

Michael M. Cernea

"Culture?... At the World Bank?"

-Letter to a Friend-

We invited Dr. Michael Cernea –Research Professor of Anthropology at George Washington University and former World Bank Senior Advisor for Social Policy and Sociology-- to write an article casting a retrospective look at the Bank, and on his personal experiences within it, during the early times of low awareness of cultural and social issues in Bank-assisted development interventions. At that time, Dr. Cernea had joined the Bank as its first in-house Bank sociologist. In response, Michael Cernea gave us a letter on the same topic that he wrote in October 2001 in response to a similar question from a friend, Dr. Lourdes Arizpe, currently President of the International Social Science Council, who at the time was Assistant Director General for Culture of UNESCO. As this letter addresses some issues of wider public interest, we decided, with Dr. Cernea's agreement, to post the letter on our website, with some additions made by the author that detail several factual points, while leaving out others of a more personal nature.

We thank Michael Cernea for agreeing to make his letter available publicly and for detailing some of its points . Comments are welcome.

Vijayendra Rao

Dr. Lourdes Arizpe
Assistant Director General
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Paris, France

Dear Lourdes,

I read with deep interest the draft paper you sent me on the intellectual history of culture in international development organizations and on how UNESCO itself has addressed the perennial question of "culture in development". This sure is a question to which "we of the social-tribe" return with obsessive regularity, at times with delight, yet more often with frustration. Your paper is a gold mine of precious information, insightfully analyzed. I much enjoyed it, and will strongly recommend its publication. Your historical view on development theories touching on culture is comprehensive. Surely, historians of UNESCO and of the UN system altogether – and many other readers-- will long use your paper as an insider's candid and competent testimony.

You also asked me to share my experiences and thoughts about how the World Bank as an international development agency has treated culture in its policies and projects, how have we confronted on the World Bank's turf the daunting question of including "culture in development ". Tall order! But it's a question I like, a topic I love, and I will gladly share both "hard facts" and personal experiences. My story line, however, will significantly depart from your own narrative on UNESCO,

because our two large scale international organizations, UNESCO and the WORLD BANK, have different work agendas and have followed very different itineraries in this respect. I also believe that our experiences in the World Bank are relevant not just for international agencies, but also for Governments, that is for many large scale *governmental domestic organizations* tasked to induce and stimulate development, which deal with development programs, social services, planning, the quality of life, social welfare, environmental protection, and so on.

Bringing social knowledge into the Bank was my challenge from the very first day I joined the World Bank, in 1974, my "ToR" -- to use Bank vernacular. Yet I had to largely "self-write" my terms of reference, since at that time the very language needed for phrasing such a task was still not part of the Bank's vocabulary. Your question stirred many recollections. Since you provoked me, you are in for, perhaps, a longer response than you might've expected. Much of what I'll tell you is, in fact, part of the Bank's intellectual history, -- *a/as*, yet un-written from this cultural angle.

There is little doubt that the Bank's path toward recognizing culture as critical to development was much different than the path of most other large-scale international bureaucracies, however respectable. Take, for instance, not only your UNESCO but the UN itself, or FAO, or UNICEF, WHO, ILO, the multi-lateral (regional) development Banks, or IMF (in IMF's case, I doubt whether this heretic question is being asked even today). In your own paper about UNESCO, you started from the point that this international organization had from the beginning the concept "culture" in its very name. Not the case of the Bank, though! The Bank's Bretton Woods founders were not even contemplating the concept of "culture" when they defined the Bank's development role, and this is one of the major errors in the heritage they left us. In fact, the establishment post WWII of the entire system of

new international institutions created, in my view, a lasting institutional divide between development and culture, a split with adverse consequences that, despite progress to the contrary, we still today must fight to overcome. With a smile, I can say that from the outset the Bank's managers might have implicitly thought that – given the division of labor between international agencies – culture is UNESCO's business, while the World Bank would have its hands full with big infrastructure and serious economics, and should have nothing to do with fuzzy, intangible, esoteric matters such as culture.

