth, and evolves into a constellation of behaviors including adolescent motherhood and single parenthood, alcoholism and substance abuse, and street and domestic violence. This commonly observed pattern is costly, undermines the social fabric, and contributes to the persistence of hard-core poverty through the intergenerational transmission of poverty.

To better understand the mechanisms behind this intergenerational transmission of poverty (ITP) in Latin America and the Caribbean, and to identify responses to this problem that the IDB can promote and finance, SDS/SOC is sponsoring a study on ITP. Economist Tarsicio Castañeda, a consultant, and author of the book, *Combating Poverty* (San Francisco: International Center for Economic Growth, 1992), is providing technical leadership for the project. The study will develop a concep-

tual framework and operational suggestions to guide governments and the Bank in addressing this problem.

The final product, a policy paper, will serve two main purposes. First, it will provide a vehicle for raising awareness among member governments, especially their economic teams, about ITP-related causes of poverty. This should increase demand for programs and policies the IDB can support that focus on these problems. Second, the paper will serve as a framework and catalyst for SDS/SOC activities.

The study underway considers a variety of factors believed to contribute to ITP and highlights certain "family factors," such as parents' education and fertility patterns, in addition to ethnicity, gender, rural/urban residency, early child care and development experience, and health. The statistical part of the study analyzes the role of family factors in the ITP cycle, controlling for economic variables like household income. For the statistical

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Program for the Support of Women's Leadership and Representation PROLEAD

Latin America and the Caribbean (LAC) have suffered and continue to suffer substantial losses from the under-representation of women in leadership positions. Women rarely account for more than 10% of ministerial positions in LAC, and they hold only about 15% of legislative seats in the region. Women are similarly under-represented in the upper echelons of business and financial organizations.

In response to the pressing need to increase women's voices in leadership positions, the IDB officially launched the Program for the Support of Women's Leadership and Representation (PROLEAD) in June 1998. This three-year program will, among other activities, award grants to organizations that support and promote women's active participation and leadership in the economic, social, and political processes of their countries and communities. Other agencies supporting this endeavor include the United Nations Children's Fund

(UNICEF), the United Nations Development Fund for Women (UNIFEM), the United Nations Development Programme (UNDP), and the Inter-American Commission of Women of the Organization of American States (OAS/CIM).

PROLEAD generated a tremendous amount of interest during its first grant cycle, which opened in August 1998.

Over 300 proposals from 27 countries in the region were submitted for consideration. Following a thorough technical assessment, the proposals were presented to the Program's Council in mid-November for review and funding recommendations. PROLEAD plans to begin disbursing grants by the end of this year in a wide range of areas, including training, research, public education, advocacy, coalition-building, and legislative reform, among others. The second grant cycle is tentatively set for April 1999.

Initial funding for PROLEAD comes from the IDB (US\$3.25 million) and the Governments of Norway (US\$350,000) and Sweden (US\$120,000).

Calendar of Events

10-11 September	Inter-agency Meeting on Violence Prevention IDB Headquarters, Washington, DC
1-3 October	Vital Voices of the Americas Conference Montevideo, Uruguay
5 October	Presentation of the José Luis Bobadilla Award IDB Headquarters, Washington, DC
9 October	Consultative Meeting: Guidelines for IDB Assistance to Police Forces IDB Headquarters, Washington, DC
2-7 November	Social Dialogue: Visit to Honduras by Former Chilean President Patricio Aylwin (postponed)
10-11 November	PROLEAD Council Meeting IDB Headquarters, Washington, DC
17-20 November	First Meeting of the Implementing Agencies for the Technical Umbrella on Domestic Violence San Salvador, El Salvador
23-27 November	Seminar: Rehabilitation of Historical Centers in Latin American Cities Quito, Ecuador
15-16 December	Seminar: Decentralization of the Santiago Metropolitan Region Santiago, Chile
1999 - 14 March	Seminar: Breaking the Poverty Cycle: Investing in Early Childhood Paris, France

