

- **United Nations Working Group of Experts on people of African Descent (WGEPAD)**  
**32<sup>nd</sup> session**

- ***Economic empowerment of people of African descent:***
- *How systemic racism and global economic structures and financial mechanisms affect the economic and financial empowerment of people of African descent, tracing the trajectories and impacts of enslavement, colonisation, segregation, and apartheid over the centuries, and providing an analysis of anticipated future trends to draw conclusions and make recommendations.*

- May 1<sup>st</sup>, 2023

- **Commissioner Roberta Clark**
  - *IACHR Second vice-chair*
    - (15 min.)

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## Opening remarks

- On behalf of IACHR President and Rapporteur for the Rights of African descent persons and against racial discrimination, Commissioner Macaulay, we express our thanks for the invitation to take part in this session of the UN Working Group of Experts on People of African Descent.

## Introduction

- This meeting asks us to consider how systemic racism and global economic structures and financial mechanisms affect the economic and financial empowerment of people of African descent. Implicitly, we are asked to speak to decolonisation in development. In using the language of colonization and decolonisation, we are acknowledging the history of unequal exchanges, oppression, exploitation and racism which resulted in the impoverishment and domination of peoples in what we now call the global south for the purposes of profit accumulation in European centres. We know this history, but it bears

repeating for the long shadow it casts, for both the entitlements and marginalization perpetuated.

- Speaking from the Caribbean perspective, after over 300 years of exploitation of people for labour and natural resources, Europe left the overwhelming majority of our populations in poverty; without access to universal and quality education, health care or social protection. At least 70% of the populations were illiterate. Caribbean states entered independence in my lifetime without the reparations needed to do course correction of their economies and societies. Unlike Germany, there was no Marshall Plan.
- Upon attaining independence in the 1960s, Caribbean countries with their open, dependent economies were left to figure out what next. They were largely producers of single agricultural products, sold cheaply on commodities markets and importers of practically everything else needed.
- This is to be contrasted with payments made to European enslavers to make up for the loss of profits generated from slavery. For example, to avoid the threat of war, Haiti, after its revolution that ended slavery, was forced to pay reparations to France equivalent to \$21 billion. Well into the 20<sup>th</sup> century.
- And we know that the British government paid the enslaver traders 20 million pounds in compensation under the 1833 Abolition Act. According to the Treasury, British taxpayers finished ‘paying off’ the debt which the British government incurred to compensate British slave owners because of the abolition of slavery only in 2015. So no, the time for reparations has not passed.
- Against all the odds, Caribbean peoples set out to attain more fairness and equity. And to some measure they have done that. Embracing social democracy, states entered into a social contract to provide universal education and health care.
- These countries have pursued economic development, but not on their terms. Already inserted into a global neoliberal economic framework, their margins of fiscal appreciation have been slim.

- Countries struggle in the context of debt, to achieve the developmental goals. The story of racism infused inequality within and between countries is not just a Caribbean story.

### **Racialized poverty is the legacy of slavery**

- In its 2019 Human Development Report, the United Nations Development Program (UNDP) pointed out that some population groups, such as African descent persons, are systematically disadvantaged as a result of a lack of access to opportunities and resources and, in turn, can be defined by their ethnicity, language, gender, socioeconomic status, or place of residence, which exposes them to patterns of structural inequality and multidimensional poverty<sup>1</sup>.
- According to consistent data, the African Descent population is disproportionately concentrated in the poorest residential areas and has the greatest shortage of housing, the most inadequate means of transportation and is most exposed to crime and violence. These patterns of structural inequality and economic poverty perpetuate the cycle of discrimination and invisibility to which persons of African Descent have historically been subjected, because of the failure to recognize their history, thus precluding them from effectively enjoying and exercising their human rights<sup>2</sup>.

### **Racial disparities in labor market**

- Today, black workers continue to earn lower wages and experience higher unemployment and job turnover, and they are increasingly working in nonstandard work arrangements that offer less protection and support than more traditional employment relationships<sup>3</sup>.
- Overall, Afro-descendants have higher levels of unemployment in all countries, and among those employed, a larger share of them work in low-skilled occupations. On average, Afro-descendants have nearly twice the rate of unemployment of non-Afro-descendants in many countries, at about 13 percent versus 6 percent. Furthermore, about 75 percent of the Afro-descendant

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<sup>1</sup> UNDP, Human Development Report 2019 Informe sobre Desarrollo Humano 2019, 2019 Report on Human Development, Overview, p. 13; Also see UNDP, ¿Qué es el Índice de Pobreza Multidimensional? What is the Multidimensional Poverty Index? s.f

<sup>2</sup> IACHR. Report on Poverty and Human Rights in the Americas, OEA/Ser.L/V/II.164 Doc. 147, September 7, 2017, par. 262; IACHR. Situation of People of African Descent in the Americas, 2011.

<sup>3</sup> Workrise, [Racial Inequality in the labor market and employment opportunities](#), Urban Institute, K. Steven Brown, September 2020

population works in low-skilled occupations, compared with around 69 percent of the non-Afro-descendant population<sup>4</sup>.

- These gaps are not the result of individual failures. They reflect the effects of a host of structural disadvantages and discriminatory practices, such as long-standing racial discrimination in hiring and promotion, mismatches between where black people live and where good jobs are located, the quality of schools in neighborhoods where people of color live, the decline of unions and weakened worker protections, the deleterious consequences of mass incarceration in communities of color, and wealth disparities that arise from a legacy of racism<sup>5</sup>.

