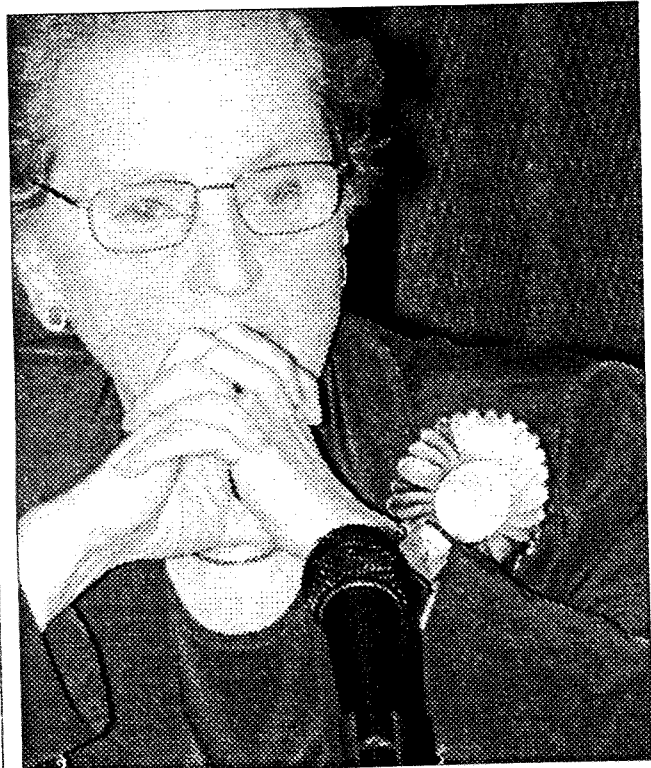


The Poor Aren't Stupid:

Albright



By FEVEN CHANE

FORTUNE STAFF WRITER

On Friday morning at the Hilton which she described as "just another fancy hotel", former US Secretary of State Madeline Albright was seated between two boys aged six and eight where the World AIDS Day was commemorated, organized by Save the Children.

"I gave a pen to the one seated next to me," she had told a group of people who had come to listen to her public speech at the Sheraton Addis.

She was dumfounded. The boy rather wanted food and shoes from her.

"The poor aren't stupid," said Albright (PhD), whose role as a co-chairperson of the Commission on Legal Empowerment of the Poor (CLEP) brought her to Addis on Thursday night, November 30, as part of four countries tour, in order to promote her work with the Commission.

"For me there is no greater proof that we don't know all the causes of terrorism and HIV/Aids," Albright said. "But, we do know of poverty."

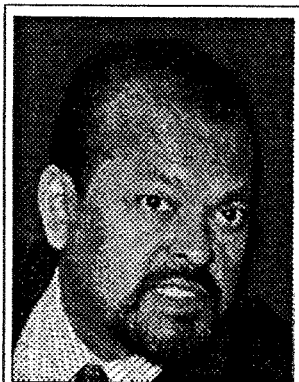
Here is yet another initiative by the international community that tries to rescue the world poor from their poverty trap. It was created, under the auspices of the UNDP, to produce recommendations by 2008 in order to for the international community accomplish its now ambitious plan of halving global poverty by 2015.

Met in 2000 in New York, where over 100 leaders had attended, including Prime Minister Meles Zenawi, the United Nations has launched its Millennium Development Goals (MDG): there were eight areas of focus - from health to education and from empowering women to developing global partnership for development.

"It takes time to grow the small and large businesses able to create the jobs and income," Kofi Annan, the outgoing secretary general of

the United Nations, had said at the launching of the goals.

Mrs. Albright's Commission wants to chip in, having the ambition of conducting a series of national consultations all over the world, before it tables its recommendations, in two years, on how best to approach the fight against extreme poverty and hunger.



Naresh Singh, executive director of the Commission on Legal Empowerment of the Poor, says his Commission is different:

■ It adds unique value to the whole issue of addressing poverty.

■ Unlike development cooperation projects, it wants to help countries use already available internal resources.

■ It is uniquely positioned to generate political will for reform among governments.

■ Advocates for the use of existing laws to generate businesses.

■ It works to bring a conceptual shift on the zero sum game of power when the poor are economically empowered.

For the poor and hungry, concerns of hunger brought former US Secretary of State, Madeline Albright to Addis Abeba to participate in talks on how to alleviate problems of poverty.

Extreme poverty is a prison in which far too many people are trapped, Mrs. Albright believes.

"It is a prison that is overcrowded and without justice. We need to find a way to unlock the door," she said.

She is not alone; the Commission is an association of internationally prominent figures, including five former presidents from Tanzania, Brazil, and Ireland as well as former finance ministers from Afghanistan and Egypt. Most importantly, she has Hernando de Soto, a Peruvian economist acclaimed by *The Economist* as one of the two most important thinkers in the world today, as her co-chair.

Expectedly, her Commission has taken the mantra of Soto, who believes for the poor to make a break from poverty, they should first be made part of an integrated formal property system.

Known for his two best selling books, Soto is an ideologue of private property ownership: he is known to attribute economic success in the west to a clear system of property rights. He claims that the total value of real estates held, but not legally owned, by the poor in the developing world is 20 times more than the direct foreign investment they receive. He also argues that the wealth kept in a form of not legally held in third world poor countries far exceeds to what the rich countries have given them "or are likely to give them".

This was what Mrs. Albright described at the Sheraton as a hidden asset.

"Strong economies do not come from what has been created by the rich," she told her audience at the Sheraton. "Nor handouts provided by governments."

Albright sees a healthy economy as something that is filled from the ground up. A strong economy comes with the energy and initiative of the majority and awarded by the opportunity to make profit from the efforts made, according to Mrs. Albright.