For more information on this program or for application materials, contact:

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Intergenerational Transmission of Poverty Study (Continued from page 1)

analysis, ITP is defined as a situation in which, compared to children of more educated parents, a disproportionately small number of children of parents with less than primary education complete secondary school prior to reaching age twenty-six. This definition assumes that: i) individuals who have not completed secondary school by age twenty-six are unlikely to ever complete it; and ii) those completing secondary school are substantially more likely to escape poverty (mainly through access to better jobs). In other words, completion (non-completion) of secondary school by children of the poor is

used as a threshold for determining whether the ITP cycle is broken (perpetuated).

Preliminary results using panel data (1985-1994) from Lima, Peru show that 28% of children from households in which the household head has less than primary education complete secondary school, while 65% of children from households in which the head has completed primary education complete secondary school. Further, girls born into poor households are significantly more likely to complete secondary school than boys from similar households.

Migrants to Lima have a smaller rate of secondary school completion than the comparably poor city-born. For the children of the poor, the rate of completion of secondary school is inversely correlated to the number of their siblings and positively correlated with their mother's level of education.

The empirical analysis also includes a cross-sectional study with data from 16 Latin American countries. Results obtained from cross-sectional regressions completed so far

(six countries) support the results obtained from the Peruvian panel data. The final paper, expected early next year, will serve as a background document for the seminar, *Breaking the Poverty Cycle: Investing in Early Childhood*, which will be held in Paris, France during the Bank's Annual Meeting in March 1999.

Recommended Reading

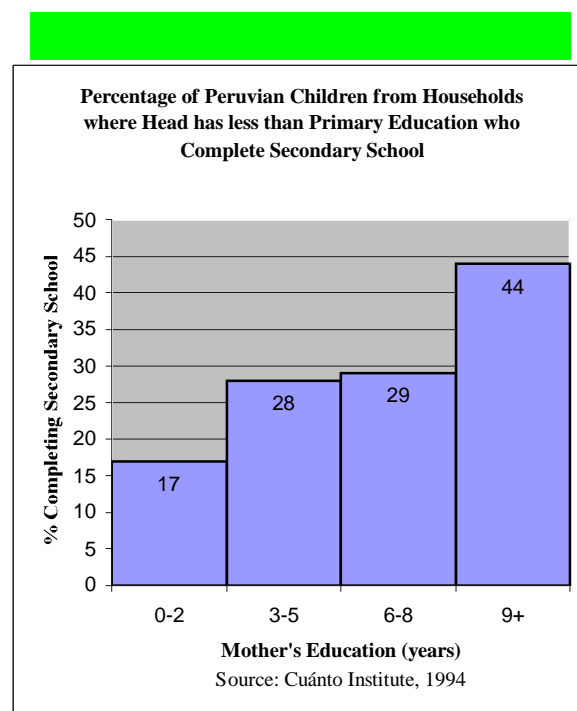
Behrman, Jere R., "Social Mobility: Concepts and Measurement in Latin America and the Caribbean," paper presented at the CSED*/IDB Workshop on Social Mobility at the Brookings Institution, Washington, DC, 4 June 1998.

(Available from the author: Email: jbehrman@econ.sas.upenn.edu).

Gottschalk, Peter; Sara McLanahan, and Gary D. Sandefur, "The Dynamics and Intergenerational Transmission of Poverty and Welfare Participation" in *Confronting Poverty: Prescriptions for Change* (Sheldon H. Danziger, Gary D. Sandefur, Daniel H. Weinberg, eds.). New York: Russell Sage Foundation, 1994.

Panorama Social de América Latina 1997.
Chile: CEPAL, 1997

*Center on Social and Economic Dynamics



Reports

Childhood Development ECCD Program Guide

A Program Guide designed to assist Bank staff, national counterparts, and consultants in their work to improve the design, preparation, and implementation of early child care and development (ECCD) projects is in its final production stages, and will be available by the end of the year.

