

WORLD FAITHS DEVELOPMENT DIALOGUE

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Occasional Paper No.1

Key Issues for Development

A Discussion paper for the contribution by the World Faiths Development Dialogue (WFDD) to the World Bank's *World Development Report 2001*

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This is our first discussion paper around the issues of poverty and development. Although it comes from the WFDD, the views it contains are not necessarily those of the members of the WFDD Steering Group. The paper makes no claim to cover all the issues, nor does it attempt to come up with solutions. Its aim is to provoke comments and debate, and we hope that our readers will receive it in this light and respond with their ideas.

I. *World Development Report 2001*

Every year the World Bank produces a *World Development Report* on a specific theme. The reports reflect the views of the Bank's staff and are significant indicators of the way the Bank is thinking on the topic concerned. The *WDR* for the year 2001 will be on Poverty and Development. This follows the practice established in the *WDRs* of 1980 and 1990 of preparing a major report every decade on poverty reduction – the institution's overarching priority.

However, there will be some notable innovations in the millennium report. Firstly, it will take a micro-level perspective in analysis, as opposed to a purely macro/national level one, bringing in poor people's own experience of poverty and responses to it. Secondly, it will face up to the question of inequality. Thirdly, it will go beyond standard economic analysis and reach out to the insights and contributions of other social sciences. In order to meet these challenges, social scientists as well as economists have been incorporated into the *WDR* team, and the preparation time for *WDR 2001* has been extended to two years instead of one, to allow for consultation with different social groups.

The *WDR 2001* team has put forward a programme of analysis and dialogue within the framework of the following five propositions:

1. The standard of living is multidimensional. In discussing poverty and inequality, therefore, alongside the standard, and important, measures based on the levels of income and consumption have to be put other measures which reflect such dimensions as health and education, vulnerability and risk, crime and violence, integration into the mainstream of society, and other factors highlighted by the poor themselves as being important. Moreover, not only must the measurement of the standard of living go below the level of the household to investigate the conditions facing women and children, it must also go above the household level to take into account the community level considerations.
2. There has indeed been significant progress in poverty reduction in the last half century. But
 - (i) This progress has been uneven, across countries and across the different dimensions, and
 - (ii) whatever the progress, poverty in its many manifestations persists to an unacceptable degree.
3. The evolution of technology, trade and political systems means that the world stands on the brink of extraordinary opportunity for development and poverty reduction over the next twenty years. Like never before, the potential clearly exists for meeting and even exceeding the various targets around which the international community is beginning to form a consensus.
4. However, the extent of broad based sharing in the fruits of development is a complex matter, depending on economic, social, political, demographic, environmental, institutional and policy factors. The other side of the coin of extraordinary opportunity, and because of the very same processes, is the risk of increased inequality, increased vulnerability, social exclusion and marginalization of different groups, and social dissolution. These risks are present at the international, national, sub-national (regional and ethnic), community, household and individual levels.
5. The key issue for the early part of the next century is how to bridge this gap between opportunity and risk. The challenge for policy makers is the design and implementation of institutions, mechanisms and policies at various levels to harness the potential for poverty reduction, by setting a long term course which will access global and local opportunity but allow broad sharing of the gains from development, while managing the short term risks of inequality, vulnerability, marginalization and social dissolution. This is not an easy task, and crucially important will be learning from a detailed evaluation of experiences with actual interventions in the past. It is important to go beyond broad strategies, to draw lessons for implementation which take into account time horizons and social constraints that policy makers actually face.

The WFDD has been invited to participate in the process of consultation on *WDR 2001*, as part of our dialogue about development between nine of the world's religions and the World Bank. Our aim is to highlight different ways of defining poverty and different perspectives on what "development" might mean, as well as to tackle practical development issues, such as how to include the poorest people and how to measure poverty. It is not a question of inserting "our paragraphs" into the report, but of making a fundamental contribution to the thinking behind it. Once the report has been published,

we hope to cooperate, too, with the dissemination and implementation of the its recommendations.