However, there have been interesting similarities between how the World Bank traveled its own path to “culture in development” and the path pursued by the other development banks (such as ADB, IDB, AfDB), despite differences that persist. In essence, regional development Banks have followed in many respects, with a time lag, the example set by the World Bank, including in our re-orientation versus **social** development and the recognition of cultural variables. (In passing, let me remark that our colleagues from the younger EBRD seem still to not have fully discovered even the questions about culture, let alone the answers...). The similarities I see are explained, of course, by similarities in institutional structures and functions, and in the social composition of the staff of development agencies. Because of such similarities and differences, our unique experience at the World Bank –the bad and the good, the successes and the failures-- deserves exposure and reflection.

Many tend to think of the question of “culture and development” in terms of how development agencies have reacted, or react now, to the various academic sociological or cultural theories that, at one point or another, become famous and grab headlines in journals. Take, for instance, such one time “en vogue” intellectual constructs as Rostow's “take off” theory, or the Oscar Lewis theory on the culture of

poverty, or the ideas about human rights, etc. Recall also the “modernization theories” and theorists, such as David McClelland’s famous theory about achievement-motivation and the “virus” of development, allegedly present in some contexts and absent in others, however far-fetched this theory sounds today. When that theory came up, it had its time under the sun and was taken quite seriously not just at Harvard but by the UN and some of its agencies. Not by the Bank, though, which had no time for scholars who researched school textbooks to determine if the cultural “virus of modernity” was fed early into the minds of school children, or was absent from textbooks, and thus... the respective country remained condemned to be under-developed !

The path beaten by the Bank towards social and cultural variables was different. The conceptual framework which guided the World Bank’s work at its beginnings was strictly technical/economic. That framework did not offer anything substantial to instruct Bank staff that development and reconstruction should take culture into account. And indeed, the Bank did not look at developing countries’ culture, or discounted the culture of developing agrarian societies as being “traditional” and thus only an obstacle to development. I recall an acerbic comment by one of the more enlightened economists of the 50s, MIT’s Kindleberger, who reviewed three economic Country Reports published by the Bank. His sarcastic yet insightful observation was that the framework transparent in those country economic studies reflected the four-steps thinking pattern of the Bank as an institution: (1) the Bank experts take as model the economy of the developed industrialized country they come from, with which they are familiar; (2) they travel to a developing country and produce a description of its economic situation and backwardness; (3) they deduct the later from the former; and (4) they identify the difference, calling it a

“development program”. Caricature, sure, but by and large it made the point! The countries’ social structures, their specific culture, institutions, counted for little

When, after the phase of post-WWII lending for reconstruction, the Bank started in earnest to do development work and shifted its gaze to the countries emerging from the debris of the colonial system, the dominant paradigm at the Bank was the theory of “technology transfer”. It resulted mainly in financing infrastructure and imports of modern machinery. This is what money was being primarily lent for. It took considerable time, however, until the Bank painfully realized, – and then also publicly recognized – , that the exported technology was far from producing the same results when it was planted into a *different social context*, a different cultural context, and a different human skills context. The economics science of the time had thinkers –like, for instance, Schumacher, Adelman and Morris, and others-- who did emphasize societal, political and cultural variables, or social equity in growth, but the Bank as an institution listened little to their early messages.

I credit the sobering assessment of the utter failures of de-contextualized technology transfer as having first cracked the door open to the concepts of local context and local culture. These failures in operations generated distressful and powerful lessons. Schumacher’s “appropriate technology” and “small is beautiful” arguments did also a lot of good towards ultimately undermining the technology-led aid paradigm. But of course this wasn’t yet a cogent, full-fledged argument about the place of culture in society and the role of cultural factors in inducing development.