### **Racial and gender differences**

- Important gender differences underlie and contribute to the racial disparities in labor market outcomes. Although women obtain comparable or even more education than men of their same race, women of color experience gaps in pay and participation relative to men of the same race and white women<sup>6</sup>.
- Statistics often place Afro-descendant women at the lowest occupational and income level and continue to report a high rate in care economy activities. In Panama, the representation of Afro-descendant women among domestic workers is disproportionate<sup>148</sup>. In Brazil, among salaried domestic workers, the percentage of Afro-descendant women (18.6%) is 8 percentage points higher than the population of non-Afro-descendant women.<sup>149</sup> In the case of Ecuador, the rate of salaried domestic workers over 15 years of age was higher among Afro-descendant women (21.0%), as was the case in Costa Rica (15.5%)<sup>7</sup>.
- Recent reports indicate that Afro-descendant women who are employed often have unstable, informal jobs. In different countries of the region, a gender and ethnicity-based wage gap persists, particularly in Argentina (8.7%), Panama (10.3%), Ecuador (10.8%) and Uruguay (12.5%), where Afro-descendant women aged 15 years or older in percentage terms have the highest rates of unemployment, as compared to non-Afro-descendant women, Afrodescendant

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<sup>4</sup> World Bank, [Afro-descendants in Latin America Toward a Framework of Inclusion](#), 2018

<sup>5</sup> Workrise, [Racial Inequality in the labor market and employment opportunities](#), Urban Institute, K. Steven Brown, September 2020

<sup>6</sup> Workrise, [Racial Inequality in the labor market and employment opportunities](#), Urban Institute, K. Steven Brown, September 2020

<sup>7</sup> IACHR & REDESCA, Economic, [Social, Cultural and Environmental Rights of Persons of African Descent](#), OEA/Ser.L/V/II, Doc. 109, March 16<sup>th</sup>, 2021, Original: Spanish.

and non-Afro-descendant men. In Honduras, Afro-descendant women hold 3.0% of all executive management positions, as opposed to non-Afrodescendant women, who are reported to hold 6.1%. The Committee on the Elimination of Discrimination against Women has expressed concern over the situation of Afro-descendant women in Canada, who face limited access to the labor market and high rates of unemployment<sup>8</sup>.

- **CONCLUSIONS/RECOMMENDATIONS**

So how do we advance economic empowerment?

- The labor market inequalities reflect the structural racism that permeates our society. Many factors drive this continuing inequality; this reflects the complexity of the labor market and the range of employment situations in which people work. But the following several factors are key drivers and pathways by which these inequalities have manifested over the past several decades.
- The IACHR has also held that States must guarantee that Persons of African Descent have the possibility of accessing decent jobs in the main economic and occupational sectors without any discrimination whatsoever, which includes programs for promoting their rights within companies, whether public or private, as well as policies meant to eradicate racial discrimination and segregation in this sphere. Specifically, they have recommended that the States demand companies practice due diligence in the area of human rights as part of their operations.
- The IACHR emphasizes that States must put labor policies into place that benefit Persons of African Descent effectively, promoting differential measures for access to quality jobs in dignified and acceptable conditions for this population. Likewise, they must implement strategies to prevent, combat and punish racial discrimination in the labor market, using an intersectional approach to benefit groups that have been historically discriminated against and face heightened obstacles to access to work and protection of their labor rights, because of conditions of poverty and extreme poverty, such as women,

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<sup>8</sup> IACHR & REDESCA, Economic, [Social, Cultural and Environmental Rights of Persons of African Descent](#), OEA/Ser.L/V/II, Doc. 109, March 16<sup>th</sup>, 2021, Original: Spanish.

LGBTI persons, persons with disability, migrants, sex workers, homeless persons, and rural communities.

- But we need more than specific sectoral policies. We need a root and branch transformation. Given the structural discrimination at work, both between and within countries, systems of economic inequality must be dismantled.
- The obligation for decolonisation must include an insistence in telling the stories and embedding the lessons firmly in our collective conscience. People and countries that have benefitted from the grossest inequalities and racism cannot and do not have the moral high ground. Rather those who live the legacies of entitlement have an obligation to give back and pay forward, not as aid or through some false and self-satisfying notion of benevolence but as redress and remedy.
- That history of unequal exchange and discrimination must be taught for the facts as well as for the consequential ethics in countries of both the global north and the global south.
- Decolonisation also requires us to be honest about how the global trade and finance institutions, the triumph of neoliberalism have reinforced inequalities between and within countries.
- The promise of trade creating win-wins is a lie. Instead, people have experienced increased trade as a race to the bottom on wages, precarity, public services, consumer standards and the environment.
- We must speak to the macroeconomic framework and not take it for granted. We must resist the global division of labour that undermines worker rights and invisibilizes women's labours and disproportionate burden of care.
- And we have a concept for all of that – reparations. CARICOM has outlined a 10 point plan for reparations. Reparative justice includes a public apology. And CARICOM makes other demands to address the legacy of extractive capitalism and neoliberalism that have enmeshed Caribbean economies and peoples in indebtedness and dependency.

- The demands include investments in public health systems, in education, transfer of technology and importantly debt cancellation. On technology transfer, the Caricom plan reminds us that for 400 years the trade and production policies of Europe could be summed up in the British slogan: “not a nail is to be made in the colonies”. The Caribbean was denied participation in Europe’s industrialization process, and was confined to the role of producer and exporter of raw materials.
- Very importantly, the plan calls for debt cancellation. The pressure of meeting the needs of the population after 300 years of exploitation has driven governments to carry the burden of public employment and social policies designed to confront colonial legacies. This process has resulted in states accumulating unsustainable levels of public debt that now constitute their fiscal entrapment.
- Essentially, getting to more equality and development for all will depend on our intentions and will to repair the historical harms done which continue to influence the trajectory of the present.