II. Key issues for development drawn from the faiths' papers produced for the World Development Conference, February 1998

Each of the nine faiths present at the World Faiths and Development Conference, held at Lambeth Palace, London, in February 1998 - the Bahá'ís, Buddhists, Christians, Hindus, Jains, Jews, Muslims, Sikhs and Taoists – presented two papers: one on the relationship of their faith to economic issues and the other on criteria for development. The difference between the papers reflects the often profound differences which exist between the different faiths of the world. It is not the intention of the WFDD to try to attain an artificial uniformity or in any way to diminish the richness of the diversity of the different faith traditions. Nevertheless, we feel able to draw from the papers a remarkable degree of consensus about some of life's deepest truths.

All the faith leaders present at the conference were in agreement that economic and social development must be judged within the framework of faith beliefs and values. These do not provide a blue print for development models, but they do provide a wider context within which economic activities are to be assessed, as well as a basis for drawing up criteria by which to evaluate development policy and practice. Development success must be judged in qualitative as well as quantitative terms. Evaluation should include the ethical dimensions of the intention and outcome of development plans, and the spirit in which they were carried out.

In an effort to bring some focus to our thinking, we have extracted from the faiths' papers five issues, which we believe provide a starting point for a meaningful debate among the faiths themselves and with the *WDR 2001* team. Each issue is no doubt more important to some faiths than to others, and one or two of them may be found only as a minor concern in certain faith traditions. We are also aware that within each faith community many different currents exist, which represent different emphases or even a divergence of belief, and certainly of practice, within the same religious tradition. Nevertheless, there seem to be powerful enough indications of the general importance for the faiths of these themes to make this exercise a valid one.

The statements under the headings are drawn from the faiths' papers. They are not placed in any particular order and there has been no attempt to reconcile any contradictions among them.

II.1. Material gain alone cannot lead to true development/ Economic activities are inter-related with all other aspects of life.

- Families and communities and social relationships are the source of people's "wealth", strength and hope. They must not be destroyed by the search for economic profit.

- Economics must serve people's needs. People should not be sacrificed for economic objectives.
- Material progress is to be valued primarily as a vehicle for spiritual advancement.
- Economic gains must be weighed up against possible losses in other areas of life, such as the cohesion of the community or a balanced perspective about what things matter most.
- Economic activities are not value-free, and they do not stand outside the moral and social order.
- The well-being of the whole individual and community means more than economic prosperity.
- Poverty will not be overcome whilst science and technology are used for priorities only tangentially related to people's central interests.
- The market on its own is unable to promote the ideas of unity and justice. A belief in the power of the market to rule the world is idolatry.
- There is a danger of corruption by wealth and by the power that wealth brings with it.
- We should all live simply.
- It is wrong to compete with other people for material gain.
- The principle of compassion is more important than economic achievement.
- Interest should not be charged on loans. A lender or investor should share the risk.
- To help the prosperity of the whole community is as much a religious duty as worship is.
- Long-term sustainability of the environment should not be sacrificed for short-term profit.
- All aspects of life should be held in a balance. /People should follow a middle way between life-denying asceticism and sensual indulgence.

II.2. The whole world belongs to God/Human beings have no right to act in a harmful way to other living creatures.

- Humanity is in a situation of stewardship, not ownership, of any kind of wealth.
- Humanity is entrusted with the stewardship of nature.
- Each generation has a responsibility towards future generations.
- No development strategy should include harming living plants, animals or people.
- Human beings should be continually aware of their interdependent relationship with their environment and bear in mind that they are merely one part of the wider community of all living things.

II.3. Everyone is of equal worth.

- People must be protagonists in planning their own future.
- Everyone should have access to the power to make their own decisions.
- Everyone should be consulted about decisions which affect their lives.
- Everyone should have access to education, health and other basic services.
- Men and women, boys and girls should have equal opportunities and rights.
- When assessing the success of development work, development workers should listen to those most affected.
- The poor must be given priority because they are the "least equal" members of society
- The poor must be given the possibility of becoming self-reliant.

II.4. Unity in diversity/ People's well-being and their very identity is rooted in their spiritual, social and cultural traditions.

- If people lose their community and their culture, they lose their identity.
- Different things are important to different communities and different people have different ways of doing similar things. This means that different development models are needed for different places and cultures.
- Development workers should respect cultural differences (which does not necessarily mean that all elements of all cultural traditions should be preserved).
- The richness of cultural variations in the world should be valued as an asset to be treasured (instead of being considered merely as an obstacle to western-type development).
- Local cultures and the sense of community they generate must not be undermined by "aid".
- Indicators for the success of development work will vary according to different cultures. In some cultures they will constantly be changing.