The Guide comes with a user-friendly diskette and provides information and tips for different project stages, including the conceptual framework, goal-setting, cost-benefit analysis, and moni-

toring and evaluation. A "Yellow Pages" of people and institutions to contact for more information is included, as well as a list of bibliographical references on specific topics.

The diskette includes "hot buttons" to help users move quickly and easily through the different sections, as well as links to relevant web sites.

The guide should be useful to NGOs and others involved in ECCD operations, regardless of their connection with the IDB.

ECCD Strategy Dialog

A discussion draft of a note on early child care and development (ECCD) was completed in late August. The basic purpose of the note is to launch a comprehensive dialogue among interested Bank staff regarding what the IDB should do regarding ECCD. An electronic version of this document allows readers to "post" their comments to an electronic message board. To date, the discussion draft is only available internally, but will be circulated to a wider audience after initial comments are incorporated.

Paris Seminar

A seminar entitled, *Breaking the Poverty Cycle: Investing in Early Childhood*, will be held in Paris next March during the Bank's Annual Meeting. Child development experts and distinguished individuals from the fields of economics, finance, and social development will come together to help launch a regional initiative to increase attention to and investments in ECCD.

This year's Nobel Laureate in Economics, Amartya K. Sen, will deliver the Keynote Address. Robert Myers of the Consultative Group on ECCD and Miguel Urrutia, General Manager of Colombia's Central Bank, are also confirmed speakers.

Patricia Suárez, widow of José Luis Bobadilla, congratulates Silvia Montoya, the first recipient of the Bobadilla Award.



Health

José Luis Bobadilla Award

On October 5, 1998, the José Luis Bobadilla Award for the Promotion of Public Health Policies was awarded for the first time. This annual award recognizes policy-makers and researchers who make substantial contributions to the improvement of public health in the Americas. On this first occasion, the award was given to Silvia Montoya and Manuel Willington of the Instituto de Estudios sobre la Realidad Argentina y Latinoamericana (IREAL) in recognition of their research paper, "Public Hospital

Financing: An Analysis of Alternatives for Argentina."

This award was established as a tribute to José Luis Bobadilla, a physician and public health expert, who died in an airplane accident in October 1996 while on mission as a health adviser to the IDB's Sustainable Development Department.

The award was established by the IDB, the World Bank, the Pan American Health Organization, and the Fundación Mexicana de Salud.

Did You Know:

- *If income inequality in Latin America were the same as that in Eastern Europe or South Asia, Latin America would have the lowest poverty rate in the developing world.*
- *Domestic violence is estimated to cost 2% of Latin America's GDP annually, or around US\$15 billion.*
- *One in five work days lost by women is the result of health problems associated with domestic violence.*
- *Women who suffer domestic violence earn 46% less than women who do not suffer violence.*
- *Nearly six out of ten children in Latin America and the Caribbean are poor.*
- *For every 1000 tons of tobacco produced for human consumption, 650 people die each year.*
- *There are more than 16,000 Natural Heritage Sites in Brazil.*
- *There are an estimated 33 to 40 million indigenous people in Latin America and the Caribbean, representing about 8% of the region's total population.*
- *There are about 400 different ethnic groups in Latin America and the Caribbean.*

The José Luis Bobadilla Inter-American Health Policy Network

On October 5, 1998, the IDB approved non-reimbursable financing in the amount of US\$1.5 million equivalent in Mexican pesos for the Fundación Mexicana de Salud (Funsalud). The funds will be used to establish an Inter-American Health Policy Network. The main objective of the program is to improve the use of analytical tools and instruments in the formulation and implementation of health care system reforms in Latin America and the Caribbean.



The network has five components: (i) policy instruments; (ii) the Inter-American Leadership Forum on Health (ILFH); (iii) the Inter-American Clearinghouse of Health System Reform Initiatives (ICHSRI); (iv) a scholarship program for post-graduate studies in health policy; and (v) support for continuation of the José Luis Bobadilla Award for the Promotion of Public Health Policies.