When I came to the Bank in 1974, I was its first sociologist/anthropologist on regular staff. It was a bit lonely intellectually, to say the least. I found absolutely

nothing that would qualify as an articulated, conceptualized understanding that the Bank must consider the social/ cultural dimensions of development. Advocacy about social and cultural factors was made occasionally by outside social scientists through various representations to the Bank, but it fell on deaf ears. A long report proposing that the Bank ought to use cultural anthropology knowledge, submitted by two anthropologists in 1973, was simply set aside in the Bank, ignored. When I heard about it, I even couldn't find a copy.

During those early years, and in fact later too, when telling someone that I was working at the World Bank as a sociologist, on development's social and cultural issues, an incredulous expression usually appeared on my interlocutor's face: "Sociology? Culture?...At the World Bank?"

However, something very important was happening at the Bank in the very same years: McNamara was turning the Bank towards a poverty reduction orientation. This, along with the prior awareness about the need for appropriate technologies, finally facilitated some space for sociological work inside the Bank. Specifically, as I wrote in some articles, a key term of the poverty orientation was the new concept of "target group". Mind you – "group" – a sociological concept. Bank staff needed to define who is in this "group", who are the poorest 20% or the poorest 40% as the criteria were at that time, who are the members of that "group", what are the causes of their poverty, where is that "group" located or dispersed, what can be done about it. It is on the trail of such questions that I made my own initial steps into Bank work during mid and late '70s, just shortly after the Nairobi speech, invited to join as a member of the Bank's experimental Division led by Leif Christoffersen, McNamara's former personal assistant, a Division mandated to pilot newly designed poverty reduction projects.

In other words, my point is that the Bank started to smell and touch cultural and sociological issues not due to theories coming from the Academy, like Rostow's, or from research paradigms like the ethnography of poverty and Oscar Lewis' "culture of poverty". This interest emerged from a different need: the Bank's practical needs, its operational needs. These needs, once perceived, were a very dynamic factor. They were also a powerful horse to ride.

When I understood this, after the initial attempts to find my ways within this organizational behemoth, I developed what I called at that time the "*model of entry points in the project cycle*" for sociological knowledge. In other words, I took what at that time was one of the holy concepts of the Bank, Warren Baum's model of "stages in the project cycle" (a paper of wide circulation at the time, a piece of Bank Holy Gospel in the late '70s) and I started to argue through seminars, memos, articles, that at each and every "stage" in the Bank's project cycle there is a different set of socio-cultural variables and issues that must be addressed, there are values, attitudes and expectations to be known and taken into account. And that at every such stage of the project cycle (e.g., project identification, preparation, appraisal, supervision, etc.) a good **social** specialist would have specific, and distinct, functional tasks to perform.

My theoretical argument was pragmatically anchored: I argued with my staff colleagues and various managers that they can achieve *increased effectiveness* of projects, get "more development mileage" from Bank interventions, by recognizing culture and local aspirations, and responding to them fittingly. Yet emphasizing culture was then a counter-cultural position within the dominant economic ideology of the Bank. I also argued that the Bank should employ indigenous sociologists and

anthropologists in the respective project-countries, and hire many more in headquarters. This started to very slowly happen in late '70s, and gradually further, so that after being the lone anthropologist for several years, a small group began to take shape.

At the beginning, the way in which some Bank staff started to employ anthropologists on missions was wrong, non-substantive, limiting them to only a fraction of what they could contribute. Anthropologists were sometime being taken along on missions for poverty projects not to explain the structure and culture of the population to be assisted, but simply to be the translators, because anthropologists know a lot of strange languages, plus of course English. Most Bank staff, accustomed to talk just to government officials in English or French, felt out of place when they were asked to go, see, and talk to the poor. Our argument was that the anthropologists, even indigenous anthropologists, should be not simply translators but cultural brokers in a most substantive and complex sense. They must be allowed to participate in project design, to act as social architects, must be invited to bring to the decision-making tables the body of knowledge they have about the social structures and culture of local societies.