II.5. Social cohesion is essential for true development. Societies (and the world) must be run on the basis of equity and justice.

- Greed is to be condemned and generosity and compassion called for.
- Material advances should not be made available only to the privileged.
- Human relations between the rich and the poor must be redefined.
- There should be equality for men and women and boys and girls.
- Wealth must be made available to all in society.
- Development projects and programmes must benefit all affected.
- A developed society is one in which all have enough and no-one has too much.
- The distribution of wealth is not a question of charity but of religious duty.
- Safeguards must be put in place to protect the poorest people from distress.
- Honorable public administration is called for. No levels of corruption are acceptable.

III. Suggestions for some key issues for the *WDR 2001*

If we leave the faiths' key issues as they are above, we are in danger of reiterating general principles whose application to development theory and practice is not clear. In this section we attempt to translate some of these issues into specific questions for development, including the relationship of development at a global and local level.

III. a) Five specific issues for development

The *WDR 2001* team has already begun to point out the need to address the tensions, even contradictions, which seem to exist between the World Bank's aim to eradicate poverty and the prevalent overall economic model, which is seen by many as generating not only wealth but also inequality, poverty and cultural uniformity. The team talks, for example, of the need to find mechanisms for dealing with the shocks which afflict the poor, both in terms of natural disasters and as a result of the instability of the

international financial system, as in the recent case of East Asia. There is recognition that globalisation brings with it grave risks for the poor, as well as opportunities.

Addressing a gathering of the WFDD in October 1998 in London, Joseph Stiglitz, Senior Vice-President of the World Bank and Director of the *World Development Reports*, said that in the past there had been too great a focus on macro-economics at the expense of individuals and families. He went on to add that, although the poor were often those who suffered most from any negative effects of globalisation, their voices were seldom heard.

In the light of the faiths' papers, we suggest that the following issues should be raised by the faiths in our dialogue about the poverty and development in the framework of the *WDR 2001*.

III. a) 1. **Globalisation is in danger of destroying cultural diversity**

Globalisation is seen by many people of the world as the instrument by which their cultures are being destroyed to be replaced by a standardised version of western culture, generally regarded as the culture of the United States. Such people may point to the spread of McDonald's fast food restaurants from Central America to Russia and the cult of western pop musicians from Chile to Sri Lanka, but what they usually pick out as most fundamentally harmful is a perceived shift in values towards the kind of competitive relationships and individualistic consumerist materialism, found in many western societies.

These changes are regarded as indications of an increasing loss of a sense of cultural identity. Young people especially are seen to suffer from the loss of the traditions, visions and patterns of thinking which have for a long time given life a meaning to people in the culture to which they belong, so that they are left "not knowing who they are, why they are here or where they are going", in the words of a Hindu friend.

That these perceptions contain a great deal of truth cannot be doubted, but, although the standardisation of culture throughout the world may be perceived as an option by some and a threat by others, it has not yet happened and there many signs of resistance to the trend towards it. Two such signs are measures to reintroduce local languages in schools, for example in Mongolia and some parts of Wales, and the re-discovery of pride in belonging to a culture which had been given inferior status by a colonialist power.

The basis of all cultural traditions through the ages has been religious beliefs, and these still persist today as the ground rock of most societies. The religions thus have a specially important role to play in dealing with the cultural challenges brought by globalisation.

Perhaps their first task is to recognise that a degree of pluralism has long existed within their own cultures and to accept that, in the present-day world, in which the influence of other cultures is stronger than ever before, the mixture of cultural values is bound to increase. Only then will communities of faith be able to differentiate between what can be jettisoned from inside and absorbed from outside to promote development, without

jeopardising the integrity of their societies and the physical, spiritual, social, and political well-being of their people.

But if the faiths are to help people to hold on to what is of value in their cultures in the face of globalisation, they need to understand what they mean by real "development". What are the opportunities of globalisation to which Joseph Stiglitz and the *WDR 2001* team refer? Are the faiths themselves taking up what the *WDR 2001* team sees as the key issue for the early part of the next century: the task of finding ways of bridging the gap between the opportunities and risks brought by globalisation? Is not one opportunity offered by globalisation, to share ideas and to shed some of the dogmatism caused by isolation?