Inter-American Network of Food Analysis Laboratories

SDS/Health is working with the Food and Drug Administration (FDA), the U.S. Agency for International Development (USAID), the Food and Agriculture Organization (FAO), and the Executive Committee of the Inter-American Network of Food Analysis to establish a network of laboratories in Latin America for food quality assurance. The objectives of the proposal are to promote the identification of specific needs in each country, strengthen human resource capacity and efficiency, create quality assurance programs for laboratories, and establish a standardization and equivalency process for food analysis.

Indigenous Peoples and Community Development Unit Responsible for: Indigenous Peoples, Involuntary Resettlement, Community Consultation and Participation, and Sociocultural Soundness Analysis Strategy on Indigenous Development

In the context of developing a Bank strategy on indigenous development, SDS/IND is carrying out several studies of indigenous poverty. A general study of the problem is outlined in a concept paper that will be published by year-end. Country studies of indigenous poverty in Ecuador, Guatemala, Honduras, and Nicaragua are in their draft stages. The strategy is based on three pillars:

- 1) Mainstreaming indigenous needs, concerns, and demands into the Bank's regular operations;
- 2) Developing specific initiatives to address indigenous issues; and
- 3) Strengthening Bank procedures and actions in an effort to avoid, mitigate, and compensate for negative impacts on indigenous peoples.

Indigenous Peoples Fund

On February 18, 1998, the Bank's Board of Executive Directors authorized the administration of an endowment for the Indigenous Peoples Fund. To date, there are US\$42.5 million committed to the Fund, and US\$2.5 million have been deposited. A Regional Technical Cooperation is being processed to finance the Fund's key activities until the endowment is able to generate sufficient income. In addition, negotiations are advancing on contributions to the Indigenous Peoples Fund from France and Belgium, which would provide an additional US\$3.5 million.

Involuntary resettlement

An operational policy on involuntary resettlement was approved on July 22, 1998. The policy sets forth the principles and criteria the Bank applies to projects that result in involuntary population resettlements. Given that the experience of the Bank and other multilateral agencies has demonstrated that resettlement can lead to impoverishment, the policy is designed to mitigate, to the extent possible, the economic and social difficulties created by displacement. Systematic application of the general principles of the policy will ensure that all necessary measures will be taken to minimize the impact of resettlement on the persons affected, restore living conditions to levels at least as high as those existing prior to resettlement, and take into account the special needs of particularly vulnerable population groups.

To obtain a copy of the policy, please contact Lina Uribe (telephone: 202623-1256; email: linau@iadb.org).

Social Dialogue Social Policy - Dominican Republic



Participants in the Forum on Negotiation to Overcome Poverty

Representatives of diverse sectors of the Dominican Republic came to Washington in August to participate in a *Forum on Negotiation to Overcome Poverty*. This meeting represented the second stage of a Social Dialogue process for the Dominican Republic and the continuation of a program begun last year by former Chilean President Patricio Aylwin. The *Social Policy Dialogue* seeks to promote a negotiation process that involves all sectors of society and is effective and sustainable over the long-term. The topics

discussed included the search for inter-institutional mechanisms and instruments to design, implement, and monitor social policies; the active participation of provinces, municipalities, community organizations, and civil society in policy execution; and the idea of social dialogue as a means to achieve more effective social policies and programs.

The Social Dialogue program was developed to follow up on the 1995 United Nations Summits on Social Development (Copenhagen) and Women (Beijing). Its aim is to

Women (Beijing). Its aim is to support fulfillment of the commitments undertaken at these summits through national consensus building. The program is an IDB initiative with support and financing provided by the Danish Agency for International Development Assistance. In addition to the Dominican Republic, Dialogue sessions have been held in Ecuador and Guatemala, and similar activities are planned for Honduras and Costa Rica in the near future.