The Bank's work on poverty reduction proved to be among the most hospitable areas in giving recognition to social knowledge. This is where I looked for allies, and found some among the Bank's best economists working primarily on poverty reduction and those concerned with distribution analysis and issues. The Bank is not an intellectual monolith – never was – and not all its economists were cast in the same macroeconomic intellectual mold. Yet by and large the Bank was still an “economic fortress”, with little disposition to accept intruders in its thinking and practice, and we had often to engage in sharp debate with some colleagues

economists. We had to argue mainly against economic reductionism. That meant to oppose the trained-in patterns of “abstracting out” the social, cultural and institutional dimensions from economic rationales, and from the economic design and rationale of projects.

Our argument throughout such discussions was not just about “culture” in a narrow sense. Rather, it was framed more in terms of “social variables” in development, such as values, aspirations, knowledge, and –most importantly-- local institutions, family systems, and local patterns of social organization. We didn’t speak about culture in abstract terms and didn’t repeat the term “culture” at nausea, but rather showed how culture is actually embodied in the processes, communities, and institutions the Bank had to deal with in every country. We said constantly that Bank project staff need to understand local kinship systems. I was pointing out again and again the need to learn about the “invisible” types of social contracts and rules that govern customary tenure and resource ownership, usufruct, or custodianship. We demonstrated early that some institutions may be or are functionally quite similar, while they are very different in their cultural appearances and structure, only because they were the organizational embodiments of different local cultures -- a point that now mainstream economists acknowledge as central in development. To give just one example: In one of my early field missions in Tanzania’s Mwanza and Shynianga regions I found that there were numerous local “dance societies”, apparently irrelevant to the agricultural project we were then preparing. My mission colleagues were quite amazed when I showed, however, with survey data, that in fact those dance societies did something much more than dancing at certain occasions: they functioned in fact as genuine “labor exchange” organizations, facilitating regular mutual help among their members at critical times in the

agricultural calendar, –lending, receiving and swapping labor to cope better with seasonal demands.

The ride to culture recognition, however, hasn't been smooth and straight. We often stumbled in search for answers that we did not have or find, and got into potholes and dead ends on this Bank journey to culture and social awareness. Or we run into entrenched opposition and hostility. I often said that development anthropology may be another contact sport. The sociological argument that development interventions should “fit” local expectations and be well informed about culture was right theoretically, but how was this supposed to happen in daily practice? How could an outside institution, --in Weberian terminology, a “large scale bureaucratic organization” remote from its operation areas-- learn about people's values, attitudes, culture? In brokering a practicable marriage between development and culture this was a hard task.

It soon became obvious that even under the most optimistic scenario the Bank could not employ an anthropologist for every project, who would tell his/her team members the “values” and “cultures” out there. And so we moved slowly toward more diversified approaches:

First, I realized relatively early that we could never cover the territory if we keep laboring in the Bank only piecemeal at project level, i.e. project by project, with inputs at one or another of the “entry points” that I mentioned above in the **project** cycle. Therefore, I corrected myself, broadened the argument, and argued that we would need to learn how to contribute also to Bank **policy formulation**. Indeed, we raised the stakes and started to propose to Bank Management guidelines for various policies on “social issues in development”. The first success was the Bank's

adoption and enactment of an explicit statement of social policy, titled just so: "Social Issues in Involuntary Resettlement in Bank-financed Projects" (adopted as OMS 2.30, February 1980). This was also the first time ever that an intergovernmental agency adopted a formal policy on forced displacements as a severe social pathology recurrent in induced development, totally undesirable but often unavoidable, which, therefore, must be deliberately mitigated. With the promotion of this first social policy we placed the Bank in a leading position internationally on this matter of human rights. It opened a long period of hard efforts for consistent policy implementation, against bypasses, and for prompting developing countries' governments to also adopt domestic policies on resettlement.

A second important step occurred soon thereafter: in 1982, after intense internal discussions, the Bank adopted the social policy on the protection of indigenous populations living in project areas (OMS 2.33). In this policy, cultural issues came up massively onto center stage. This policy guided the Bank and borrowers on complex matters of local cultures and preserving indigenous cultural identity.