If people the world over are tending to fall for the supremacy of competitiveness over solidarity and the pervasiveness of a mindless consumerism, what can the faiths offer as viable alternative cultures which will enable people to live life in all its fullness? Instead of assuming that the technology-driven fact of globalisation is necessarily bound to a contingent culture, perhaps one task they might undertake together is to demonstrate how different aspects of their own cultures can improve upon the culture associated with globalisation.

If the faiths believe that economic activities are inter-related with all other aspects of life, for instance, they might find their own methods of management practice, which include a closer integration of people's personal and professional lives. The separation of these two areas of life causes many people to behave at work in ways which go counter to their personal understanding of morality. Thus, although a different managerial culture would not rule out the material rewards and incentives of capitalism, it could eventually lead to a different ethos in business practices, for example more mindfulness about the way profits are made.

In their own development projects faith-based organisations have worked to find the right balance between the competitive and cooperative rationalities which motivate all human activity, to find ways of carrying out profit-making activities within the present context, without violating their deepest spiritual and social values. These projects should be studied as possible models of how things might be run differently on a larger scale.

The religions are not going to find it easy to continue to fulfill their mission of interpreting the reality around them in the light of the truths of their faith and to hold onto the wealth of cultural diversity in the face of the influx of uniformity brought by technological advances. But increasing people's awareness of the richness of their culture, of the resources to be found in their faith and of the value of their own identity is one way of enabling them to find hope in a world where hopelessness is often one of the most visible results of the so called "developmental" process. Amid unemployment, mass emigration from rural areas to urban shanty towns, the loss of traditional markets and the feeling of inadequacy caused by the competition to increase luxury consumption, the faiths can offer an anchor for people which brings a different perspective to their lives and renews their sense of purpose.

The challenge to the World Bank and other development agencies is to recognise people's culture as a vital element of development. The faiths will be able to help them to do this by giving practical examples. It must be demonstrated that, if development programmes alienate people from their own view of life, at best their roots will be shallow and their success ephemeral. At worst they will destroy existing community structures and values and create cultural deserts in which the values and norms according to which societies have been held together will be lost.

All too often people's beliefs and the priorities arising from them, their religious celebrations, their sacred sites, their way of organising their communities and taking decisions are regarded as peripheral to development issues or even to stand in the way of "efficiency" in producing economic profit. But how will Guatemalan Mayan women regard a chicken project, if their hens are wrenched from them before they have had time to bless them on their way to market? What will motivate Indian villagers to get together to create self-help programmes, if they are told their religious celebrations are outside the remit of the project?

But culture is not merely to be seen as an instrument to be harnessed to obtain good results for development projects. It is not a question of making concessions in these cases to a bit of "inefficiency" in terms of economic practice, but of grasping the reality that the priorities in life for Mayan women or Indian villagers, are fundamentally different from those of most development technicians. Rationality is deeply embedded in culture. The western rationality founded on technology and science is not the only way of understanding the world as an ordered whole.

III. a) 2. **Equitable sharing is an essential ingredient of development**

The condemnation of greed by the faith communities is based on practical observations of the destructiveness of the accumulation of wealth at the cost of other people. The scandal of powerful landowners with vast estates surrounded by large numbers of hungry landless peasant families still exists in many countries of the world. In all the large cities, from Berlin to Sao Paulo, the juxtaposition of ostentatious wealth with abject poverty is visible to all who care to see it. On a global level the statistic that 18 per cent of the world's richest people consumes 60 per cent of the world's wealth speaks for itself.

This lack of mindfulness on the part of the rich is not only a moral problem, it contributes to the opposite of development: environmental destruction, an increase in crime and drug trafficking, the migration of large numbers of people who are forced to leave their homes to seek a living, and a general feeling of fear and insecurity, as even those who possess material wealth all too soon discover the fragility of its guarantees. All the great religions of the world stress the folly of some people amassing great wealth at the expense of others.

The *WDR 2001* is intending to address the subject of equity, in the sense of equal access to education for all and a more equitable distribution of resources such as land. It is ready

to address the problem, too, as manifested within the industrialised world. But to what extent will the *WDR 2001* look at the problem of poverty not only as a problem of the South? Will the need for better balanced and more careful consumer patterns in the North be addressed, and ways suggested to work towards avoiding excessive waste and consumption based on unfair exploitation?