Urban Development Heritage Conservation

The IDB leads development banks in the financing of urban heritage conservation projects in Latin America and the Caribbean. The Bank currently has three such projects in execution (Argentina, Ecuador, Uruguay) and two in preparation (Argentina, Brazil). Although each case is unique, they all raise similar concerns regarding public resource allocation, division of responsibilities, public and private benefits, and the most efficient way to establish a sustainable urban heritage conservation process.

Effective interventions in urban heritage conservation must not only rehabilitate physical structures, but also revitalize social and economic processes so that buildings and infrastructure can be efficiently used and properly maintained. Lessons from past practice indicate that accomplishing these goals requires significant changes in the social valuation of urban heritage, as well as institutional mechanisms that promote collaboration among social actors.

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Public commitment to investments in heritage conservation is rising, but a clear demonstration of the economic benefits of such investments is still lacking. In addition, several questions remain in terms of financing heritage conservation, especially with respect to funding sources and the most efficient allocation mechanisms. Recent experiences demon-

strate the need for effective public-private partnerships in urban heritage conservation, but questions remain about the most effective ways to forge long-lasting partnerships.

One thing that is clear is that further research is needed in this area, as well as information exchanges regarding experiences and lessons from successful cases. The Bank is in

an excellent position to assist in this effort, and it can offer a unique forum for exchanging experiences and creating new approaches to financing and executing heritage conservation activities. To this end, SDS/URB is currently working on best practice analyses and preparing issues papers on the subject.

Historic Center of Quito,
Ecuador,
declared Cultural Patrimony of
Humanity.

Seminar: Rehabilitation of Historic Town Centers in Latin America

With IDB sponsorship, the Historic District of Quito and the Architecture Department of the French Government's Ministry of Culture organized a seminar on the rehabilitation of historic town centers in Latin America. The seminar was held November 23-27, 1998 in Quito, Ecuador. Discussion centered on such topics as private sector participation in the preservation of historic centers, housing for low-income families in historic

centers, and efficient models for managing the rehabilitation process based on experiences in cities like Quito, Recife, Havana, and Panama City.

For more information, please contact Alain Vals (French Cultural Mission, Alliance Francaise, Avenida Eloy Alfaro 1900, Quito, Ecuador. Telephone: 593 2 24 6589; Fax: 593 2 44 2293; email: afquito.servcult@eolnet.net).

Women in Development Unit Technical Umbrella: Domestic Violence

In October 1998, approval was given for a technical umbrella project to create a "best practices network" for the prevention of domestic violence. Under the project, financing will be provided for the execution, monitoring, and evaluation of pilot projects-or the improvement of existing ones-for the prevention of domestic violence. In addition, a line of credit is proposed to enable Latin American and Caribbean governments to obtain loans easily and rapidly for the implementation of such projects. One of the first activities under the project is the organization of a workshop on IDB Procedures for the Implementing Agencies. This workshop was held in El Salvador in mid-November 1998. Its objective was to bring together the agencies that will benefit from these projects, and which will form part of the best practices network, in order to familiarize them with the IDB's disbursement and contracting procedures, as well as mechanisms for project design, management, and evaluation.

Vital Voices of the Americas

Vital Voices of the Americas: Women in Democracy, a conference co-sponsored by the IDB and the US government, convened over 400 women leaders from throughout the Americas in Montevideo, Uruguay, October 1-3, 1998.

Women leaders from the hemisphere's public and private sectors discussed ways to strengthen the role of women in democracy, focusing primarily on three areas: Law and Leadership, Politics and Public Life, and Economic Integration and Business Growth. Featured speakers included US First Lady Hillary Rodham Clinton, IDB President Enrique Iglesias, and Uruguayan President Julio Maria Sanguinetti. In her remarks, Mrs. Clinton recognized the IDB's commitment to social development and its work to "make clear to everyone who would listen that it is not just a bank, it is an instrument of social justice, social investment, and transformation of the Americas." For more information on the conference, visit its website at www.vitalvoices.org.

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