As I write you this note, I realize it is not at all easy to reconstruct in a balanced way both our successes and failures, our breakthroughs and setbacks, but also the passionate and difficult work that all my colleagues sociologists and anthropologists, staff or consultants, --their numbers gradually growing year after year-- invested in this "cause". Take for instance forced population displacement. Hard as it was to shepherd that social policy first through staff debates, then through lines of upward clearances and formal management chains, that was still easy compared to the difficulties that exploded during the policy's on-the-ground implementation. Those turned out to be (and remain so today) exponentially bigger

and harder. Implementation is the time when the orderly neatness of policy paragraphs on paper comes to confront the infinite messiness and the horrors of real-life forced population displacements. Many counter-forces and intervening institutions and actors, Governments included, act at cross purposes and attempt to evade the policy strictures. That has tested, and continues to test, the mettle of Bank sociologists more than any other issue.

Yet our work on articulating social and cultural policies continued. It included in following years, among others, a policy paper adopted by the Bank on protecting cultural finds, that is the “chance-finding” of cultural artifacts discovered during civil works in many of the Bank-financed projects. To find out more along these lines, you may wish to look also at the Bank’s sectoral policy statements for investments in forestry, or in primary education, or in water and irrigation. In each of those you’ll find a step-by-step broadening recognition and incorporation of cultural and social variables in the policies’ reasoning and in the prescribed operational strategies.

Another strategic line of battle in our internal work was centered around the concepts of development actors. As sociologists we advocated that understanding local cultures, aspirations, and people’s self-defined needs requires trained social staff in the Bank and on field missions, but that even their presence cannot be a substitute for the participation of those who embody these values and cultures. Thus, we argued early that the Bank must make room for “participation”, the participation of not only governments, as Bank partners, but of project area populations as the ultimate actors of development (incidentally, the Bank’s first published paper about NGOs and the Bank-NGO partnership in development was written also by an in-house sociologist). I recall vividly when, first in the late 70s and early ‘80s, timid discussions about “participation” just started in the Bank. It wasn’t

labeled then, as it is now, the “right to participation”. But it still sounded at the time to many in the Bank like a totally ideological-laden term, with no place in the development business and intrinsically alien to economic language. This is how “participation” was initially met. It happened among a mixture of skepticism and honest searches, of beliefs, disparagement, and sheer rhetoric, in tension with entrenched top-down habits and/or well intended paternalism. And we didn’t just “argue” it: the Bank’s social specialists showed in *project practice*, tangibly, what a difference these ideas, --participation, for instance, and structuring project activities to fit and build upon local values and aspirations-- can make to the nitty-gritty of development interventions.

We also raised the stakes by fostering conceptual and theoretical debate in the Bank, invoking the plurality of development actors and seeking support in Hirschman’s “law of the conservation of social energy”. I had initiated, early on, the Bank’s “Sociological Group” as an informal in-house structure for mutual support and exchange of ideas/experiences among the few but slowly increasing social specialists and other sympathetic souls; our colleagues social scientists from USAID also joined this group. The Sociological Group started a long series of regular in-house seminars, gradually joined by more and more staff with other training backgrounds. Papers were commissioned and discussed in those regular seminars, an effort that successfully led to, among other things, publishing a solid sociological volume with a manifest-like title: *Putting People First* in Bank projects and policies. This first-ever Bank sociological book (1984) argued the case for “putting people first” not on soft-hearted “high ethical” reasons but as – verbatim – “*a theoretically grounded request to development policy makers, planners and technical experts to explicitly recognize the centrality of people in projects*”. By that time we already had long left shyness behind, had gained both empirical evidence and courage, and

stated that the need to put “people first” in projects – again verbatim – was nothing less than “*tantamount to asking for reversal of the conventional approach to project making*” in the Bank. Not a small request to voice, both internally in the Bank, and publicly, in print...