Will poverty at a local level be studied in the context of international financial, economic and commercial systems which create inequitable situations? Is it possible for the *WDR 2001* to deal with the issue of rural development, for instance, without looking at those international trading rules (or lack of rules) which bring the threat of ruin to small farmers? The only way to achieve an equitable sharing of the world's resources, is to give priority to the poorest and the least advantaged on a global scale, as well as locally.

The emphasis laid by the faiths on the need for a transformation of the Self may seem far away from the hard politics of economic development, but without the generation of different attitudes and values on an individual level, equitable social progress will be hard to attain. Religious-based organisations can provide examples from within their own communities of ways in which they are trying to bring about a more equitable sharing of wealth and power and demonstrate that, in the end, they are to the benefit of all. They can point to alternative trading schemes, for instance, which might be viable models on a larger scale. They can they show how mindful consumption is possible and make suggestions as to how rules for advertising and marketing might be changed to bring this about on a generalised scale. But their contribution has to do, too, with conviction and motivation and with the building up of a different kind of relationship between the rich and the poor.

The faiths are largely agreed on the need for restraint and mindfulness on the part of those who have sufficient to live on, and their moral obligation to share with the less well-off. Some have structures in place, such as the Muslims' *zakat*, to ensure a fairer deal for the poor. But there are other areas of equitable sharing in which many of them find difficulty - gender equality, for instance. As we enter into the twenty-first century, the global changes of "post-modernism" will, quickly or slowly, affect the situation of women within and outside their families. The world's religions face the challenge of sorting out for themselves how much of the male-domination practised within their communities is based on their vision of the divine order and how much has to do with cultural traditions which are now out of date. And they face the challenge, too of defining, in the present-day context, what place women, who, with their children, are the poorest people in the world, would have in a truly "developed" society. There is a need for more equity in the way power as well as wealth is distributed.

And in this sense, equity has to do with participation. At the most basic level, it is simply unfair that people are excluded from being part of processes which end in decisions which deeply affect their lives. Whether we are talking about development projects designed in Washington without the participation of the so-called "beneficiaries" or whether we are talking about the exclusion of women from positions of power in their

own communities, the challenge is the same. How can power be shared in a meaningful way so that everyone is appropriately included?

III. a) 3. **Our responsibility is to take care of all that lives**

The sense of the sanctity of creation and the awareness of humanity being merely a part the rest of creation, have been lost in the frenzy to make short-term profits. Giant mahogany trees floating down rivers to be smuggled across a jungle border, huge tracts of land endangered by artificial fertilizers, industrial fishing vessels which wipe out whole varieties of fish and the ever-increasing volume of road and air traffic which pollutes the air, these are all signs of a lack of responsibility towards our planet and towards the future generations which will inhabit it.

If the *WDR 2001* is talking of how we measure poverty, the state of the environment must be a major element. The destruction of the environment impoverishes everyone. New diseases caused by pollution are affecting city dwellers and the ruination of the countryside means the end of a livelihood for farmers. Development strategies and policies on a local and global level must look after nature and the earth's resources, as well as the human communities which depend on them.

The World Bank has for some time been stipulating that the programmes it funds should not be environmentally damaging. But how do the World Bank and other agencies address the contradictions which arise between the quest for ever-greater economic growth and the inability of the planet to sustain it? Are communities which have lived through the ages from fishing in now devastated oceans, or forest dwellers who no longer have rubber to tap or nuts to harvest merely to be discarded as obsolete? Or are governments and the international financial institutions willing to press for regulations or incentives to stop multinational corporations creating havoc with the habitats of plants, insects, birds, animals and people?

The majority of development economists tell us that economic growth is the pre-requisite for development, and they point to the situation of people in African countries, where growth has been non-existent or even negative over the last decade, as the proof that they are right. If this is the case, what have the faiths to say about how economic growth is managed and about appropriate choices of technology and consumption, which will save the earth from ruin? Or, if it is not necessarily the case that development depends on economic growth, can the faiths point to alternative economic models, which could provide some basic elements on which to build world-wide alternatives?

Organisations linked to the world's religions can provide examples of very varied types of work with some of the poorest communities in the world, programmes which have helped people to generate income and communities to progress, but which do not jeopardise the future of the earth. They are also working hard on restoration programmes, such as reforestation and organic farming, to try to bring back life in areas where it has been destroyed. There is now a need to see how these usually local projects can be replicated

at a regional or even national level, as without this, there is a danger of their having a largely symbolic character.

But it is not only examples of development programmes on the ground which constitute the faiths' contribution on this issue. They have an important role to play in public education programmes, pointing to the role of commercial advertising, for example, in persuading people what sorts of things they should consume. Development education is an essential part of any development programme and is an area in which the faiths and the World Bank might well cooperate in the future.

The faiths will also enter the debate on a different level. They will raise the question of the conservation or restoration of sites which have been held sacred through the ages and have particular significance as places of worship or remembering the dead. But they will also point out that environmental conservation has to do, on the deepest level, with the meaning of people's life in this world, as stewards of the earth entrusted to them by their Creator and/or as a sign of the interdependent relationship of humankind with the rest of creation. Agencies such as the World Bank may not find it easy to know how to incorporate these concepts into their development work, but whether or not they are interpreted in the context of a particular faith, they point to truths which humanity is ignoring at its peril.

III. a) 4. **Social networks**

Human relations are the bedrock of people's existence, not only in the sense of social networks providing help when a person is in need, but in the deeper sense of providing individuals with a sense of worth, identity, purpose and belonging. Given human frailty, social groups such as families and close-knit communities often play an oppressive as well as a supportive role, hence the need to set rules as to how they are to function, but the loss of family and community organisations is generally seen as an impoverishment for any individual and for society as a whole.

This impoverishment is particularly visible among migrant communities, who have left their rural communities to seek their living in a town. Uprooted and without the physical, social and spiritual support of their traditional networks, they seek a replacement, which may be anything from a street gang to a religious community. For the poor, support groups are an economic as well as an emotional necessity, for the better-off they provide the support every human being needs from others. All real development must, therefore, be about strengthening support structures, which may also be organisations through which the poor can defend their rights, such as peasant associations or neighbourhood councils. And development is also about encouraging fairness in the way that such groups are organised (which may or may not be along traditional lines, but does not necessarily mean a western-style democratic pattern.)

Places of worship: the temple, the gurdwara, the mosque or the local church have always been the centre of community life, the place where the vulnerable seek help and those who have sufficient are expected to share. The life of all religious people is, in some

sense, necessarily about building communities, caring for one's neighbour, feeding the hungry and teaching people about the meaning of their relationship with one another. Since the horizons of faith-based communities stretch far beyond the family, clan or village, they can help to broaden people's perspectives and enable them to feel they belong to a wider community as well as their own smaller one.

The ideals of self-sacrifice and putting others first is much more familiar to the faiths than it is to global capitalism and might be difficult for secular development institutions to deal with, but it is this kind of personal commitment which gives faith-based networks a particularly solid foundation. It also gives the faiths a particular contribution to make to development work on the ground.

But the faiths themselves are challenged too, to make sure that an element of freedom and real "development" is introduced into their social networks by, for instance, building into their programmes self-help activities, so that those who are able have an opportunity to move on to a less dependent existence. Sometimes it is difficult to relinquish the power which more traditional charitable works invest on the givers.

How can the World Bank relate to this sort of community work? The *WDR 2001* team suggests that the measurement of living standards must take into account community level considerations. However, with all the talk these days about the "social capital" available through community organisations, in some cases it sounds as though we run the risk merely of talking in terms of the cohesion afforded by social networks being harnessed to produce profit, rather than the networks being valued in their own right as an enhancement to the life of the human beings who belong to them. Is the World Bank mindful of its responsibility not to cause divisions and strife by introducing elements alien to the nature of many social networks of the world?

The term "social capital" should, perhaps, be replaced by "social energy", so that it is clear that we are speaking of a force for life in all its aspects. If social networks help to achieve economic growth, at the same time they must adhere to their commitment to fulfill their social and spiritual functions for the well-being of everyone.