Further, the expanding general discussion on gender issues, in the follow up to Ester Boserup’s influential book, gave this advocacy additional combustion and strength. On the broader plan, we continued the critique in-house of various embodiments of reductionism that left social variables and cultures out, a critique explicitly directed against the biased models in projects design that I labeled as “the *techno-centric* model for projects, the *econo-centric* model, and the *commodo-centric* model”. Some of these labels stuck.

This note, dear friend, is getting too long indeed. I realize I cannot go further, step by step, to delineate our gradual advances. Skipping over many others, I will end by mentioning one recent effort, that refers to the other side of the cultural coin. For many years we have asserted in-house, as I wrote you above, that awareness of cultural dimensions in development interventions in all so-called *non-cultural* (infrastructural) sectors is necessary because sensitivity to cultures fits projects better into their local contexts and participants. This argument has been won [let us say in principle, if not quite always in practice]. Now, more recently, we have moved one big step beyond this argument. We argue now that recognition of the place of culture in development would be incomplete if only the cultural dimensions of *non-cultural* sectors were addressed, without direct development support provided to a country’s cultural sector itself. These are two sides of the same philosophy of mainstreaming culture in development programs and investment. Together, they achieve synergy. This argument aims at providing financial investment support to

the cultural sector itself and at integrating it with the economy's mainstream sectors, particularly financial support for better managing a country's cultural endowments and physical cultural patrimony.

In a significant change from the early days, many in the Bank's professional economists' community are making the same intellectual argument for culture in development. Low and behold, the Bank's economic research vice-presidency has even established research groups on development and culture, and on participation, in addition to a special research unit on gender! Some of the Bank's poverty economists support investing in the better management of heritage endowments, for capturing their intrinsic economic potential and for their multilayered employment creation impacts. Many developing countries, which otherwise do not have infinite options to expand employment, have fortunately inherited and possess historic cultural assets of universal importance: thus, enlisting this potential in the struggle against poverty makes eminent developmental sense. This new strategy for financing the management of historically important cultural endowments as an international-cum-national set of public goods, as well as for their employment creation impacts, is the subject of a recent social policy on "Cultural Heritage and Development", vetted and officially adopted as a Bank "framework for action" [I'm mailing this book to you in parallel*].

Yet however logical this new step of investing in heritage management appears, I hurry to tell you that it is not controversy-free. There are in the Bank, and even on its Board of Directors, some minds, voices, and votes (including voices from the US Treasury!) that argue that the Bank shouldn't touch this area, that it should

*Michael M. CERNEA . *Cultural Heritage and Development: A Framework for Action in Middle Eastern and Northern African Countries*. MENA, The World Bank: Washington DC, 2001 [French revised and updated edition published in 2003].

stay away from supporting material cultural preservation. Many developing countries formally request such support, although there too some Ministers of Finance do not see this the same way as Ministers of Culture do. This new debate on culture is far from adjudicated and closed. The Bank is moving on in this important area slower than it could and would, had everyone been positively on board -- but still is advancing.

I must leap over other meaningful steps in the Bank's understanding of culture's role, such as the move toward lending for education and human resources, for health, or the conceptualization and absorption of orientations to human capital and social capital building in the Bank's praxis. The steady progress in internalizing all these areas and ideas is more deeply bringing people with their culture and needs into the articulations of "inducing development".

I hope you can see the overall picture that I wanted to outline. I'd love to hear now from you, dear Lourdes, in turn, what you think on this process of slowly pushing development orthodoxy toward a gradual conversion to the practical, operational recognition and consideration of culture, and toward putting Bank financial resources into this. From your perspective in UNESCO, do you see other comparable agencies going through similar changes? Are Governments, in developing countries? I remain the first to say that the Bank still has a long way to go in this direction. But it is clear and obvious: --we have come a long, long way to where we now are.

With my warm regards,

Michael

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