III. a) 5. **Development is not only about economic growth**

None of these issues can be satisfactorily addressed until there is genuine acceptance of the fact that development is not only about economic growth, using modern technology, making a profit and consuming more luxury goods. We all acknowledge the need for people to have the basic material necessities of life, and more. But it is vitally important that the non-economic factors which contribute to people's well-being are weighed up against the economic ones, and the consequences of economic growth for some of the most valued aspects of community life are made clear, so that the people concerned are given the opportunity to decide where their priorities lie.

Sometimes the options are plain and the choices made may be unexpected, as in the case of a Salvadorean peasant community in a war-torn region, whose messenger arrived in

the capital city, after a hazardous mountain journey, to ask only for a guitar to accompany their religious celebrations. In this case the choice was made for the continuation of a valued religious tradition which brought hope, inner peace, consolation and strength to the community at a time of great crisis.

But more often than not, the options are not so clear and the people affected by them are not consulted. When small amounts of credit are made available at high interest rates to individuals or individual families, how often do the lenders sit down and discuss the possible consequences for the development of the whole community? Are people given a chance to decide whether they would rather work in groups? Is there a discussion about how the poorest and least able will be incorporated into the programme? Is the relationship of the new small enterprises to existing community structures debated? Or is economic gain for the individuals the only criterion used, while other possible results are considered unimportant?

We have seen again and again how development projects have fallen apart because they have only taken into account the economic factor. The reduction of relationships between people as merely instrumental to the aim of attaining maximum economic efficiency has often led to a break down of solidarity, the beginning of corruption and, eventually, the destruction of some of the vital elements of community life. Cooperatives in many parts of the world can provide examples of this kind of failure. When genuine participation is sacrificed for more rapid methods of decision-making by a few people, when the stronger members oust the weaker ones, the common sense of ownership is soon lost and, with it, the motivation to make a contribution. Divisions within the community result and no-one ends by gaining.

Efficiency is a valid goal and necessary for vital economic progress but the challenge to the faiths is to show that there are more ways than one of achieving it. Are there cases where economic success has actually been boosted by the promotion of a feeling of hope and dignity arising through people being able to make informed choices and control their own affairs? Can there be validity in the decision to include the most disadvantaged in a development programme, even if this entails less cost effectiveness or a lowering of the profits? The President of the World Bank himself has reiterated on many occasions that exclusion is an ill of our time, which must be overcome. In saying this, he is implying that economic growth on its own is an insufficient basis for true development.

III. b) **Issues for the WFDD in relation to the WDR 2001**

The *WDR 2001* team has particularly asked WFDD to make a contribution on the following topics.

III. b) 1. **Religious values and the definition of poverty**

The faiths are in a particularly advantageous situation to make a contribution to defining poverty and development, both because they are deeply-rooted in age-old cultures, whose wisdom on these topics is profound, and also because they are, by their very nature,

embedded in the communities of the poor. They know from within what poverty is about and how poor people themselves define poverty. They also know what poor people think development should be about.

As precise a definition as possible of poverty and development is essential for the setting of any goals and strategies. The *WDR 2001* team is focusing particularly on the values and norms lying behind the different definitions of poverty. A person who defines poverty (and therefore development) in purely economic terms will have a different understanding of the meaning of life from someone whose goal is multi-dimensional “integral human development”, made up of social, political, environmental, cultural and spiritual as well as economic elements.

Do people from the faiths think that the non-income elements of poverty (such as social exclusion, loss of dignity, lack of education etc.) are as important as the income-based elements, and if so, why do they think this? (We shall need to give real life examples and be very specific. Which non-income elements of poverty, for example, cause people most suffering?) Are projects such as literacy or leadership training, which empower people but do not address problems of income, a priority among the poor?

Do dignity and hope etc. have a value in their own right? Or are they considered principally a means of empowering people to attain a better position in society?

Definitions of poverty based on religious values will undoubtedly include spiritual deprivation and cultural impoverishment, but will they by and large be different from other definitions? The view that poverty consists of elements such as child labour, a loss of community values, lack of support systems for orphans and the elderly etc. is not exclusively a religious view, though the values behind the criteria which are used to select these elements are probably rooted in a faith. To what extent is it important, or indeed possible to single out religious values when defining poverty?

III. b) 2. **The measurement of poverty/elements of development**

The World Bank and similar agencies have long since incorporated social elements such as education and health into the measurement of poverty, but ways have now to be found of measuring the kind of deprivation mentioned by the *WDR 2001*, such as vulnerability and risk and exclusion from the mainstream of society, and even of spiritual deprivation. How much value have a sense of purpose, faith and hope, for instance, in comparison with sufficient food, education and health?

In his paper *Development Indicators: A Research problem, A Policy Problem*, Denis Goulet points out the importance of finding good indicators of development, as these are the main guides taken by decision-makers to orient the allocation of resources for development purposes. Goulet suggests that it is probably impossible to measure and weigh up qualitative values, such as dignity and hope against quantitative goods such as income or nutrition levels, and that what is needed, therefore, is not a new set of indicators, but a key to the interpretation of multiple development indicators now in use.

We need to find out what the indicators do and do not tell us about development by asking questions such as: which definition of the goals of development lies behind this indicator? Or which diagnosis of the causes of underdevelopment is contained in that one? How the elements of poverty are measured will, of course, be closely related to how the measurer defines poverty and development.

Since the faiths are constantly faced with making choices based on poverty measurements, such as which communities or individuals are in most need of the limited resources available, we hope that WFDD's contribution to the discussion on this topic will be firmly based on experiences with poor communities.

III. b) 3. **Social Norms and Social Exclusion**

The exclusion of certain social groups or individuals is incompatible with the principles of a community spirit and equitable sharing which lie at the heart of most religions and yet the world's religions have been among some of the most vigorous excluders in history. This is partly because it is part of their very nature that religious groups believe that they are superior to other religions, having found ultimate truths, which other religions have missed. For the same reason they have found it difficult to tolerate a divergence of interpretations of beliefs within their midst and have safeguarded themselves against heresies by exclusive practices such as excommunication.

The fast-changing context at the turn of the century is already giving an extra urgency to the inter-faith initiatives which are under way. Inclusiveness will grow where there is a sharing of ideals and aims and a strategy to reach them. In the context of the WFDD, the faiths' broadly shared perception of development as a cultural, spiritual, social, and environmental process, as well as an economic one, already provides a common purpose and some common principles on the basis of which they can face together the challenges of the age of globalisation, which include the challenge of social exclusion.

The ever-widening gap between the rich and the poor is giving rise to more and more people feeling left out. It is no coincidence that a few years ago one of the current songs in Chile which found most echo among the young was entitled "Los que Sobran" – those left over.

Exclusion from the benefits of overall growth usually goes hand in hand with exclusion from social services, such as education, health care and housing. Behind this form of exclusion may lie various norms and values, varying from the idea that it is not cost effective to invest in the poorest sectors of society, as their contingent problems make them unable to respond satisfactorily – for example if a child is hungry, he or she is unlikely to do very well at school – to racist values involving the exclusion of certain ethnic groups.

Another form of social exclusion is the denial to people of the right to participate in decisions affecting them. Very often the notion lying behind this kind of exclusion is that those excluded have nothing to offer, be they peasant farmers who are excluded from the

decision-making process of a development programme, or women who are excluded from the village council. This attitude may reflect many different beliefs, each themselves embedded in different norms and values – for example the belief that people with little formal education possess little wisdom or that women are innately inferior to men.

Ways in which work is perceived is another cause of social exclusion, which has received too little attention in the past. We are not only dealing here with the problem of rising unemployment, but with many forms of work which have never been recognised as worthy of remuneration and because of that are habitually undervalued. An example is the self-sacrificial work of millions of people the world over, mostly women, who dedicate very long hours caring for the disabled or elderly.

Having analysed what norms and values lie behind social exclusion in its various forms, the faiths have an important contribution to make in suggesting how these might be replaced by other values, which lead to a greater social inclusiveness. Incentives for change can be given by showing practical examples of alternative development models which, by being more inclusive than the prevailing one, lead to greater overall well-being for a greater number of people.

These are the three priority issues for our contribution at this stage to the WDR 2001. We are aware that we have not covered many other essential themes, such as the ownership of property and services, the concept of solidarity (including participation) and post-conflict reconstruction. We hope that future Occasional Papers will do this.

WFDD warmly invites our readers' reflections on the questions raised in this paper and would very much appreciate case studies of faith-based programmes which illustrate any of the issues mentioned.

Wendy Tyndale
Oxford, November 1998

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